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ORIGINAL FILE COPY

May 28, 1997

HAND DELIVERED

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

Re: Determination of appropriate cost allocation and regulatory treatment of total revenues associated with wholesale sales to Florida Municipal Power Agency and City of Lakeland by Tampa Electric Company;  
FPSC Docket No. 970171-EU

Dear Ms. Bayo:

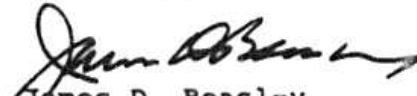
Enclosed for filing on behalf of Tampa Electric Company are the original and fifteen (15) copies of two revised documents in Tampa Electric Company witness Karen Branick's Exhibit (KAB-1) which accompanied her Prepared Direct Testimony. The documents in question are Document No. 5 and No. 7. These documents have been revised effective this date to correct a clerical error contained in line 12 of Document 5 and line 1 of Document 7. These documents do not contain confidential information.

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

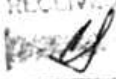
- ACK
- AFA 2
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG 1 JDB/pp
- LIN 54 Enclosures
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

Thank you for your assistance in connection with this matter.

Sincerely,

  
James D. Beasley

Cc: All Parties of Record (w/encls.)

RECEIVED & FILED  
  
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

05295 MAY 28 97

FPSC-RECORDS/REPORTING

Cost Versus Benefit Analysis  
Off-System Sale to Lakeland  
1997 - 2006

Line		Cumulative Present Value 97\$000
(1)	System Incremental Cost	
(2)	Fuel	\$ 2,366
(3)	SO2 Allowance Costs	\$ 2
(4)	Variable O & M	\$ 83
(5)	Subtotal Incremental Cost Without Expansion Impact	\$ 2,451
(6)	Expansion Plan Impact	\$ 787
(7)	Total Incremental Cost With Expansion	\$ 3,237
(8)	Incremental Revenues	
(9)	Fuel	\$ 1,368
(10)	Transmission Charges	\$ 96
(11)	Net Non-Fuel Revenues	\$ 2,737
(12)	Total Incremental Revenues	\$ 4,201
(13)	System Net Benefit Without Expansion Impact = Revenues on Line (12) - Costs on Line (5)	\$ 1,750
(14)	System Net Benefit With Expansion Impact = Revenues on Line (12) - Costs on Line (7)	\$ 964

TAMPA ELECTRIC COMPANY  
DOCKET NO. 980171-EU  
WITNESS: BRANICK  
EXHIBIT NO. \_\_\_\_\_  
(KAB-1)  
DOCUMENT NO. 5  
PAGE 1 OF 1  
REVISED: MAY 28, 1997

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DOCUMENT NUMBER - DATE  
05295 MAY 28 97  
FPSC-RECORDS/REPORTING

Proposed Treatment  
Off-System Sale To Lakeland  
1997 - 2006

Line	Cumulative Present Value 97\$000
(1) Total Revenues Collected From Sale	\$4,201
(2) Credit Incremental Fuel To Retail Fuel Clause	\$2,366
(3) Credit Incremental SO2 Costs To Retail ECRC Clause	\$2
(4) Subtotal After Clause True-Up Line(1)-Line(2)-Line(3)	\$1,834
(5) Variable O&M To TEC Operating Revenue	\$83
(6) Transmission Charge To TEC Operating Revenue	\$96
(7) Subtotal After Offsetting TEC Expenses Line(4) - Line(5) - Line(6)	\$1,655
(8) 50% Net Non-Fuel Revenue To Retail Fuel Clause 50% X Line(7)	\$827
(9) 50% Net Non-Fuel Revenue To TEC Operating Revenues 50% X Line(7)	\$827

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TAMPBA ELECTRIC COMPANY  
 DOCKET NO. 970171-JU  
 WITNESS: BRANICK  
 EXHIBIT NO. \_\_\_\_\_  
 (KAB-1)  
 DOCUMENT NO. 7  
 PAGE 1 OF 1  
 REVISED: MAY 28, 1997