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TAMPA ELECTRIC

OVERVIEW OF DEPRECIATION STUDY

Filed: April 28, 1999

TAMPA ELECTRIC COMPANY
1999 DEPRECIATION STUDY

Tampa Electric Company ('Tampa Electric" or the "company") in accordance with Rule 25-6.0436 (8) (a) files this Petition for Approval of Depreciation Rates for Tampa Electric Company.

GENERAL NARRATIVE

Tampa Electric Company is a public utility operating wholly within the state of Florida and is engaged in the generation, purchase, transmission, distribution and sale of electric energy. The retail electric service territory comprises an area of about 2,000 square miles in West Central Florida, including substantially all of Hillsborough County and parts of Polk, Pasco and Pinellas Counties, and has an estimated population of over one million. The principal communities served are Tampa, Winter Haven, Plant City and Dade City. In addition, Tampa Electric engages in wholesale sales to utilities and other resellers of electricity. The Company has three electric generating stations in or near Tampa, one electric generating station in southwestern Polk County, Florida, and two electric generating stations (one of which is on long-term standby) located near Sebring, a city located in Highlands County in south central Florida.

In 1998, approximately 46 percent of the company's total operating revenue was derived from residential sales, 27 percent from commercial sales, 9 percent from industrial sales and 18 percent from other sales including bulk power sales for resale

No significant part of the company's business is dependent upon a single customer or a few customers, the loss of any one or more of whom would have a significantly adverse effect on the company, except a large phosphate producer represented less than 3 percent of Tampa Electric's 1998 base revenues.

COMPETITION

Tampa Electric's retail electric business is substantially free from direct competition with other electric utilities, municipalities and public agencies. At the present time, the principal form of competition at the retail level consists of the self-generation option available to larger industrial users of electric energy. Such users may seek to expand their options through various initiatives including legislative and/or regulatory changes that would permit competition at the retail level. The company intends to take all appropriate actions to retain and expand its retail business, including managing costs and providing high-quality service to retail customers.

There is presently active competition in the wholesale power markets in Florida, and this is increasing largely as a result of the Energy Policy Act of 1992 and related federal

initiatives. This Act removed for independent power producers certain regulatory barriers and required utilities to transmit power from such producers, utilities and others to wholesale customers.

In April 1996, the FERC issued its Final Rule on Open Access Non-discriminatory Transmission, Stranded Costs, Open Access Same-time Information System (OASIS) and Standards of Conduct. These rules work together to open access for wholesale power flows on transmission systems. Utilities owning transmission facilities (including Tampa Electric) are required to provide services to wholesale transmission customers comparable to those they provide to themselves on comparable terms and conditions including price. Among other things, the rules require transmission services to be unbundled from power sales and owners of transmission systems must take transmission service under their own transmission tariffs.

PROPERTIES

The company had five electric generating plants and four combustion turbine units in service with a total net winter generating capability of 3,615 megawatts, including Big Bend (1,742-MW capability from four coal units), Gannon (1,180-MW capability from six coal units), Hookers Point (215-MW capability from five oil units), Phillips (34-MW capability from two diesel units), Polk (250-MW capability from one integrated gasification combined cycle unit (IGCC)) and four combustion turbine units located at the Big Bend and Gannon stations (194 MWs). The capability indicated represents the demonstrable dependable load carrying abilities of the generating units during winter peak periods as proven under actual operating conditions. Units at Hookers Point went into service from 1948 to 1955, at Gannon from 1957 to 1967, and at Big Bend from 1970 to 1985. The Polk IGCC unit began commercial operation in September 1996. In 1991, Tampa Electric purchased two power plants (Dinner Lake and Phillips) from the Sebring Utilities Commission (Sebring). Dinner Lake (11-MW capability from one natural gas unit) and Phillips were placed in service by Sebring in 1966 and 1983, respectively. In March 1994, Dinner Lake was placed on long-term reserve standby.

Tampa Electric owns 182 substations having an aggregate transformer capacity of 16,368,281 KVA. The transmission system consists of approximately 1,196 pole miles of high voltage transmission lines, and the distribution system consists of 6,905 pole miles of overhead lines and 2,741 trench miles of underground lines. As of Dec. 31, 1998, there were 537,107 meters in service. All of this property is located in Florida.

CHANGE IN DEPRECIATION

The proposed changes in depreciation rates, dismantling accruals and recovery schedule indicate the following functional changes in annual depreciation:

	$000
Production	895
Transmission	(1,565)
Distribution	(299)
General	189
Recovery Schedule	(895)
Total Depreciation	(1,675)
Dismantling	(3,823)
Total Depr & Dismantling	(5,498)

The following schedules and narratives summarize the changes in depreciation rate components, annual depreciation expense, and the adequacy of the reserve for each depreciable category of plant based on the company's and industry's expectations and recent company experience. The study is organized into functional groups. Energy Supply (Production) is organized by generating unit, plant account, and life category; Transmission, Distribution & General is organized by plant account or sub-account. The proposed depreciation rates are at the account or sub-account level for all functions.

Tampa Electric Company
Proposed Transfer and
Adjustments to Reserve

The company has incorporated proposed reserve adjustments and transfers within the depreciation study. The transfers for Energy Supply (Production) are segregated into two steps.

First, the reserve was adjusted to remove the accelerated recovery of cost realized from fuel savings as allowed under the terms of the oil back-out tariff used to convert Gannon Units No. 1 - 4 from oil to coal fired generation. This adjustment was approved in the company's last depreciation order.

Second, reserve transfers were made to eliminate deficiencies within FERC accounts. All proposed transfers are within the Energy Supply plant accounts.

