

AUSLEY & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
18501 224-9115 FAX 18501 222-7560

October 5, 1998

RECORDS AND
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BY HAND DELIVERY

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, on behalf of Tampa Electric Company, are the original and fifteen (15) copies of each of the following:

1. Petition of Tampa Electric Company 10941-95
2. Prepared Direct Testimony of Karen Zwolak with attached Exhibits (KOZ-2) and (KOZ-3) supporting Tampa Electric's projected Fuel and Purchased Power Cost Recovery and Capacity Cost Recovery for the Period January 1999 through December 1999. 10942-95
3. Prepared Direct Testimony of George A. Keselowsky with attached Exhibit (GAK-2) regarding Tampa Electric's proposed GPIF targets and ranges for the period October 1998 through December 1998. 10943-98
4. Prepared Direct Testimony of George A. Keselowsky with attached Exhibit (GAK-2) regarding Tampa Electric Company's proposed GPIF targets and ranges for the period January 1999 through December 1999. 10944-98

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in this matter.

Sincerely,


James D. Beasley

ACK _____
AFA Vaudre _____
APP _____
CAF _____
CMB _____
CTR _____
EAG Chikman _____
LEG 1 _____
LIN 3+orig _____
OPC _____
RCH _____
SEC 1 JDB/bjd _____
WAS _____
OTH _____

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 980001-E1
FILED: October 5, 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 October 1, 1997 through March 31, 1998 period of an overrecovery of \$53,414. (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 April 1, 1998 through December 31, 1998, which is based upon actual data for the period April 1, 1998 through August 31, 1998 and revised estimates for the period September 1, 1998 through December 31, 1998, to be an overrecovery of \$5,207,699. This \$5,207,699 overrecovery, plus the final true-up amount for the October 1, 1997 through March 31, 1998 period of an overrecovery of \$53,414, produces an end of period total net true-up of \$5,261,113 overrecovery as of December 31, 1998.

3. The company's projected expenditures for the period January 1, 1999 through December 31, 1999, when adjusted for the proposed GPIF penalty and the true-up overrecovery amount and spread over projected kilowatt hour sales for the period January 1, 1999 through

December 31, 1999, produce a fuel adjustment factor for the new period of 2.255 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 October 1, 1997 through March 31, 1998 period of an underrecovery of \$347,147. (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 April 1, 1998 through December 31, 1998, which is based upon actual data for the period April 1, 1998 through August 31, 1998 and revised estimates for the period September 1, 1998 through December 31, 1998 to be an underrecovery of \$803,517. This \$803,517 underrecovery, plus the final true-up amount for the October 1, 1997 through March 31, 1998 period of an underrecovery of \$347,147, produces an end of period total net true-up of \$1,150,664 underrecovery as of December 31, 1998.

6. The company's projected expenditures for the period January 1, 1999 through December 31, 1999, when adjusted for the true-up underrecovery amount and spread over projected kilowatt hour sales for the period January 1, 1999 through December 31, 1999 produce a capacity cost recovery factor for the period of 0.156 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's refund credit factor as agreed to in the Stipulation approved in Docket No. 950379-EI, Order PSC-96-0670-S-EI will no longer be applied to the customer bills after

December 31, 1998

GPIF

8. Tampa Electric has calculated that it is subject to a GPIF penalty of \$188,281 (adjusted to include regulatory assessment fee of one-twelfth of one-percent) for performance experienced during the period October 1, 1997 through March 31, 1998.

9. The company is also proposing GPIF targets and ranges for the period October 1, 1998 through December 31, 1998 and also for the period January 1999 through December 1999, 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:

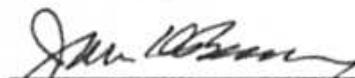
Fuel Adjustment and Capacity Cost Recovery – Karen O. Zwolak

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 5th day of October, 1998.

Respectfully submitted,



LEE L. WILLIS
JAMES D. BEASLEY
Ausley & McMullen
Post Office Box 391
Tallahassee, FL 32302
(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 hand delivery (*) or U. S. Mail on this 5th day of October, 1998 to the following:

Ms. Leslie G. Paugh*
Staff Counsel
Division of Legal Services
Florida Public Service Comm'n.
2540 Shumard Oak Boulevard
Room 370, Gunter Building
Tallahassee, FL 32399-0872

Mr. Matthew M. Childs
Steel Hector & Davis
215 S. Monroe Street, Suite 601
117 South Gadsden Street
Tallahassee, FL 32301

Mr. James A. McGee
Senior Counsel
Florida Power Corporation
Post Office Box 14042
St. Petersburg, FL 33733

Mr. John W. McWhirter
McWhirter, Reeves, McGlothlin
Davidson & Bakas
Post Office Box 3350
Tampa, FL 33601

Mr. Joseph A. McGlothlin
Ms. Vicki Gordon Kaufman
McWhirter, Reeves, McGlothlin
Davidson & Bakas
117 S. Gadsden Street
Tallahassee, FL 32301

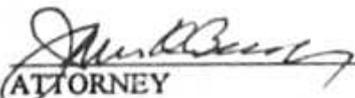
Ms. Suzanne Brownless
Suzanne Brownless P. A.
1311-B Paul Russell Road #201
Tallahassee, FL 32301

Mr. Jack Shreve
Office of Public Counsel
Room 812
111 West Madison Street
Tallahassee, FL 32399-1400

Mr. Jeffery A. Stone
Beggs & Lane
Post Office Box 12950
Pensacola, FL 32576

Mr. Kenneth A. Hoffman
Rutledge, Ecenia, Underwood,
Purnell & Hoffman
Post Office Box 551
Tallahassee, FL 32302-0551

Mr. Michael B. Twomey
Post Office Box 5256
Tallahassee, FL 32314-5256



ATTORNEY