

AUSLEY & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
(850) 224-9115 FAX (850) 222-7560

ORIGINAL
RECEIVED-FPSC

99 MAR -5 PM 4:06

RECORDS AND
REPORTING

March 5, 1999

HAND DELIVERED

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

Re: Petition of Tampa Electric Company to Establish its New Standard Offer
Contract; FPSC Docket No. 981893-EQ

Dear Ms. Bayo:

Enclosed for filing in the above docket, on behalf of Tampa Electric Company, are fifteen (15) copies of the following amended tariff sheets:

Twenty-Seventh Revised Sheet No. 8.030
Original Sheet No. 8.225
Sixth Revised Sheet No. 8.350
Original Sheet No. 8.700

The following is a summary of the amendments to the above tariff sheets:

ACK	_____	COG-1
AFA	_____	8.030 - Tariff Revision changing 75 MW to 100 kW per rule revision
APP	_____	
CAF	_____	COG-2
CMU	_____	8.225 - Tariff Revision changing payment dates to reflect 2001 CT instead of 2003 CT.
CTR	_____	8.350 - Tariff Revision changing revision order from "fifth revised sheet canceling fourth revised sheet" to "sixth revised sheet canceling fifth revised sheet."
EAG	<u>HAG</u>	
LEG	<u>1</u>	
LIN	_____	Interconnection Agreement
OPC	_____	8.700 - Tariff Revision changing 25-17.87 to 25-17.087
RCH	_____	
SEC	<u>1</u>	
WAS	_____	
DTH	_____	

DOCUMENT NUMBER-DATE

~~02006~~ MAR-59

FPSC-RECORDS/REPORTING

Ms. Blanca S. Bayo
March 5, 1999
Page Two

We would appreciate your distributing the amended copies to the recipients of the original filed version. We are also enclosing copies of the foregoing tariff sheets in legislative format to reflect the changes that have been made.

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: Michael Haff (w/encls.)

Continued from Sheet No. 8.020

LIMITATIONS

All service pursuant to this schedule is subject to the Company's "General Standards for Safety and Interconnection of Cogeneration and Small Power Production Facilities to the Electric Utility System" and to FPSC Rules 25-17.080 through 25-17.091, F.A.C.

RATES FOR PURCHASES BY THE COMPANY**A. Capacity Rates**

Capacity payments to Qualifying Facilities will not be paid under this schedule. Capacity payments to small Qualifying Facilities of less than 100 kW or Solid Waste Facilities may be obtained under either a Standard Offer Contract as described in Schedule COG-2, Firm Capacity and Energy or a negotiated contract.

Capacity payments to Qualifying Facilities of 100 kW or greater may only be obtained under a negotiated contract as described in FPSC Rule 25-17.0832.

B. Energy Rates

As-Available Energy is purchased at a unit cost, in cents per kilowatt-hour (¢/KWH), based on the Company's actual hourly avoided energy costs which are calculated by the Company in accordance with FPSC Rule 25-17.0825, F.A.C.

Avoided energy costs include incremental fuel, identifiable variable operation and maintenance expenses, and an adjustment for line losses reflecting delivery voltage. The calculation of payments to the Qualifying Facility shall be based on the energy deliveries from the Qualifying Facility to the Company and the applicable avoided energy rate, in accordance with FPSC Rule 25-17.082, F.A.C. All sales shall be adjusted for losses from the point of metering to the point of interconnection.

The methodology to be used in the calculation of the avoided energy cost is described in Appendix A.

C. Negotiated Rates

Upon agreement by both the Company and the Qualifying Facility, an alternate contract rate for the purchase of As-Available Energy may be separately negotiated.

