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January 5, 1999

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RECORDS AND REPORTING

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. 990001-EI
TRANSMISSION RECONSIDERATION

Dear Ms. Bayo:

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

Also enclosed is a diskette containing the above Prehearing Statement originally typed in Microsoft Word 97 format which has been saved in Rich Text format for use with WordPerfect.

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

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

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FPSC-RECORDS/REPORTING

Original

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Fuel and Purchased Power)	DOCKET NO. 990001-EI
Cost Recovery Clause and Generating)	FILED: January 5, 1999
Performance Incentive Factor.)	
_____)		

**TAMPA ELECTRIC COMPANY'S
PREHEARING STATEMENT
TRANSMISSION RECONSIDERATION**

A. APPEARANCES:

LEE L. WILLIS
 JAMES D. BEASLEY
 Ausley & McMullen
 Post Office Box 391
 Tallahassee, Florida 32302
On behalf of Tampa Electric Company

B. WITNESSES:

Tampa Electric initially prefiled testimony in this proceeding but is withdrawing that testimony in favor of this matter proceeding as a policy issue that does not require factual testimony.

C. EXHIBITS:

Tampa Electric has presented no exhibits.

D. STATEMENT OF BASIC POSITION

Tampa Electric Company's Statement of Basic Position:

Transmission revenues should be allocated according to transmission usage and generation revenues allocated through the current energy allocation. The allocations would determine the percentage of transmission revenues which would be ultimately credited to the fuel clauses.

E. STATEMENT OF ISSUES AND POSITIONS

TRANSMISSION RECONSIDERATION ISSUES

ISSUE 1: Does the FERC require that revenue from non-firm transmission services subject to FERC jurisdiction be reflected as a revenue credit in the derivation of firm transmission service rates subject to FERC jurisdiction?

TECO: Generally FERC does require revenue crediting of non-firm transmission services against the revenue requirements of the firm transmission rate.

ISSUE 2: How should the transmission revenues associated with economy transactions over the Energy Broker Network be separated between the retail and wholesale jurisdictions?

TECO: Transmission revenues should be separated between the retail and wholesale jurisdictions in a manner which reflects transmission usage. The allocations would determine the percentage of transmission revenues which would ultimately be credited to the fuel clauses.

ISSUE 3: How should Florida Power Corporation allocate transmission revenues associated with economy transactions over the Energy Broker Network between the retail and wholesale jurisdictions?

TECO: No position.

ISSUE 4: How should Florida Power & Light allocate transmission revenues associated with economy transactions over the Energy Broker Network between the retail and wholesale jurisdictions?

TECO: No position.

ISSUE 5: How should Gulf Power Company allocate transmission revenues associated with economy transactions over the Energy Broker Network between the retail and wholesale jurisdictions?

TECO: No position.

ISSUE 6: How should Tampa Electric Company allocate transmission revenues associated with economy transactions over the Energy Broker Network between the retail and wholesale jurisdictions?

TECO: Transmission revenues should be allocated according to transmission usage. The allocations would determine the percentage of transmission revenues which would ultimately be credited to the fuel clauses.

F. STIPULATED ISSUES

TECO: None at this time.

G. MOTIONS

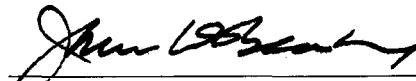
TECO: None at this time.

H. OTHER MATTERS

TECO: None at this time.

DATED this 5th day of January, 1999.

Respectfully submitted,



LEE L. WILLIS
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Tallahassee, Florida 32302
(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of Tampa Electric Company's Prehearing Statement has been furnished by U. S. Mail or hand delivery (*) on this 5th day of January, 1999 to the following:

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