Account Title	Accumulated Depreciation 12/98 ($)	Accelerated Depreciation Adjustment ($)	Depreciation Adjustment ($)	Adjusted Accumulated Depreciation 12/98 ($)
STEAM PRODUCTION				
BIG BEND STATION				
COMMON	16,041,299.42		(1,083,250.91)	14,958,048.51
COMMON	22,551,227.45		(1,853,703.17)	20,697,524.28
COMMON	1,637,589.20		(194,973.92)	1,442,615.28
COMMON	6,465,583.34		(468,567.53)	5,997,015.81
COMMON	2,181,731.44		(388,272.25)	1,793,459.19
UNIT No. 1	3,390,052.06		535,669.70	3,925,721.76
UNIT No. 1	21,567,995.16		3,212,492.36	24,780,487.52
UNIT No. 1	12,651,163.75		(486,952.94)	12,164,210.81
UNIT No. 1	4,479,198.00		(100,956.03)	4,378,241.97
UNIT No. 1	326,956.34		55,641.01	382,597.35
UNIT No. 2	2,992,672.97		429,637.31	3,422,310.28
UNIT No. 2	21,090,103.56		1,497,055.63	22,587,159.19
UNIT No. 2	11,703,941.25		362,357.75	12,066,299.00
UNIT No. 2	3,668,671.76		(216,044.62)	3,452,627.14
UNIT No. 2	221,514.01		(3,096.19)	218,417.82
UNIT No. 3	7,244,825.90		(35,772.36)	7,209,053.54
UNIT No. 3	43,852,977.21		(1,616,040.25)	42,236,936.96
UNIT No. 3	18,655,187.97		(1,930,416.24)	16,724,771.73
UNIT No. 3	9,441,188.79		(358,658.50)	9,082,530.29
UNIT No. 3	372,447.31		(12,335.56)	360,111.75
UNIT No. 4	21,829,149.48		(3,309,242.82)	18,519,906.66
UNIT No. 4	67,246,423.81		6,127,321.46	73,373,745.27
UNIT No. 4	31,127,722.38		(3,376,621.53)	27,751,100.85
UNIT No. 4	13,823,788.02		(690,365.01)	13,133,423.01
UNIT No. 4	2,463,315.98		(788,467.82)	1,674,848.16
UNIT No. 4 FGD System	6,805,374.84		(189,456.73)	6,615,918.11
UNIT No. 4 FGD System	54,567,854.26		(4,255,187.01)	50,312,667.25
UNIT No. 4 FGD System	6,862,813.71		(188,975.30)	6,673,838.41
UNIT No. 4 FGD System	105,567.29		131,991.33	237,558.62

Account Title	Accumulated Depreciation 12/98 ($)	Accelerated Depreciation Adjustment ($)	Depreciation Adjustment ($)	Adjusted Accumulated Depreciation 12/98 ($)
STEAM PRODUCTION				
GANNON STATION				
COMMON	12,812,217.71		(344,062.09)	12,468,155.62
COMMON	6,504,910.89		(292,868.02)	6,212,042.87
COMMON	585,833.73		69,708.81	655,542.54
COMMON	1,752,142.18		726,853.12	2,478,995.30
COMMON	1,978,688.26		(130,957.76)	1,847,730.50
UNIT No. 1	2,118,781.42		103,982.25	2,222,763.67
UNIT No. 1	7,746,209.41		(1,079,130.10)	6,667,079.31
UNIT No. 1	6,365,426.75		(46,071.74)	6,319,355.01
UNIT No. 1	1,682,182.01		(43,246.44)	1,638,935.57
UNIT No. 1	237,301.84		(16,527.78)	220,774.06
UNIT No. 2	2,074,091.23		(39,096.85)	2,034,994.38
UNIT No. 2	6,643,676.54		(972,937.36)	5,670,739.18
UNIT No. 2	8,058,476.57		(121,744.89)	7,936,731.68
UNIT No. 2	1,208,197.31		(18,744.32)	1,189,452.99
UNIT No. 2	66,951.72		12,706.26	79,657.98
UNIT No. 3	1,556,495.66		172,013.52	1,728,509.18
UNIT No. 3	12,266,891.71		(990,200.75)	11,276,690.96
UNIT No. 3	9,021,823.52		(263,010.38)	8,758,813.14
UNIT No. 3	1,725,322.97		(23,756.65)	1,701,566.32
UNIT No. 3	81,606.39		(7,147.55)	74,458.84
UNIT No. 4	1,094,809.63		115,648.22	1,210,457.85
UNIT No. 4	9,758,949.59		(421,277.92)	9,337,671.67
UNIT No. 4	6,682,087.53		(273,279.31)	6,408,808.22
UNIT No. 4	1,514,533.51		(118,382.53)	1,396,150.98
UNIT No. 4	39,087.28		17,482.95	56,570.23
UNIT No. 5	2,068,432.85		358,841.91	2,427,274.76
UNIT No. 5	13,114,525.87		1,919,004.98	15,033,530.85
UNIT No. 5	7,062,274.41		(277,222.24)	6,785,052.17
UNIT No. 5	2,894,853.94		(81,891.78)	2,812,962.16
UNIT No. 5	153,607.51		22,209.07	175,816.58
UNIT No. 6	2,533,464.43		220,101.24	2,753,565.67
UNIT No. 6	20,765,017.79		1,488,702.45	22,253,720.24
UNIT No. 6	9,988,875.26		178,521.37	10,167,396.63
UNIT No. 6	3,637,020.55		172,629.81	3,809,650.36
UNIT No. 6	193,372.10		(16,849.48)	176,522.62

