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April 15, 1996

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

RE: Docket No. 960409-EI

Dear Ms. Bayo:

Enclosed please find the original and fifteen (15) copies of the Preliminary List of Issues and Positions of the Office of the Public Counsel for filing in the above-referenced docket.

Please indicate receipt of filing by date-stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

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Sincerely,

John Roger Howe
Deputy Public Counsel

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Prudence Review to Determine)
regulatory Treatment of Tampa Electric)
Company's Polk Unit)

DOCKET NO. 960409-EI
FILED: April 15, 1996

PUBLIC COUNSEL'S PRELIMINARY LIST OF
ISSUES AND POSITIONS

The Office of Public Counsel hereby submits its preliminary list of issues and positions.

PLANNING ISSUES

ISSUE 1: Was the continued construction of the Polk IGCC unit by Tampa Electric Company reasonable and prudent?

POSITION: No position at this time.

ISSUE 2: Were the year-to-year changes made to Tampa Electric Company's planning assumptions for the Polk IGCC unit since the 1991 need determination reasonable?

POSITION: No position at this time.

ISSUE 3: Were Tampa Electric Company's assumptions regarding sunk costs in each of its annual cost-benefit analysis reasonable?

POSITION: No position at this time.

ISSUE 4: Were Tampa Electric Company's assumptions regarding variable operations and maintenance expense in each of its annual cost-benefit analysis reasonable?

POSITION: No position at this time.

ISSUE 5: Were Tampa Electric Company's assumptions regarding tax credits in its 1994 and 1995 Polk IGCC cost-benefit analysis reasonable?

POSITION: No position at this time.

ISSUE 6: Did Tampa Electric Company adequately address its declining demand and energy forecasts in each of its annual cost-benefit analysis?

POSITION: No position at this time.

FUEL ISSUES

ISSUE 7: Has Tampa Electric Company demonstrated that its 1992, 1993, 1994, and 1995 fuel price forecasts were reasonable and prudent?

POSITION: No position at this time.

ISSUE 8: Has Tampa Electric Company demonstrated that petcoke is a reliable and viable fuel for the Polk IGCC Unit?

POSITION: No position at this time.

ISSUE 9: Were Tampa Electric Company's assumption regarding the combined use of as-available natural gas and light oil as the primary fuels for a combined cycle alternative in its 1994, 1995, and 1996 Polk IGCC cost-benefit analysis reasonable?

POSITION: No position at this time.

ISSUE 10: Was it reasonable for Tampa Electric Company to assume as-available natural gas transportation rather than firm gas transportation in its 1992, 1993, 1994, and 1995 Polk IGCC cost-benefit analysis?

POSITION: No position at this time.

RATE BASE TREATMENT

ISSUE 11: What is the appropriate amount of the Polk IGCC Unit's costs to be included in rate base?

POSITION: No position at this time.

ISSUE 12: What is the proper method of cost-allocation for the Polk IGCC Unit during Tampa Electric Company's next rate case proceeding?

POSITION: No position at this time.

ISSUE 13: What is the appropriate amount of construction work in progress (CWIP) for the Polk IGCC Unit?

POSITION: No position at this time.

ISSUE 14: What is the appropriate depreciation rate and annual depreciation expense for the Polk IGCC Unit?

POSITION: No position at this time.

ISSUE 15: What is the appropriate amount of fuel inventory for the Polk IGCC Unit?

POSITION: No position at this time.

ISSUE 16: What is the appropriate amount of accrued taxes in working capital for the Polk IGCC Unit?

POSITION: No position at this time.

ISSUE 17: What is the appropriate amount of operations and maintenance (O&M) expense for the Polk IGCC Unit?

POSITION: No position at this time.

ISSUE 18: What is the appropriate amount of income taxes for the Polk IGCC Unit?

POSITION: No position at this time.

ISSUE 19: What is the appropriate amount of land and development costs for the Polk IGCC Unit?

POSITION: No position at this time.

ISSUE 20: What is the appropriate regulatory treatment for the Port Manatee (HIL7) site?

POSITION: No position at this time.

ISSUE 21: Should a portion of the Polk IGCC unit be directly assigned to wholesale ratebase?

POSITION: No position at this time.

ISSUE 22: Should the Polk IGCC unit be used as the basis for computing the cost of incremental off-system sales?

POSITION: No position at this time.

ISSUE 23: [Capital Structure Components]

POSITION: No position at this time.

ALTERNATIVE RATEMAKING TREATMENTS

ISSUE 24: To help reduce stranded cost exposure, should Tampa Electric Company be required to use actual revenue above its authorized return on equity low-point as additional depreciation to mitigate the cost of the Polk IGCC Unit?

POSITION: No position at this time.

ISSUE 25: Should the Commission establish performance based rate indexing as a method of cost recovery for Tampa Electric Company's Polk IGCC unit?

POSITION: No position at this time.

ISSUE 26: Should Tampa Electric Company's Polk IGCC unit's cost be recovered as if it were a conventional high-efficiency natural gas-fired combined cycle unit?

POSITION: No position at this time.

ISSUE 27: Irrespective of any ratemaking treatment, should the Polk IGCC unit's cost be included in any future stranded cost or exit fee calculation in the event retail wheeling become a reality?

POSITION: No position at this time.

Respectfully submitted,

Jack Shreve
Public Counsel


John Roger Howe
Deputy Public Counsel

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CERTIFICATE OF SERVICE
DOCKET NO. 960409-EI

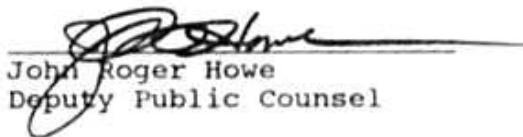
I HEREBY CERTIFY that a correct copy of the foregoing PUBLIC COUNSEL'S PRELIMINARY LIST OF ISSUES AND POSITIONS has been furnished by U.S. Mail or *hand-delivery to the following persons on this 15th day of April, 1996.

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