Continued to Sheet No. 8.040

Continued from Sheet No. 8.220

UNIT TYPE: 180 MW (Winter Rating) COMBUSTION TURBINE (IN-SERVICE 1/1/2001)
MONTHLY CAPACITY PAYMENT RATE \$/kW/MONTH

<u>CONTRACT YEAR</u> <u>FROM</u>	<u>TO</u>	<u>OPTION 1</u>	<u>OPTION 2</u>	<u>OPTION 3</u>	<u>OPTION 4</u>		
		<u>NORMAL PAYMENT STARTING</u> 1/1/2001 \$/kW/MO	<u>EARLY PAYMENT STARTING</u> 1/1/2000 1/1/1999 \$/kW/MO \$/kW/MO	<u>LEVELIZED PAYMENT STARTING</u> 1/1/2001 \$/kW/MO	<u>EARLY LEVELIZED PAYMENT STARTING</u> 1/1/2000 1/1/1999 \$/kW/MO \$/kW/MO		
1/1/99	12/31/99	-	-	2.44	-	-	2.69
1/1/00	12/31/00	-	2.83	2.50	-	3.09	2.70
1/1/01	12/31/01	3.30	2.89	2.56	3.59	3.10	2.70
1/1/02	12/31/02	3.38	2.96	2.62	3.60	3.11	2.71
1/1/03	12/31/03	3.46	3.04	2.68	3.61	3.12	2.72
1/1/04	12/31/04	3.55	3.11	2.75	3.61	3.13	2.72
1/1/05	12/31/05	3.63	3.19	2.81	3.62	3.13	2.73
1/1/06	12/31/06	3.72	3.26	2.88	3.63	3.14	2.74
1/1/07	12/31/07	3.81	3.34	2.95	3.64	3.15	2.75
1/1/08	12/31/08	3.91	3.42	3.02	3.65	3.16	2.75
1/1/09	12/31/09	4.00	3.51	3.10	3.66	3.17	2.76
1/1/10	12/31/10	4.10	3.59	3.17	3.67	3.18	2.77

2. Energy Payment Rates:

a. Payments Prior to January 1, 2001: The As-Available Energy Payment Rate in ¢/kWh will apply and shall be based on the Company's actual hourly avoided energy costs which are calculated by the Company in accordance with FPSC Rule 25-17.0825, F.A.C. Avoided energy costs include incremental fuel, identifiable variable operation and maintenance expenses, and an adjustment for line losses reflecting delivery voltage.

Continued to Sheet No. 8.230

Continued from Sheet No. 8.345

1. cash deposited in an interest bearing escrow account mutually acceptable to the Company and the qf; or
2. an unconditional and irrevocable direct pay letter of credit in form and substance satisfactory to the Company; or
3. a performance bond in form and substance satisfactory to the Company.

The form of security required will be in the sole discretion of the Company and will be in such form as to allow the Company immediate access to the funds in the event that the qf fails to meet the terms and conditions of its contract.

The Company will cooperate with each qf applying for early capacity payments to determine the exact form of an "equivalent assurance of repayment" to be required based on the particular aspects of the qf. The Company will endeavor to accommodate an equivalent assurance of repayment which is in the best interests of both the qf and the Company's ratepayers.

Florida Statute 377.709(4), requires the local government to refund early capacity payments should a municipal solid waste facility owned, operated by or on behalf of a local government be abandoned, closed down or rendered illegal, therefore a utility may not require risk-related guarantees from a municipal solid waste facility as required in FPSC Rule 25-17.0832(2)(c) and (3)(e)(8), F.A.C. However, at its option, a municipal solid waste facility may provide such risk-related guarantees.

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

**GENERAL STANDARDS FOR SAFETY
AND INTERCONNECTION OF COGENERATION AND
SMALL POWER PRODUCTION FACILITIES TO
THE ELECTRIC UTILITY SYSTEM**

The following section is based on Florida Public Service Commission (FPSC) Rule 25-17.087, Florida Administrative Code, (F.A.C.), Interconnection and Standards and is applicable throughout Tampa Electric Company's (the Company's) service area:

1. The Company shall interconnect with any qualifying facility (qf) which:
 - a. is in its service area;
 - b. requests interconnection;
 - c. agrees to meet system standards specified in this Rule;
 - d. agrees to pay the cost of interconnection; and
 - e. signs an interconnection agreement.
2. Nothing in this rule shall be construed to preclude the Company from evaluating each request for interconnection on its own merits and modifying the general standards specified in this Rule to reflect the result of such an evaluation.
3. Where the Company refuses to interconnect with a qf or attempts to impose unreasonable standards pursuant to subsection (2) of this rule, the qf may petition the FPSC for relief. The Company shall have the burden of demonstrating to the FPSC why interconnection with the qfs should not be required or that the standards the Company seeks to impose on the qfs pursuant to subsection (2) are reasonable.
4. Upon a showing of credit worthiness, the qfs shall have the option of making monthly installment payments over a period no longer than 36 months toward the full cost of interconnection. However, where the qfs exercises that option, the Company shall charge interest on the amount owing. The Company shall charge such interest at the 30 day highest grade commercial paper rate. In any event, no the Company may not bear the cost of interconnection.

Continued to Sheet No. 8.705

Continued from Sheet No. 8.020

LIMITATIONS

All service pursuant to this schedule is subject to the Company's "General Standards for Safety and interconnection of Cogeneration and Small Power Production Facilities to the Electric Utility System" and to FPSC Rules 25-17.080 through 25-17.091, F.A.C.

RATES FOR PURCHASES BY THE COMPANY**A. Capacity Rates**

Capacity payments to Qualifying Facilities will not be paid under this schedule. Capacity payments to small Qualifying Facilities of less than ~~100 kW~~ ~~75-Mw~~ or Solid Waste Facilities may be obtained under either a Standard Offer Contract as described in Schedule COG-2, Firm Capacity and Energy or a negotiated contract.

Capacity payments to Qualifying Facilities of ~~100 kW~~ ~~75-Mw~~ or greater may only be obtained under a negotiated contract as described in FPSC Rule 25-17.0832.

B. Energy Rates

As-Available Energy is purchased at a unit cost, in cents per kilowatt-hour (¢/KWH), based on the Company's actual hourly avoided energy costs which are calculated by the Company in accordance with FPSC Rule 25-17.0825, F.A.C.

Avoided energy costs include incremental fuel, identifiable variable operation and maintenance expenses, and an adjustment for line losses reflecting delivery voltage. The calculation of payments to the Qualifying Facility shall be based on the energy deliveries from the Qualifying Facility to the Company and the applicable avoided energy rate, in accordance with FPSC Rule 25-17.082, F.A.C. All sales shall be adjusted for losses from the point of metering to the point of interconnection.

The methodology to be used in the calculation of the avoided energy cost is described in Appendix A.

C. Negotiated Rates

Upon agreement by both the Company and the Qualifying Facility, an alternate contract rate for the purchase of As-Available Energy may be separately negotiated.

Continued to Sheet No. 8.040

Continued from Sheet No. 8.220

UNIT TYPE: 180 MW (Winter Rating) COMBUSTION TURBINE (IN-SERVICE 1/1/2001)
MONTHLY CAPACIT. PAYMENT RATE \$/KW/MONTH

CONTRACT YEAR FROM TO	OPTION 1	OPTION 2		OPTION 3	OPTION 4	
	NORMAL PAYMENT STARTING 1/1/2001 \$/KW/MO	EARLY PAYMENT STARTING 1/1/2000	1/1/1999 \$/KW/MO	LEVELIZED PAYMENT STARTING 1/1/2001 \$/KW/MO	EARLY LEVELIZED PAYMENT STARTING 1/1/2000	1/1/1999 \$/KW/MO
1/1/99 12/31/99	‡	‡	2.44	‡	‡	2.69
1/1/00 12/31/00	‡	2.83	2.50	‡	3.09	2.70
1/1/01 12/31/01	3.30	2.89	2.56	3.59	3.10	2.70
1/1/02 12/31/02	3.38	2.96	2.62	3.60	3.11	2.71
1/1/03 12/31/03	3.46	3.04	2.68	3.61	3.12	2.72
1/1/04 12/31/04	3.55	3.11	2.75	3.61	3.13	2.72
1/1/05 12/31/05	3.63	3.19	2.81	3.62	3.13	2.73
1/1/06 12/31/06	3.72	3.26	2.88	3.63	3.14	2.74
1/1/07 12/31/07	3.81	3.34	2.95	3.64	3.15	2.75
1/1/08 12/31/08	3.91	3.42	3.02	3.65	3.16	2.75
1/1/09 12/31/09	4.00	3.51	3.10	3.66	3.17	2.76
1/1/10 12/31/10	4.10	3.59	3.17	3.67	3.18	2.77