Account Title	Accumulated Depreciation 12/98 ($)	Accelerated Depreciation Adjustment ($)	Depreciation Adjustment ($)	Adjusted Accumulated Depreciation 12/98 ($)
STEAM PRODUCTION				
GANNON TRUST				
COMMON	6,658,386.32	(1,290,402.09)	(818,780.25)	4,549,203.98
COMMON	25,926,513.19	(5,024,584.83)	(2,999,756.21)	17,902,172.15
COMMON	0.00	0.00	0.00	0.00
COMMON	4,365,296.20	(845,998.88)	631,351.89	4,150,649.21
COMMON	585,753.42	(113,519.61)	618,773.54	1,091,007.35
UNIT No. 1	522,947.19	(101,347.70)	97,724.18	519,323.67
UNIT No. 1	13,561,023.24	(2,628,140.20)	1,360,564.81	12,293,447.85
UNIT No. 1	3,537.07	(685.49)	414.30	3,265.88
UNIT No. 1	2,578,899.63	(499,793.39)	246,643.58	2,325,749.82
UNIT No. 1	87,653.74	(16,987.38)	9,566.85	80,233.21
UNIT No. 2	1,834,054.64	(355,441.67)	136,607.39	1,615,220.36
UNIT No. 2	14,332,423.27	(2,777,638.32)	739,923.38	12,294,708.33
UNIT No. 2	3,231.59	(626.29)	219.47	2,824.77
UNIT No. 2	2,858,711.72	(554,021.26)	110,546.90	2,415,237.36
UNIT No. 2	72,960.98	(14,139.91)	3,699.22	62,520.29
UNIT No. 3	823,141.71	(159,525.71)	42,627.66	706,243.66
UNIT No. 3	18,624,032.67	(3,609,356.62)	520,765.50	15,535,441.55
UNIT No. 3	15,669.88	(3,036.84)	800.48	13,433.52
UNIT No. 3	2,642,248.07	(512,070.38)	(7,005.01)	2,123,172.68
UNIT No. 3	152,235.03	(29,503.30)	3,106.49	125,838.22
UNIT No. 4	1,477,194.69	(286,281.84)	17,824.56	1,208,737.41
UNIT No. 4	22,491,763.05	(4,358,926.73)	(508,351.76)	17,624,484.56
UNIT No. 4	3,201.02	(620.36)	(5.42)	2,575.24
UNIT No. 4	3,819,155.12	(740,156.18)	(198,045.48)	2,880,953.46
UNIT No. 4	199,441.54	(38,651.99)	(9,216.05)	151,573.50

Account Title	Accumulated Depreciation 12/98 ($)	Accelerated Depreciation Adjustment ($)	Depreciation Adjustment ($)	Adjusted Accumulated Depreciation 12/98 ($)
STEAM PRODUCTION				
HOOKERS POINT STATION				
COMMON	1,717,293.41		1,894,859.04	3,612,152.45
COMMON	2,023,729.31		2,084,337.62	4,108,066.93
COMMON	444,209.50		326,930.29	771,139.79
COMMON	695,888.64		1,477,629.98	2,173,518.62
COMMON	862,334.62		539,991.71	1,402,326.33
UNIT No. 1	2,020,291.04		(991,807.12)	1,028,483.92
UNIT No. 1	2,603,083.60		398,031.87	3,001,115.47
UNIT No. 1	2,716,981.33		(566,520.39)	2,150,460.94
UNIT No. 1	921,756.69		(253,001.35)	668,755.34
UNIT No. 1	150,599.10		(75,353.89)	75,245.21
UNIT No. 2 & 3	1,589,274.00		(839,482.82)	749,791.18
UNIT No. 2 & 3	8,455,549.26		(2,951,746.99)	5,503,802.27
UNIT No. 2 & 3	5,296,078.22		(1,361,215.14)	3,934,863.08
UNIT No. 2 & 3	1,173,632.05		(197,513.00)	976,119.05
UNIT No. 2 & 3	75,047.23		(30,381.52)	44,665.71
UNIT No. 4	1,211,929.19		(429,298.62)	782,630.57
UNIT No. 4	2,566,790.80		(307,556.14)	2,259,234.66
UNIT No. 4	3,505,355.09		(422,199.40)	3,083,155.69
UNIT No. 4	737,332.08		(59,769.55)	677,562.53
UNIT No. 4	56,295.80		(16,511.34)	39,784.46
UNIT No. 5	1,634,826.23		(500,381.39)	1,134,444.84
UNIT No. 5	3,066,050.57		2,091,821.65	5,157,872.22
UNIT No. 5	4,112,708.40		152,915.91	4,265,624.31
UNIT No. 5	1,182,820.19		(138,494.12)	1,044,326.07
UNIT No. 5	61,882.20		(17,624.75)	44,257.45
DINNER LAKE STATION	12,590.01		543,959.16	556,549.17
DINNER LAKE STATION	3,406,380.77		(1,964,941.48)	1,441,439.29
DINNER LAKE STATION	10,537.67		1,050,166.38	1,060,704.05
DINNER LAKE STATION	10,098.08		340,104.04	350,202.12
DINNER LAKE STATION	1,058.92		30,711.90	31,770.82

Account Title	Accumulated Depreciation 12/98 ($)	Accelerated Depreciation Adjustment ($)	Depreciation Adjustment ($)	Adjusted Accumulated Depreciation 12/98 ($)
MISC. PRODUCTION				
Structures & Improvements	2,980,627.85		358,091.50	3,338,719.35

