

ORIGINAL

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January 9, 1998

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: Tampa Electric Company Non-Firm
Electric Service - 1998 Assessment of Need

Dear Ms. Bayo:

In accordance with Rule 25-6.0438, Florida Administrative Code regarding non-firm electric service, enclosed is a copy of Tampa Electric Company's January 1, 1998 revision to its July 1, 1997 assessment of the level of non-firm load on the Tampa Electric system.

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,



James D. Beasley

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
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FPSC BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
00464 JAN-98
FPSC-RECORDS/REPORTING

**TAMPA ELECTRIC COMPANY
NON-FIRM ELECTRIC SERVICE
1998 ASSESSMENT OF NEED**

In accordance with Tampa Electric Company's Rate Schedule IS-3, the following is the January 1, 1998 revision to the July 1, 1997 assessment of the need for additional interruptible load during calendar year 1998.

1. Tampa Electric Company's tariff requires that the Company complete an assessment twice each year by January 1 and July 1 regarding the need for additional non-firm electric service during the following calendar year. The Company's tariff provision regarding assessment of need was approved on December 4, 1985. Subsequent to that date, the Commission adopted Florida Administrative Code Rule 25-6.0438 to define the character of non-firm electric service and various types thereof; to require a procedure for determining a utility's maximum level of non-firm load; and to establish other minimum terms and conditions for the provision of non-firm electric service.
2. Tampa Electric submitted a revised assessment of need procedure in Docket No. 870408-E.I., which takes into account the various provisions of Rule 25-6.0438. The Commission approved the Company's proposal in November 1989.
3. Tampa Electric submits that its current assessment of need procedure in Docket No. 870408-E.I., in addition to accomplishing the same intent as the procedure approved in Docket No. 850050-E.I., Order No. 15451, fully comports with the Commission's intent expressed in Rule 25-6.0438. Moreover, the revised assessment used the assumptions and planning criteria in place for Tampa Electric's 1997 Customer, Demand & Energy Forecast and the Fuel & Interchange Forecast adjusted for wholesale sales. Under the application of the methodology described in Docket No. 870408-E.I., non-firm load under Rate Schedule IS-3 would be fully subscribed during 1998.
4. The estimated levels of non-firm load on the Tampa Electric system for the month of January 1998 are as follows:

Load Management	275 MW
Interruptible Load	<u>197 MW</u>
 TOTAL:	 472 MW

5. Attached hereto as "Exhibit A" is a document entitled *Target Interruptible Load Worksheet* which has been extracted from Tampa Electric's proposal in Docket No. 870408-E.I.. As this document indicates, no additional MW of non-firm electric service in the form of interruptible load can be offered during 1998.

TARGET INTERRUPTIBLE LOAD WORKSHEET

1.	TARGET INTERRUPTIBLE BEGINNING FOR	1998	197	MW
2.	TARGET INTERRUPTIBLE FOR THE YEAR	2003	197	MW
3.	ANNUAL INTERRUPTIBLE INCREMENT	197 - 197 (Over 5 Years)	0.0	MW
4.	TARGET INTERRUPTIBLE ENDING FOR	1998	197	MW

TARGET INTERRUPTIBLE LOAD WORKSHEET

FIRM LOAD RESERVE MARGIN WORKSHEET

(WITH COMMITTED CAPACITY ONLY)

	(1)	(2)	(3)	(4)	(5)	(6)
YEAR	TOTAL INSTALLED CAPACITY (MW)	FIRM CAPACITY INTERCHANGE (MW)	COGEN- ERATION (MW)	TOTAL CAPACITY (MW)	FIRM LOAD ANNUAL PEAK DEMAND (MW)	RESERVE MARGIN (%)
1998	3,600	103	62	3,765	3,048	24
1999	3,600	172	62	3,834	3,118	23
2000	3,600	171	62	3,833	3,195	20
2001	3,600	215	62	3,877	3,277	18
2002	3,600	215	62	3,877	3,343	16
2003	3,400	360	62	3,822	3,431	11

- Column (1) Total installed capacity includes Polk Unit 1 (in service as of October 1996) and Hookers Point retirement (as of January 2003).
- Column (2) Capacity interchange is the net of capacity import and exports. Capacity import includes the Purchase Agreement with TECO Power Services (TPS) beginning in 1993 (360 MW). Availability of this capacity is subject to back-up requirements for Seminole Electric Cooperative. Capacity export includes 145 MW of Big Bend 4 which will be sold to TECO Power Services, on a limited basis, for use by Seminole Electric Cooperative. Capacity export also includes includes firm D transactions.
- Column (3) The cogeneration column accounts for cogeneration that will be purchased under firm contracts.
- Column (5) The firm load annual peak demand is firm system peak demand. Firm system peak demand contains firm retail and firm wholesale demand (PR, etc.). Firm demand values are based on the current load forecast.
- Column (6) The reserve margin is a winter firm peak reserve margin.

EXHIBIT A

TARGET INTERRUPTIBLE LOAD WORKSHEET

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
YEAR	FIRM LOAD ANNUAL PEAK DEMAND (MW)	INTER-RUPTIBLE LOAD (MW)	LOAD MANAGEMENT (MW)	TARGET NON-FIRM LOAD (MW)	ADJUSTED FIRM LOAD (MW)	ADJUSTED FIRM RESERVE (%)	TARGET INTER-RUPTIBLE (MW)	INCREMENTAL INTER-RUPTIBLE AVAILABLE (MW)
1998	3,048	197	262				197	0.0
1999	3,118	211	281				197	0.0
2000	3,195	209	299				197	0.0
2001	3,277	207	317				197	0.0
2002	3,343	204	335				197	0.0
2003	3,431	203	352	436	3,550	8	197	0.0

Column (2) The firm load annual peak demand is firm system peak demand. Firm system peak demand contains firm retail and firm wholesale demand. Firm demand values are based on the current load forecast.

Column (7) The adjusted firm reserve is a winter firm peak reserve margin.