2. Energy Payment Rates:

a. Payments Prior to January 1, 2001: The As-Available Energy Payment Rate in ¢/kWh will apply and shall be based on the Company's actual hourly avoided energy costs which are calculated by the Company in accordance with FPSC Rule 25-17.0825, F.A.C. Avoided energy costs include incremental fuel, identifiable variable operation and maintenance expenses, and an adjustment for line losses reflecting delivery voltage.

Continued to Sheet No. 8.230

Continued from Sheet No. 8.345

1. cash deposited in an interest bearing escrow account mutually acceptable to the Company and the qf; or
2. an unconditional and irrevocable direct pay letter of credit in form and substance satisfactory to the Company; or
3. a performance bond in form and substance satisfactory to the Company.

The form of security required will be in the sole discretion of the Company and will be in such form as to allow the Company immediate access to the funds in the event that the qf fails to meet the terms and conditions of its contract.

The Company will cooperate with each qf applying for early capacity payments to determine the exact form of an "equivalent assurance of repayment" to be required based on the particular aspects of the qf. The Company will endeavor to accommodate an equivalent assurance of repayment which is in the best interests of both the qf and the Company's ratepayers.

Florida Statute 377.709(4), requires the local government to refund early capacity payments should a municipal solid waste facility owned, operated by or on behalf of a local government be abandoned, closed down or rendered illegal, therefore a utility may not require risk-related guarantees from a municipal solid waste facility as required in FPSC Rule 25-17.0832(2)(c) and (3)(e)(8), F.A.C. However, at its option, a municipal solid waste facility may provide such risk-related guarantees.

ISSUED BY: J. B. Ramil G. F. Anderson,
President

DATE EFFECTIVE: December 10, 1992

**TAMPA ELECTRIC COMPANY'S
GENERAL STANDARDS FOR SAFETY
AND INTERCONNECTION OF COGENERATION AND
SMALL POWER PRODUCTION FACILITIES TO
THE ELECTRIC UTILITY SYSTEM**

The following section is based on Florida Public Service Commission (FPSC) Rule 25-17.087, Florida Administrative Code, (F.A.C.), Interconnection and Standards and is applicable throughout Tampa Electric Company's (the Company's) service area; 25-17.07—Interconnection and Standards

1. **The Company** Each utility shall interconnect with any qualifying facility (qf) which:
 - a. is in its service area;
 - b. requests interconnection;
 - c. agrees to meet system standards specified in this Rule;
 - d. agrees to pay the cost of interconnection; and
 - e. signs an interconnection agreement.
2. Nothing in this rule shall be construed to preclude **the Company** a utility from evaluating each request for interconnection on its own merits and modifying the general standards specified in this Rule to reflect the result of such an evaluation.
3. Where **the Company** a utility refuses to interconnect with a qf qualify facility or attempts to impose unreasonable standards pursuant to subsection (2) of this rule, the qf qualifying facility may petition the FPSC for relief. The **Company** utility shall have the burden of demonstrating to the FPSC why interconnection with the qfs qualifying facility should not be required or that the standards the **Company** utility seeks to impose on the qfs qualifying facility pursuant to subsection (2) are reasonable.
4. Upon a showing of credit worthiness, the qfs qualifying facility shall have the option of making monthly installment payments over a period no longer than 36 months toward the full cost of interconnection. However, where the qfs qualifying facility exercises that option, the **Company** utility shall charge interest on the amount owing. The **Company** utility shall charge such interest at the 30 day highest grade commercial paper rate. In any event, no the **Company** utility may not bear the cost of interconnection.

Continued to Sheet No. 8.700