Account Title	Accumulated Depreciation 12/98 ($)	Accelerated Depreciation Adjustment ($)	Depreciation Adjustment ($)	Adjusted Accumulated Depreciation 12/98 ($)
OTHER PRODUCTION				
BIG BEND STATION				
COMBUSTION TURBINE No. 1	81,792.52		(14,695.76)	67,096.76
COMBUSTION TURBINE No. 1	112,439.90		(16,907.97)	95,531.93
COMBUSTION TURBINE No. 1	1,257,844.39		(41,703.66)	1,216,140.73
COMBUSTION TURBINE No. 1	137,353.48		74,678.44	212,031.92
COMBUSTION TURBINE No. 1	3,301.84		(1,371.06)	1,930.78
COMBUSTION TURBINE No. 2 & 3	1,353,021.68		65,357.28	1,418,378.96
COMBUSTION TURBINE No. 2 & 3	903,961.12		(153,259.43)	750,701.69
COMBUSTION TURBINE No. 2 & 3	12,795,801.84		163,381.37	12,959,183.21
COMBUSTION TURBINE No. 2 & 3	2,093,713.70		(84,871.09)	2,008,842.61
COMBUSTION TURBINE No. 2 & 3	17,139.35		9,391.87	26,531.22
GANNON STATION				
COMBUSTION TURBINE No. 1	68,713.94		(1,381.04)	67,332.90
COMBUSTION TURBINE No. 1	95,937.47		37,623.08	133,560.55
COMBUSTION TURBINE No. 1	1,346,793.87		(77,009.94)	1,269,783.93
COMBUSTION TURBINE No. 1	189,456.09		40,767.90	230,223.99
COMBUSTION TURBINE No. 1	0.00		0.00	0.00
PHILLIPS STATION				
PHILLIPS STATION	50,502.41		5,906,452.07	5,956,954.48
PHILLIPS STATION	1,213.61		16,857,183.35	16,858,396.96
PHILLIPS STATION	38,415,196.29		(26,835,980.38)	11,579,215.91
PHILLIPS STATION	7,100.30		3,709,206.61	3,716,306.91
PHILLIPS STATION	4,324.06		363,138.35	367,462.41
POLK POWER STATION				
UNIT No. 1	4,126,651.26		4,706,669.43	8,833,320.69
UNIT No. 1	36,064,473.80		(9,781,717.79)	26,282,756.01
UNIT No. 1	4,326,239.12		8,959,252.59	13,285,491.71
UNIT No. 1	2,195,470.45		3,482,852.72	5,678,323.17
UNIT No. 1	354,842.82		260,932.03	615,774.85
	866,302,268.87	**(23,961,456.97)**	**(1,401,449.09)**	**840,939,362.81**

Note: The net reduction in depreciation is the result of the detailed breakdown of assets for Hookers Point and the Polk Power Station. Amortizable accounts were established for both stations and the proper reserve was credited to each. This accounts for the net reduction on this schedule.

Tampa Electric Company
Overview of Depreciation Study
For Energy Supply - Steam Production

The company has completed the following depreciation study for Energy Supply - Steam Production. The final dismantling of the units is not included with this portion of the depreciation study, but is included separately within this depreciation study.

The company has continued the use of the FERC account format for the depreciation study as previously requested by the Florida Public Service Commission (FPSC) Staff. The company has completed the depreciation study at the FERC account level for each unit including allowance for future net salvage. This had been done for Big Bend and Gannon Stations in the last depreciation study and has been completed for Hookers Point, Gannon OBO and Dinner Lake. Previously, depreciation rates were maintained at the unit level and not at the account level even though the company maintained the detailed accounts within the accounting system. The detailed accounts were not reviewed or adjusted for reserve deficiencies previously, but have been adjusted as part of this depreciation study. The actual reserve through 1998 for each unit was allocated based on the theoretical reserve calculation for each account within the unit. These details are presented separately, under the heading "Reserve Adjustments", within this depreciation study.

The company utilized "home grown" formats for this portion of the depreciation study. In order to continue using the method prescribed by the FPSC Staff for calculation of remaining life, the company had to abandon the use of purchased software. The method prescribed by the Staff utilizes average service life in its calculations, and the software does not provide this detail. The company has prepared tables in house that provide the necessary details to complete the study. The company used truncation in its calculation of average service lives in the same manner that has been utilized in the calculation of remaining lives. The interim retirement rates, average service lives and curve types assigned are consistent with our last depreciation studies for Energy Supply - Steam Production. Complete details are provided for Big Bend Unit No. 1, and summary level information is provided for all other units, as was provided in our last depreciation study.

The company has presented all information in this detailed manner, and an overview by generating station is presented below:

Big Bend Station

The company prepared the depreciation study at the FERC account level. A complete review of all assets was completed and Account 106 - CWIPIS was added at the asset level to bring the analysis in balance with Electric Plant In Service as of December 31, 1998. Assets that had outlived shorter life categories were reassigned to the next

longer life category as required. No reassignments of specific segments of plant were warranted.

Future net salvage was calculated for each FERC account. At the request of the FPSC Staff, the company has calculated future net salvage at the FERC account level. This was a major change for the company and resulted in significant changes in future net salvage rates. The company recognizes the concerns that Staff communicated during the last depreciation study, and believes that this method provides a more accurate method for assigning future net salvage rates to the FERC accounts. The method is consistent within Energy Supply - Steam Production.

Gannon Station

The company prepared the depreciation study at the FERC account level. This analysis does not include the assets installed under the Gannon Oil Back-Out Project which are included separately within this depreciation study. A complete review of all assets was completed and Account 106 - CWIPIS was added at the asset level to bring the analysis in balance with Electric Plant In Service as of December 31, 1998. Assets that had outlived shorter life categories were reassigned to the next longer life category as required. No reassignments of specific segments of plant were warranted.

Future net salvage was calculated for each FERC account. At the request of the FPSC Staff, the company has calculated future net salvage at the FERC account level. This was a major change for the company and resulted in significant changes in future net salvage rates. The company recognizes the concerns that Staff communicated during the last depreciation study, and believes that this method provides a more accurate method for assigning future net salvage rates to the FERC accounts. The method is consistent within Energy Supply - Steam Production.

