

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FILE COPY

In 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.

DOCKET NO. 970171-EU

DATE: JUNE 9, 1997

MOTION TO COMPEL ANSWERS
TO STAFF'S AMENDED FIRST SET OF INTERROGATORIES

Pursuant to Rule 1.380, Florida Rules of Civil Procedure, the Staff of the Florida Public Service Commission ("Staff") hereby moves the Prehearing Officer, Commissioner Deason, for an Order Compelling an Answer to Staff's Amended First Set of Interrogatories in the above-captioned matter.

In support of its motion, Staff states as follows:

1. Staff propounded its Amended First Set of Interrogatories on May 12, 1997.
2. Responses were due on May 29, 1997.
3. Tampa Electric Company has filed an objection to Staff's discovery on May 22, 1997 and has failed to file a timely response.
4. This matter was discussed at the May 29th Prehearing Conference. The Prehearing Officer instructed staff to provide a written summary as to why it felt it needed financial information, in particular, profits for Tampa Electric Company's (TECO) affiliated coal supplier and coal transporter. In compliance, Staff states that, Section 366.093(1), Florida Statutes requires that the Commission have reasonable access to records of a utility's affiliated company's records.

DOCUMENT NUMBER-DATE

05720 JUN-96

FPSC-RECORDS/REPORTING

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The commission shall continue to have reasonable access to all public utility records and records of the utility's affiliated companies, including its parent company, regarding transaction or cost allocations among the utility and such affiliated companies, and such records necessary to ensure that a utility's ratepayers do not subsidize nonutility activities.

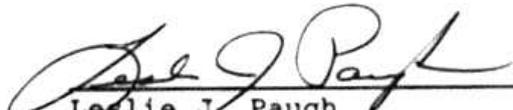
Section 366.093(1), Florida Statutes.

5. In Docket No. 970171-EU, TECO has petitioned the Commission to allow it to treat two new wholesale sales, FMPA and Lakeland, differently than past accepted Commission treatment. Included in TECO's proposal is what TECO refers to as incentive to encourage it to make wholesale sales. Staff believes that it is necessary to show the benefits received by both TECO's customers and its shareholders. In order to show all benefits completely, staff must be able to assess whether there is any increased profit from TECO's affiliates inuring to TECO's shareholders as a result of the FMPA and Lakeland sales.
6. In TECO'S Objection to Staff's Interrogatory No. 5, TECO argued that in Docket No. 870001-EI-A the Commission approved the substitution of a market based pricing methodology in place of the cost based pricing methodology previously used. TECO concluded that this decision rendered any cost based analysis irrelevant for regulatory purposes. Staff disagrees with TECO's assertion. It is not Staff's intention in this Docket to question the price TECO is paying for coal and transportation from its affiliates but rather to determine if the addition of the FMPA and Lakeland sales increases profits experienced by TECO's affiliates and ultimately its shareholders.

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Having shown cause, the Staff of the Florida Public Service Commission requests that the Prehearing Officer grant its Motion for an Order Compelling an Answer to Staff's Amended First Set of Interrogatories in the above-captioned matter.

Respectfully submitted, this 9th day of June, 1997.



Leslie J. Paugh
Staff Counsel

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In Re: Determination of) DOCKET NO. 970171-EU
appropriate cost allocation and)
regulatory treatment of total)
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wholesale sales to Florida)
Municipal Power Agency and City)
of Lakeland by Tampa Electric)
Company.)
_____)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Motion To Compel Answers to Staff's Amended First Set of Interrogatories, has been sent by Facsimile and U.S. Mail this 9th day of June, 1997 to the following:

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CERTIFICATE OF SERVICE
DOCKET NO. 970171-EU

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