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ORIGINAL

RECORDS AND REPORTING

July 17, 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. 980001-EI

Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and ten (10) copies of Tampa Electric Company's Statement of Issues and Positions.

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

ACK *Handwritten*

APP _____
CAF JDB/pp
Enclosures

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

EAG *Beasley*

LEG 1

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER - DATE

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RECORDS AND REPORTING

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: July 17, 1998

**TAMPA ELECTRIC COMPANY'S
STATEMENT OF ISSUES AND POSITIONS**

Tampa Electric Company ("Tampa Electric" or "the company") hereby submits its Statement of the Issues and Positions to be taken up at the hearing scheduled to commence on August 26, 1998 in the above docket.

FUEL ADJUSTMENT

Issue No. 1: What is the appropriate final true-up amount for Tampa Electric Company for the October 1, 1997 through March 31, 1998 period?

Tampa Electric's Position: \$53,414 overrecovery. (Witness: Zwolak)

Issue No. 2: What is the appropriate projected fuel adjustment true-up amount for the period April 1, 1998 through September 30, 1998, based upon actual data for the period April 1, 1998 through May 31, 1998 and revised estimates for the period June 1, 1998 through September 30, 1998?

Tampa Electric's Position: \$3,950,955 overrecovery. However, if the currently approved fuel factors were extended through December 31, 1998, the projected fuel adjustment true-up amount for the period April 1, 1998 through December 31, 1998, based upon actual data for the period April 1, 1998 through May 31, 1998 and revised estimates for the period June 1, 1998 through December 31, 1998 would be an overrecovery of \$4,036,630. (Witness: Zwolak)

Issue No. 3: What is the appropriate end of period total net true-up amount for Tampa Electric Company as of September 30, 1998?

Tampa Electric's Position: \$4,004,369 overrecovery through September 30, 1998. However, if the currently approved rates were extended through December 31, 1998 the end of net true-up amount as of December 31, 1998 would be an overrecovery of \$4,090,044. (Witness: Zwolak)

Issue No. 4: What is the appropriate levelized fuel adjustment factor for Tampa Electric to apply during the period October 1, 1998 through December 31, 1998?

Tampa Electric's Position: In order to effect an orderly transition to an annual cost recovery hearing methodology and to avoid customer confusion that would occur if cost recovery factors are changed twice in only three months, Tampa Electric should be authorized to keep in place its currently approved cost recovery factors during the period October 1998 - December 1998. That factor is 2.337 cents per KWH before application of the factors which adjust for variations in line losses. (Witness: Zwolak)

CAPACITY COST RECOVERY

Issue No. 5: What is the appropriate final true-up amount for Tampa Electric for the October 1, 1997 through March 31, 1998 period?

Tampa Electric's Position: The appropriate final true-up amount is \$347,147 underrecovery. (Witness: Zwolak)

Issue No. 6: What is the appropriate projected capacity cost recovery true-up amount for the period April 1, 1998 through September 30, 1998, based upon actual data for the period April 1, 1998 through May 31, 1998 and revised estimates for the period June 1, 1998 through September 30, 1998?

Tampa Electric's Position: \$66,430 underrecovery. (Witness: Zwolak)

Issue No. 7: What is the appropriate end of period capacity cost recovery total net true-up as of September 30, 1998?

Tampa Electric's Position: \$413,577 underrecovery. (Witness: Zwolak)

Issue No. 8: What is the appropriate capacity cost recovery factor for Tampa Electric to apply during the period October 1, 1998 through December 31, 1998?

Tampa Electric's Position: In order to effect an orderly transition to an annual cost recovery hearing methodology and to avoid customer confusion that would occur if cost recovery factors are charged twice in only three months, Tampa Electric should be authorized to keep in place its currently approved cost recovery factors during the period October 1998 - December 1998 of .147 cents per KWH before applying the 12 CP and 1/13 allocation methodology, and producing the capacity recovery factors by rate schedule.

(Witness: Zwolak)

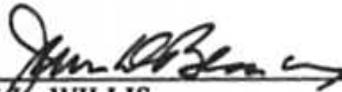
REFUND CREDIT FACTOR

Issue No. 9: What is the appropriate refund credit factor for the period October 1, 1998 through December 31, 1998?

Tampa Electric's Position: 0.130 cents per KWH. (Witness: Zwolak)

DATED this 17th day of July, 1998.

Respectfully submitted,



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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Issues and Positions, filed on behalf of Tampa Electric Company, has been furnished by U. S. Mail or hand delivery (*) on this 17th day of July 1998 to the following:

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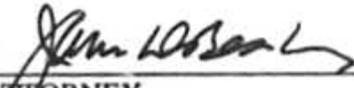
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