Gannon Oil Back-Out Project

The company prepared the depreciation study at the FERC account level. A complete review of all assets was completed and Account 106 - CWIPIS was added at the asset level to bring the analysis in balance with Electric Plant In Service as of December 31, 1998. Assets that had outlived shorter life categories were reassigned to the next longer life category as required. No reassignments of specific segments of plant were warranted.

The reserve was adjusted to remove the accelerated recovery of cost, to convert Gannon Units No. 1 - 4 from oil to coal fired, realized from fuel savings as allowed under the terms of the oil back-out tariff. The depreciation rates should be based on normal life analysis and reserve balances. This is the same adjustment approved in our last depreciation order.

At the request of FPSC Staff, the company has prepared the depreciation at the account level in a manner consistent with the other stations. While the company has maintained that this was a single project, we will prepare the study as Staff requested.

Future net salvage was calculated for each FERC account. At the request of the FPSC Staff, the company has calculated future net salvage at the FERC account level. This was a major change for the company and resulted in significant changes in future net salvage rates. The company recognizes the concerns that Staff communicated during the last depreciation study, and believes that this method provides a more accurate method for assigning future net salvage rates to the FERC accounts. The method is consistent within Energy Supply - Steam Production.

Hookers Point Station

The company proposes a recovery schedule, for the remaining investment at Hookers Point Station, which would begin on January 1, 1999 and be fully recovered on December 31, 2003. The company believes that the recovery schedule is the most effective recovery method for a plant of this age.

If Staff will not grant the recovery schedule, then the company requests remaining life rates as in previous rate orders. The company prepared the depreciation study at the FERC account level. This is a major change in format since the company had requested a depreciation rate for the entire station in previous depreciation studies. The company has completed this study at the FERC account level. The actual reserve for the station was allocated so that the reserve ratio was the same for all accounts. The theoretical reserve method for allocation was not used in this case because it resulted in negative remaining life rates, which our system can not accommodate. A complete review of all assets was completed and Account 106 - CWIPIS was added at the asset level to bring the analysis in balance with Electric Plant In Service as of December 31, 1998. Assets that had outlived shorter life categories were reassigned to the next longer life category as required. No reassignments of specific segments of plant were warranted.

The amortizable tools were identified by vintage and retired. These assets were of vintages that would have been fully recovered, reserve was allocated in this manner and the assets have been retired in 1999.

The company has based the analysis for these units as being fully depreciated at 12/31/2003. This is consistent with the company's ten year site plan. This date is not a firm date, but was used as the basis for calculations as indicated by Staff in our last study.

Future net salvage was calculated for each FERC account. At the request of the FPSC Staff, the company has calculated future net salvage at the FERC account level. This was a major change for the company and resulted in significant changes in future net salvage rates. The company recognizes the concerns that Staff communicated during the

last depreciation study, and believes that this method provides a more accurate method for assigning future net salvage rates to the FERC accounts. The method is consistent within Energy Supply - Steam Production.

Dinner Lake Station

The company prepared the depreciation study at the FERC account level. The initial plant purchase amount was assigned to the FERC account and life category based on a simulation of other similar assets. The appropriate transfers were made and the reserve was assigned based on the theoretical reserve calculations. A complete review of all assets was completed and Account 106 - CWIPIS was added at the asset level to bring the analysis in balance with Electric Plant In Service as of December 31, 1998. Assets that had outlived shorter life categories were reassigned to the next longer life category as required. No reassignments of specific segments of plant were warranted. This unit remains in reserve long-term stand-by status.

Future net salvage was calculated for each FERC account. At the request of the FPSC Staff, the company has calculated future net salvage at the FERC account level. This was a major change for the company and resulted in significant changes in future net salvage rates. The company recognizes the concerns that Staff communicated during the last depreciation study, and believes that this method provides a more accurate method for assigning future net salvage rates to the FERC accounts. The method is consistent within Energy Supply - Steam Production.

