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January 4, 1996

IN REPLY REFER TO:

Tallahassee

**BY HAND DELIVERY**

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Investigation into Earnings for 1995 and 1996 for  
Tampa Electric Company; Docket No. 950379-EI

Dear Ms. Bayo:

Enclosed for filing are the original and fifteen (15) copies of the Revised Tampa Electric Company Proposal with the suggested changes the Company agreed to during the Agenda Conference on January 3, 1996 and which was approved by the Commission.

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

Thank you for your assistance in this matter.

Sincerely,

Lee L. Willis

- ACK
- AFA 3- Glenn Kenney
- APP
- CIF LLW/bjm
- CMU
- CTR
- EAG  : All Parties of Record (w/encls.)
- LEG 1
- LIN 5
- OPC
- RCH
- SEC 1
- WAS
- OTH

RECEIVED IN FILE  
MAR 1 1996  
DIVISION OF RECORDS

DOCUMENT NUMBER-DATE

00134 JAN -4 96

FPSC-RECORDS/REPORTING

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Revised Tampa Electric Company Proposal has been furnished by U. S. Mail or hand delivery (\*) on this 6th day of January, 1996 to the following:

Mr. Robert V. Elias\*  
Staff Counsel  
Division of Legal Services  
Florida Public Service  
Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Mr. John Roger Howe  
Deputy Public Counsel  
Office of Public Counsel  
c/o The Florida Legislature  
810 West Madison Street  
Tallahassee, FL 32399-1400

Mr. Joseph A. McGlothlin  
McWhirter, Reeves, McGlothlin,  
Davidson, Rief & Bakas  
117 S. Gadsden Street  
Tallahassee, FL 32301

  
\_\_\_\_\_  
ATTORNEY

**TAMPA ELECTRIC PROPOSAL  
1996 REVENUES**

1. 50% of any actual revenues in excess of 11.50% ROE will be held subject to the Commission's jurisdiction up to a net earned ROE of 12.50% on an FPSC adjusted basis per December earnings surveillance reports for calendar year 1996. The company also agrees that any actual revenues in excess of the net 12.50% ROE will be held subject to the Commission's jurisdiction.
2. The 1996 revenues subject to Commission jurisdiction will be held until 1997 and will accrue interest at the thirty day commercial paper rate as specified in Rule 25-6.109, Florida Administrative Code. For interest calculation purposes, the revenues will be treated as if collected evenly throughout the year.
3. The calculation of the actual ROE for 1996 will be on an "FPSC Adjusted Basis" using the appropriate adjustments approved in Tampa Electric's last full price change proceeding (Docket No. 92-0324-E1). All reasonable and prudent expenses and investment will be allowed in the calculation and no annualized or proforma adjustments will be made.
4. Tampa Electric agrees to petition the Commission by March 1, 1997 to determine the specific method for disposition of the 1996 revenues and interest held subject to the Commission's jurisdiction.
5. The calendar year 1996 surveillance report on which the revenues held subject to Commission jurisdiction will be based, is subject to audit and true-up.
6. The Commission will retain jurisdiction over all revenues held subject to Commission disposition.
7. If through a protest the Proposed Agency Action is nullified, Tampa Electric agrees that effective with a beginning date of January 3, 1996 100% of any actual 1996 revenues in excess of a 12.75% ROE will be held subject to the Commission's jurisdiction. The calculation methodology will be the same as in item number 3 above.

DOCUMENT NUMBER-DATE

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