AUSLEY & MCMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET P.O. BOX 391 (ZIP 32302) TALLAHASSEE, FLORIDA 32301 1904) 224-9115 FAX 1904) 222-7560

May 23, 1996

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 FILE COPY

Re: Prudency Review to Determine Regulatory
Treatment of Tampa Electric Company's Polk
Unit; FPSC Docket No. 960409-EI - Correction
to Prepare Direct Testimony of Mr. G. F. Anderson

Dear Ms. Bayo:

On behalf of Tampa Electric Company, we submit the following correction to one sentence appearing in Mr. G. F. Anderson's prepared direct testimony in the above proceeding. The sentence in question begins on page 13 at line 11 and is corrected as follows (marked in legislative format to show the corrections):

As part of the land use planning process, we were required to designate all but approximately 665 acres in Hillsborough County and 75 acres in Manatee County of our site as either environmentally sensitive land or buffer lands.

Enclosed for filing are 20 copies of page 13 of Mr. Anderson's testimony interlineated to reflect this correction. We would appreciate your providing a copy of corrected page 13 to all recipients within the Commission of Mr. Anderson's prepared direct testimony so that they may substitute it in place of the original.

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

Thank you for your assistance in connection with this matter.

Sincerely,

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relative to our proposed siting of a plant on the bay. This included opposition from the same governmental entities from whom we would have to obtain permitting in order to construct the plant at Port Manatee.

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The second major category of consideration was cost. knew from experience that the cost of building a new power plant on the bay was uncertain but certainly high, and likely to rise due to the low elevation and resulting need for significant site preparation, environmental considerations and public opinion. As part of the land use planning process, we were required to designate all but 75 acres of our site as either environmentally sensitive land or buffer lands. This required that we acquire additional property suitable for heavy industrial use at an estimated average cost per acre of \$13,975, not including potentially In addition, the significant site preparation costs. prospects for final permitting, zoning and land acquisition on the bay were uncertain at best. Therefore, we believed that potential site preparation costs inland likely would be offset by other environmentally related costs at a coastal site.

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The third major consideration was the fact that the Task Force, after its very detailed analysis of many, many