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Rates and Components

Account Number	Account Title	- Current Rates - Effective 1/1/96 - Average Remaining Life (yrs)	Future Net Salvage (%)	Composite Rate (%)	——Company Proposed - Effective 1/1/99 —— Average Age (yrs)	Average Remaining Life (yrs)	Actual A/D Ratio 12/98 (%)	Future Net Salvage (%)	Depreciation Rate (%)
	STEAM PRODUCTION								
	BIG BEND STATION								
311400	COMMON	35.0	(3)	2.0	16.8	32.0	33.94	(5)	2.2
312400	COMMON	29.0	(17)	2.8	14.2	27.0	35.57	(10)	2.8
314400	COMMON	35.0	(9)	1.9	24.5	32.0	43.73	(6)	1.9
315400	COMMON	18.7	(4)	3.4	13.5	16.4	45.73	(4)	3.6
316400	COMMON	17.1	(17)	3.9	13.6	17.2	46.48	(9)	3.6
311410	UNIT No. 1	23.0	(3)	2.5	23.6	21.0	54.04	(5)	2.4
312410	UNIT No. 1	23.0	(17)	3.3	14.9	18.5	44.17	(13)	3.7
314410	UNIT No. 1	22.0	(9)	2.9	19.6	17.9	51.64	(7)	3.1
315410	UNIT No. 1	23.0	(4)	2.9	19.5	16.5	52.99	(4)	3.1
316410	UNIT No. 1	24.0	(17)	3.2	27.6	20.0	59.27	(6)	2.3
311420	UNIT No. 2	26.0	(3)	2.5	21.0	24.0	48.90	(4)	2.3
312420	UNIT No. 2	23.0	(17)	3.2	14.9	20.0	43.08	(13)	3.5
314420	UNIT No. 2	24.0	(9)	2.9	18.0	20.0	47.88	(7)	3.0
315420	UNIT No. 2	22.0	(4)	3.1	17.0	19.2	45.85	(4)	3.0
316420	UNIT No. 2	26.0	(17)	3.3	14.2	23.0	40.45	(13)	3.2
311430	UNIT No. 3	28.0	(3)	2.2	21.5	26.0	47.67	(5)	2.2
312430	UNIT No. 3	25.0	(17)	2.8	18.1	22.0	49.06	(12)	2.9
314430	UNIT No. 3	21.0	(9)	2.4	21.9	19.3	58.10	(8)	2.6
315430	UNIT No. 3	22.0	(4)	2.9	18.1	18.1	48.72	(4)	3.1
316430	UNIT No. 3	29.0	(17)	2.6	17.0	26.0	40.52	(10)	2.7
311440	UNIT No. 4	36.0	(3)	2.0	13.5	35.0	29.77	(5)	2.1
312440	UNIT No. 4	25.0	(17)	3.7	13.3	27.0	37.62	(15)	2.9
314440	UNIT No. 4	32.0	(9)	2.4	13.4	29.0	34.39	(8)	2.5
315440	UNIT No. 4	28.0	(4)	2.6	13.2	24.0	36.59	(4)	2.8
316440	UNIT No. 4	27.0	(17)	2.9	13.2	31.0	31.15	(10)	2.5
311450	UNIT No. 4 FGD System	34.0	(3)	2.2	13.2	33.0	30.73	(8)	2.3
312450	UNIT No. 4 FGD System	34.0	(17)	2.8	13.4	29.0	35.90	(13)	2.7
315450	UNIT No. 4 FGD System	34.0	(4)	2.6	13.3	25.0	35.29	(4)	2.7
316450	UNIT No. 4 FGD System	34.0	(17)	3.1	13.5	31.0	31.99	(9)	2.5

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Rates and Components

Account Number	Account Title	- Current Rates - Effective 1/1/96 - Average Remaining Life (yrs)	Future Net Salvage (%)	Composite Rate (%)	——Company Proposed - Effective 1/1/99 —— Remaining Life—— Total Plant—— Average Age (yrs)	Average Remaining Life (yrs)	Actual A/D Ratio 12/98 (%)	Future Net Salvage (%)	Depre-ciation Rate (%)
	GANNON STATION								
311500	COMMON	21.0	(3)	3.3	14.2	17.4	41.97	(5)	3.6
312500	COMMON	20.0	(17)	3.9	11.4	17.0	34.99	(5)	4.1
314500	COMMON	26.0	(9)	3.2	11.3	18.1	35.55	(3)	3.7
315500	COMMON	26.0	(4)	3.2	9.6	15.1	35.41	(2)	4.4
316500	COMMON	13.7	(17)	4.7	14.7	11.0	57.23	(7)	4.5
311510	UNIT No. 1	11.3	(3)	2.5	36.7	8.3	85.83	(5)	2.3
312510	UNIT No. 1	11.5	(17)	3.6	24.3	7.0	73.62	(5)	4.5
314510	UNIT No. 1	10.9	(9)	3.0	27.0	7.4	71.34	(4)	4.4
315510	UNIT No. 1	9.8	(4)	3.1	30.8	6.9	78.29	(2)	3.4
316510	UNIT No. 1	11.4	(17)	2.7	39.4	7.8	87.15	(4)	2.2
311520	UNIT No. 2	12.2	(3)	3.1	29.6	9.3	73.32	(5)	3.4
312520	UNIT No. 2	11.6	(17)	4.2	22.7	7.5	68.19	(7)	5.2
314520	UNIT No. 2	12.7	(9)	3.4	24.6	8.4	72.26	(4)	3.8
315520	UNIT No. 2	11.7	(4)	3.5	25.9	8.1	72.66	(2)	3.6
316520	UNIT No. 2	12.4	(17)	3.1	39.0	7.9	87.54	(5)	2.2
311530	UNIT No. 3	13.7	(3)	2.8	36.3	11.1	80.94	(5)	2.2
312530	UNIT No. 3	14.6	(17)	3.9	18.1	10.2	58.92	(8)	4.8
314530	UNIT No. 3	12.8	(9)	3.2	28.4	9.2	73.89	(4)	3.3
315530	UNIT No. 3	11.7	(4)	3.4	25.0	8.8	71.42	(2)	3.5
316530	UNIT No. 3	10.0	(17)	3.2	35.9	8.9	84.47	(6)	2.4
311540	UNIT No. 4	17.0	(3)	2.7	27.7	14.2	68.83	(6)	2.6
312540	UNIT No. 4	17.6	(17)	3.8	13.6	12.6	47.67	(10)	4.9
314540	UNIT No. 4	14.2	(9)	2.8	30.3	11.0	73.92	(4)	2.7
315540	UNIT No. 4	13.1	(4)	3.5	19.6	11.6	56.35	(2)	3.9
316540	UNIT No. 4	17.0	(17)	2.8	11.8	14.1	33.15	(6)	5.2
311550	UNIT No. 5	19.0	(3)	3.2	15.7	16.3	43.44	(6)	3.8
312550	UNIT No. 5	19.0	(17)	3.8	15.6	14.4	49.61	(11)	4.3
314550	UNIT No. 5	19.0	(9)	3.4	19.9	14.3	53.93	(5)	3.6
315550	UNIT No. 5	16.4	(4)	4.0	15.1	13.5	48.02	(3)	4.1
316550	UNIT No. 5	22.0	(17)	3.9	15.4	15.6	49.45	(9)	3.8
311560	UNIT No. 6	21.0	(3)	2.7	25.1	18.1	60.00	(6)	2.5
312560	UNIT No. 6	20.0	(17)	3.5	15.3	16.5	47.22	(12)	3.9
314560	UNIT No. 6	22.0	(9)	3.5	15.7	17.5	44.27	(6)	3.5
315560	UNIT No. 6	16.4	(4)	3.7	15.6	14.6	48.71	(3)	3.7
316560	UNIT No. 6	17.5	(17)	3.3	23.1	16.9	60.27	(8)	2.8

