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January 15, 1998

HAND DELIVERED

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

Re: Fuel and Purchased Power Cost Recovery Clause
with Generating Performance Incentive Factor;
FPSC Docket No. 980004-11

Dear Ms. Bayo:

Enclosed for filing in the above docket, on behalf of Tampa Electric Company, are ten copies of each of the following:

1. Petition of Tampa Electric Company. 00874-98
2. Prepared Direct Testimony of Karen A. Zwolak and Exhibit (K02-2) regarding Tampa Electric's Fuel Cost Recovery and Capacity Cost Recovery for the period April 1998 through September 1998. 00875-98
3. Prepared Direct Testimony of George A. Keselowsky with Exhibit (GAK-2) regarding Tampa Electric Company's performance under the Generating Performance Incentive Factor for the period April 1998 - September 1998. 00876-98

ACK
AFS
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CAF
CII

— 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
James D. Beasley

JDB/pp
Enclosures

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

RECEIVED
BUREAU OF RECORDS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased)
Power Cost Recovery Factor)
and Generating Performance)
Incentive Factor.)

DOCKET NO. 980001-EI
FILED: January 15, 1998

PETITION OF TAMPA ELECTRIC COMPANY

Tampa Electric Company ("Tampa Electric" or "the company"), hereby petitions the Commission for approval of the company's proposals concerning fuel adjustment, capacity cost recovery and generating performance incentive factor set forth herein, and in support thereof says:

Fuel Adjustment

1. Tampa Electric has calculated that it experienced a final true-up amount for the April 1, 1997 through September 30, 1997 period of an over/(under)-recovery of (\$6,042,407). (See Exhibit No. (KOZ-1), Document No. 1, page 1 of 1.)

2. Tampa Electric projects its fuel adjustment true-up amount for the period October 1, 1997 through March 31, 1998, which is based upon actual data for the period October 1, 1997 through November 30, 1997 and revised estimates for the period December 1, 1997 through March 31, 1998 to be an over/(under)-recovery of \$10,292,998. This \$10,292,998 over/(under)-recovery, plus the final true-up amount for the April 1, 1997 - September 30, 1997 period of an over/(under)-recovery of (\$6,042,407), produces an end of period total net true-up of \$4,250,591 over/(under)-recovery as of March 31, 1998.

DOCUMENT NUMBER-DATE

00074 JAN 15 88

FPSC-RECORDS/REPORTING

3. The company's projected expenditures for the period April 1, 1998 through September 30, 1998, when adjusted for the proposed GPIF penalty and the true-up over/(under)recovery amount and spread over projected kilowatt hour sales for the period April 1, 1998 through September 30, 1998, produce a fuel adjustment factor for the new period of 2.339 cents per KWH before application of the factors which adjust for variations in line losses. (See Exhibit No. (KOZ-2), Schedule E-1E.)

Capacity Cost Recovery

4. Tampa Electric has calculated that it experienced a final true-up amount for the April 1, 1997 through September 30, 1997 period of an over/(under)-recover of (\$642,312). (See Exhibit No. (KOZ-1), Document No. 3, page 2 of 5.)

5. Tampa Electric projects its capacity recovery true-up amount for the period October 1, 1997 through March 31, 1998, which is based upon actual data for the period October 1, 1997 through November 30, 1997 and revised estimates for the period December 1, 1997 through March 31, 1998 to be an over/(under)-recovery of \$343,530. This \$343,530 over/(under)-recovery, plus the final true-up amount for the April 1, 1997 through September 30, 1997 period of an over/(under)-recovery of (\$642,312), produces an end of period total net true-up of (\$298,782) over/(under)-recovery as of March 31, 1998.

6. The company's projected expenditures for the period April 1, 1998 through September 30, 1998, when adjusted for the true-up over/(under)-recovery amount and spread over projected kilowatt

hour sales for the period April 1, 1998 through September 30, 1998 produce a capacity cost recovery factor for the new period of .147 cents per KWH before applying the 12 CP & 1/13 allocation methodology, and producing the capacity recovery factors by rate schedule. (See Exhibit No. (KOZ-3), page 3 of 5).

Refund Credit Factor

7. Tampa Electric also seeks approval of a refund credit factor as agreed to in the Stipulation approved in Docket No. 950379-EI, Order No. PSC-96-0670-S-EI. The company has calculated that the revised retail average refund credit factor beginning in April 1998 is 0.130 cents per KWH.

GPIF

8. Tampa Electric has calculated that it is subject to a GPIF reward/(penalty) of (\$363,850) (adjusted to include regulatory assessment fee of one-twelfth of one-percent) for performance experienced during the period April 1, 1997 through September 30, 1997.

9. The company is also proposing GPIF targets and ranges to be applied to the period April 1, 1998 through September 30, 1998 with such proposed targets and ranges being detailed in testimony and exhibits filed herewith.

Order of Presentation of Witnesses

Tampa Electric will present the following witnesses testifying on the subjects indicated:

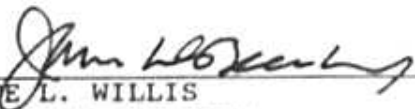
Fuel Adjustment and Capacity Cost Recovery - Karen O. Zwolak

GPIF Targets/Ranges and Rewards/Penalties - George Keselowsky

WHEREFORE, Tampa Electric Company requests that its proposals relative to fuel adjustment, capacity cost recovery and GPIF be approved as they relate to prior period true-up calculations and projected cost recovery charges.

DATED this 15th day of January, 1998.

Respectfully submitted,



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(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Petition, filed on behalf of Tampa Electric Company, has been furnished by U. S. Mail or hand delivery (*) on this 15th day of January 1998 to the following:

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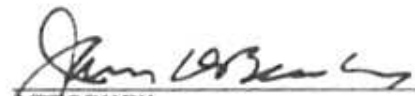
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