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October 9, 1990

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**ORIGINAL  
FILE COPY**

Mr. Steve C. Tribble, Director  
Division of Records and Reporting  
Florida Public Service Commission  
101 East Gaines Street  
Tallahassee, Florida 32301

Re: Annual Hearings on Load Forecasts, Generating  
Expansion Plans and Cogeneration Prices  
for Peninsular Florida Electric Utilities;  
FPSC Docket No. 900004-EU

ACK  Dear Mr. Tribble:

AFA \_\_\_\_\_ Enclosed for filing in the above docket are the original and fifteen  
APP \_\_\_\_\_ (15) copies of Supplemental Memorandum Brief of Tampa Electric Company.

CAF \_\_\_\_\_ Please acknowledge receipt and filing of the above by stamping the  
CMU \_\_\_\_\_ duplicate copy of this letter and returning same to this writer.

CTR \_\_\_\_\_ Thank you for your assistance in connection with this matter.

EAG \_\_\_\_\_

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OPC \_\_\_\_\_

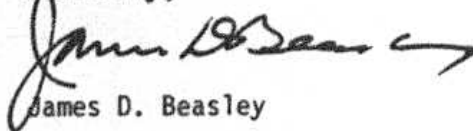
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encls.

WAS \_\_\_\_\_ cc: All Parties of Record (w/enc.)

OTH \_\_\_\_\_

Sincerely,

  
James D. Beasley

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

09062 OCT-9 1990

PSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Annual Hearings on Load  
Forecasts, Generating Expansion  
Plans and Cogeneration Prices for  
Peninsular Florida's electric utilities. )

DOCKET NO. 900004-EU  
Submitted for Filing: 10/9/90

SUPPLEMENTAL MEMORANDUM BRIEF  
OF TAMPA ELECTRIC COMPANY

Tampa Electric Company ("Tampa Electric" or "the company") submits the following as supplemental input on the issues discussed at the Commission's October 2, 1990 Agenda Conference:

1. During the course of the Agenda Conference discussion on October 2, 1990, the Commission offered the parties to this proceeding the opportunity to submit additional input on certain issues regarding the prioritization of qualifying facility contracts with Commission regulated electric utilities. One of the specific issues was whether prioritization should be based on the chronology of the QFs' execution of cogeneration agreements or whether prioritization should be based on the best alternative produced in the need determination process.

2. If the issues discussed at the October 2, 1990 Agenda Conference pertain to implementation of the previous cogeneration rules, then Tampa Electric sees no need to provide further input. However, if the discussion has to do with the best means of implementing the new cogeneration rules which are based in part on the individual utility's avoided unit, then Tampa Electric wishes to comment.

3. If the utility is presented with more than one standard offer contract for the same designated avoided unit, then Tampa Electric believes

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TPSC-RECORDS/REPORTING

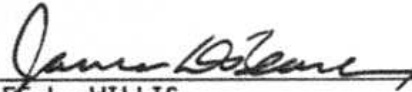
that such standard offer contracts should be prioritized based on the date they are executed. Presumably all standard offer contracts for a particular individual utility avoided unit would be based on the same cost parameters. Thus, the timing of execution of the standard offer contract would appear to be the most appropriate basis for prioritization.

4. With respect to individually negotiated contracts, any negotiated purchase of QF capacity which defers the need for the utility's planned capacity additions and which upon evaluation in the need determination process is proven to be cost-effective to the utility when compared to the utility's own avoided cost should be eligible for cost approval. If the utility enters into more than one negotiated contract which it determines to be cost-effective, the negotiated contracts should go before the Commission for approval on a first come, first serve basis in the order in which they are executed. It would still appear that the timing of the execution of an Agreement consistent with the selection of specifically identified utility planned capacity additions would continue to be the appropriate basis for prioritization. The utility's planned additions move further out in time as the near term individual utility's planned additions are fully subscribed. This will prevent problems which have occurred in attempting to rely on a "statewide avoided unit" without having fallback units designated for subsequently executed cogeneration agreements.

WHEREFORE, Tampa Electric submits the foregoing Supplement to its Memorandum Brief in the above docket.

DATED this 9<sup>th</sup> day of October, 1990.

Respectfully submitted,



~~LEE L. WILLIS~~  
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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Supplement to Memorandum Brief, filed on behalf of Tampa Electric Company, has been furnished by U. S. Mail on this 9<sup>th</sup> day of October, 1990, to the following:

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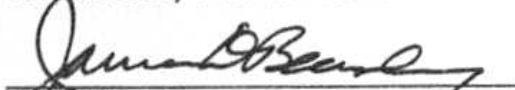
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