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Rates and Components

Account Number	Account Title	- Current Rates - Effective 1/1/96 - Average Remaining Life (yrs)	Future Net Salvage (%)	Composite Rate (%)	——Company Proposed - Effective 1/1/99 —— Average Age (yrs)	Average Remaining Life (yrs)	Actual A/D Ratio 12/98 (%)	Future Net Salvage (%)	Depreciation Rate (%)
	GANNON TRUST								
311700	COMMON	18.7	(12)	3.5	16.7	16.6	63.74	(4)	2.4
312700	COMMON	18.7	(12)	3.5	16.8	16.8	63.74	(5)	2.5
314700	COMMON	18.7	(12)	3.5	0.0	0.0	0.00	0	0.0
315700	COMMON	18.7	(12)	3.5	17.9	13.9	68.76	(2)	2.4
316700	COMMON	18.7	(12)	3.5	21.6	17.0	69.23	(4)	2.0
311710	UNIT No. 1	11.4	(12)	2.9	13.5	8.2	81.36	(5)	2.9
312710	UNIT No. 1	11.4	(12)	2.9	13.5	8.4	80.34	(5)	2.9
314710	UNIT No. 1	11.4	(12)	2.9	13.5	8.5	79.92	(4)	2.8
315710	UNIT No. 1	11.4	(12)	2.9	13.5	8.4	78.06	(2)	2.8
316710	UNIT No. 1	11.4	(12)	2.9	13.5	8.3	79.23	(4)	3.0
311720	UNIT No. 2	12.3	(12)	3.5	13.5	9.2	77.83	(5)	3.0
312720	UNIT No. 2	12.3	(12)	3.5	13.5	9.4	77.57	(6)	3.0
314720	UNIT No. 2	12.3	(12)	3.5	13.5	9.5	77.24	(5)	2.9
315720	UNIT No. 2	12.3	(12)	3.5	13.5	9.3	74.66	(2)	2.9
316720	UNIT No. 2	12.3	(12)	3.5	13.5	9.3	75.73	(4)	3.0
311730	UNIT No. 3	14.5	(12)	3.0	14.5	10.8	74.50	(5)	2.8
312730	UNIT No. 3	14.5	(12)	3.0	14.5	11.3	73.74	(6)	2.9
314730	UNIT No. 3	14.5	(12)	3.0	14.5	11.3	74.44	(6)	2.8
315730	UNIT No. 3	14.5	(12)	3.0	14.5	11.2	70.93	(2)	2.8
316730	UNIT No. 3	14.5	(12)	3.0	14.5	11.2	71.77	(4)	2.9
311740	UNIT No. 4	17.0	(12)	3.1	15.5	12.9	71.33	(6)	2.7
312740	UNIT No. 4	17.0	(12)	3.1	15.5	14.0	69.35	(7)	2.7
314740	UNIT No. 4	17.0	(12)	3.1	15.5	13.8	70.13	(6)	2.6
315740	UNIT No. 4	17.0	(12)	3.1	15.5	13.9	65.76	(2)	2.6
316740	UNIT No. 4	17.0	(12)	3.1	15.5	14.0	66.25	(4)	2.7

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Rates and Components

Account Number	Account Title	- Current Rates - Effective 1/1/96 - Average Remaining Life (yrs)	Future Net Salvage (%)	Composite Rate (%)	——Company Proposed - Effective 1/1/99 —— Average Age (yrs)	Average Remaining Life (yrs)	Actual A/D Ratio 12/98 (%)	Future Net Salvage (%)	Depreciation Rate (%)
	HOOKERS POINT STATION								
311600	COMMON	7.5	(2)	1.7	23.1	4.3	91.77	(1)	2.1
312600	COMMON	7.5	(2)	1.7	20.0	4.4	91.77	(1)	2.1
314600	COMMON	7.5	(2)	1.7	19.5	4.5	91.77	(1)	2.1
315600	COMMON	7.5	(2)	1.7	11.7	4.4	91.77	(1)	2.1
316600	COMMON	7.5	(2)	1.7	17.3	3.4	91.77	(1)	2.7
311610	UNIT No. 1	7.5	(2)	1.7	50.5	2.6	91.77	(1)	3.6
312610	UNIT No. 1	7.5	(2)	1.7	42.3	3.3	91.77	(1)	2.8
314610	UNIT No. 1	7.5	(2)	1.7	43.5	3.6	91.77	(1)	2.6
315610	UNIT No. 1	7.5	(2)	1.7	40.3	3.4	91.77	(1)	2.7
316610	UNIT No. 1	7.5	(2)	1.7	50.2	2.5	91.77	(1)	3.7
311620	UNIT No. 2 & 3	7.5	(2)	1.7	46.4	2.6	91.77	(1)	3.6
312620	UNIT No. 2 & 3	7.5	(2)	1.7	22.9	4.3	91.77	(1)	2.1
314620	UNIT No. 2 & 3	7.5	(2)	1.7	32.8	3.8	91.77	(1)	2.4
315620	UNIT No. 2 & 3	7.5	(2)	1.7	34.7	3.4	91.77	(1)	2.7
316620	UNIT No. 2 & 3	7.5	(2)	1.7	35.8	3.0	91.77	(1)	3.1
311640	UNIT No. 4	7.5	(2)	1.7	45.5	2.7	91.77	(1)	3.4
312640	UNIT No. 4	7.5	(2)	1.7	38.6	3.6	91.77	(1)	2.6
314640	UNIT No. 4	7.5	(2)	1.7	40.1	3.5	91.77	(1)	2.6
315640	UNIT No. 4	7.5	(2)	1.7	33.2	3.8	91.77	(1)	2.4
316640	UNIT No. 4	7.5	(2)	1.7	33.6	3.4	91.77	(1)	2.7
311650	UNIT No. 5	7.5	(2)	1.7	43.5	2.9	91.77	(1)	3.2
312650	UNIT No. 5	7.5	(2)	1.7	22.9	4.2	91.77	(1)	2.2
314650	UNIT No. 5	7.5	(2)	1.7	32.8	3.7	91.77	(1)	2.5
315650	UNIT No. 5	7.5	(2)	1.7	29.7	4.0	91.77	(1)	2.3
316650	UNIT No. 5	7.5	(2)	1.7	33.2	4.5	91.77	(1)	2.1
311110	DINNER LAKE STATION	8.7	(12)	3.4	26.6	6.3	88.15	(2)	2.2
312110	DINNER LAKE STATION	8.7	(12)	3.4	32.3	6.3	98.34	(2)	0.6
314110	DINNER LAKE STATION	8.7	(12)	3.4	30.8	6.4	95.39	(2)	1.0
315110	DINNER LAKE STATION	8.7	(12)	3.4	29.3	6.2	92.43	(1)	1.4
316110	DINNER LAKE STATION	8.7	(12)	3.4	30.2	6.3	95.13	(2)	1.1

