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AUG 31 PM 2:19

RECORDS AND REPORTING

August 31, 1998

HAND DELIVERED

ORIGINAL

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

Re: Petition by Tampa Electric Company for Approval of Cost Recovery for a new Environmental Program, the Big Bend Units 1 and 2 Flue Gas Desulfurization System: FPSC Docket No. 980693-E1

Dear Ms. Bayo:

Enclosed for filing are fifteen (15) copies each of revised Tables 2-4 and 2-6 of Tampa Electric Company's CAAA Phase II Compliance Document dated May 1998. The company's Phase II document appears in this proceeding as Document No. 2 to the Exhibit accompanying the Prepared Direct Testimony of Tampa Electric witness T. L. Hernandez, filed on June 30, 1998.

The revised tables correct typographical errors contained in the original tables. Table 2-4, as initially filed, incorrectly stated the capital cost and net capital cost of the Gannon ammonia scrubber option. However, the correct cost was used in the analysis.

The second revision is to Table 2-6 and the correction was mentioned by witness Hernandez during his deposition in this docket. The cumulative present worth revenue requirement savings were incorrectly shown in \$ billions rather than \$ millions. This error was in the summary table only and the correct numbers were used in the actual study.

Again, these are typographical corrections only. We would appreciate your substituting these tables in place of the corresponding ones contained in the company's initial filing and in Mr. Hernandez Exhibit.

- ACK
- AFA
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAT  *few*
- LEG  *1*
- LRN  *5*
- OPC \_\_\_\_\_
- ROH \_\_\_\_\_
- SEC  *1*
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

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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

JDB/pp  
Enclosures

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

**TABLE 2-4**  
**TAMPA ELECTRIC COMPANY**  
**PHASE II COMPLIANCE ANALYSIS**  
**PRELIMINARY SCREENING COST ASSUMPTIONS**

	BIG BEND 2 INTEGRATION	BIG BEND 1-2 STAND ALONE	GANNON 4, 5, & 6	
			LIMESTONE	AMMONIA
CAPITAL COST (96\$000)	\$17,300	\$73,000	\$63,125	\$83,225
CAPITAL SAVINGS (96\$000)	\$0	\$0	\$2,000	\$2,000
NET CAPITAL COST (96\$000)	\$17,300	\$73,000	\$61,125	\$81,225
ANNUAL O&M EXPENSE (96\$000)	\$150	\$750	\$1,190	\$1,450
ANNUAL REAGENT TONS	135,000	270,000	229,000	69,600
REAGENT COST (96\$/Ton)	\$7.18	\$7.18	\$20.00	\$190.00
ADDITIONAL DBA (96\$/yr)	\$100,000	\$200,000	None	None
ANNUAL BY-PRODUCT TONS	250,000	500,000	480,000	267,000
BY PRODUCT SALES (96\$/Ton)	\$2.50	\$2.50	\$1.50	\$80.00
TAX LIFE	20 YR	20 YR	20 YR	20 YR
BOOK LIFE	30 YR	30 YR	30 YR	30 YR
IN SERVICE DATE	01/01/00	01/01/00	01/01/00	01/01/00

DOCUMENT CONTROL DATE

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FORM

**TABLE 2-6**  
**TAMPA ELECTRIC COMPANY**  
**PHASE II COMPLIANCE ANALYSIS**  
**10 YEAR SUMMARY**

<b>CASE</b>	<b>2000 - 2009</b>		<b>Relative Benefit</b>
	<b>Differential CPWRR (96\$000)</b>	<b>Benefit Cost Ratio</b>	
<b>BB2 FGD INTEGRATION</b>	(19,021)	2.14	3
<b>BB1 &amp; 2 STAND ALONE</b>	(60,488)	1.86	1
<b>GN 4, 5, &amp; 6 LIMESTONE</b>	(16,027)	1.27	4
<b>GN 4, 5, &amp; 6 AMMONIA</b>	(35,578)	1.45	2