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review - Change in Annual Accruals

Account Number	Account Title	Total Plant 12/98 ($)	Accumulated Depreciation 12/98 ($)	Current Rates Effective 1/1/96 Depreciation Rate (%)	Current Rates Effective 1/1/96 Accrual on Total Plant ($)	Company Proposed Effective 1/1/99 Remaining Life Depreciation Rate (%)	Company Proposed Effective 1/1/99 Remaining Life Annual Accrual ($)	Change in Annual Accruals ($)
	STEAM PRODUCTION							
	BIG BEND STATION							
311400	COMMON	44,074,192.52	14,958,048.51	2.0	881,484	2.2	969,632	88,148
312400	COMMON	58,186,103.95	20,697,524.28	2.8	1,629,211	2.8	1,629,211	0
314400	COMMON	3,298,967.82	1,442,615.28	1.9	62,680	1.9	62,680	0
315400	COMMON	13,113,091.00	5,997,015.81	3.4	445,845	3.6	472,071	26,226
316400	COMMON	3,858,667.27	1,793,459.19	3.9	150,488	3.6	138,912	(11,576)
311410	UNIT No. 1	7,265,039.45	3,925,721.76	2.5	181,626	2.4	174,361	(7,265)
312410	UNIT No. 1	56,103,747.78	24,780,487.52	3.3	1,851,424	3.7	2,075,839	224,415
314410	UNIT No. 1	23,555,741.06	12,164,210.81	2.9	683,116	3.1	730,228	47,112
315410	UNIT No. 1	8,262,811.13	4,378,241.97	2.9	239,622	3.1	256,147	16,525
316410	UNIT No. 1	645,511.63	382,597.35	3.2	20,656	2.3	14,847	(5,809)
311420	UNIT No. 2	6,998,280.33	3,422,310.28	2.5	174,957	2.3	160,960	(13,997)
312420	UNIT No. 2	52,425,436.70	22,587,159.19	3.2	1,677,614	3.5	1,834,890	157,276
314420	UNIT No. 2	25,199,498.35	12,066,299.00	2.9	730,785	3.0	755,985	25,200
315420	UNIT No. 2	7,529,510.17	3,452,627.14	3.1	233,415	3.0	225,885	(7,530)
316420	UNIT No. 2	539,942.26	218,417.82	3.3	17,818	3.2	17,278	(540)
311430	UNIT No. 3	15,122,534.05	7,209,053.54	2.2	332,696	2.2	332,696	0
312430	UNIT No. 3	86,097,695.24	42,236,936.96	2.8	2,410,735	2.9	2,496,833	86,098
314430	UNIT No. 3	28,785,848.37	16,724,771.73	2.4	690,860	2.6	748,432	57,572
315430	UNIT No. 3	18,641,407.58	9,082,530.29	2.9	540,601	3.1	577,884	37,283
316430	UNIT No. 3	888,756.82	360,111.75	2.6	23,108	2.7	23,996	888
311440	UNIT No. 4	62,215,336.50	18,519,906.66	2.0	1,244,307	2.1	1,306,522	62,215
312440	UNIT No. 4	195,051,513.41	73,373,745.27	3.7	7,216,906	2.9	5,656,494	(1,560,412)
314440	UNIT No. 4	80,700,612.12	27,751,100.85	2.4	1,936,815	2.5	2,017,515	80,700
315440	UNIT No. 4	35,892,678.26	13,133,423.01	2.6	933,210	2.8	1,004,995	71,785
316440	UNIT No. 4	5,377,095.55	1,674,848.16	2.9	155,936	2.5	134,427	(21,509)
311450	UNIT No. 4 FGD System	21,528,162.34	6,615,918.11	2.2	473,620	2.3	495,148	21,528
312450	UNIT No. 4 FGD System	140,129,441.35	50,312,667.25	2.8	3,923,624	2.7	3,783,495	(140,129)
315450	UNIT No. 4 FGD System	18,909,140.22	6,673,838.41	2.6	491,638	2.7	510,547	18,909
316450	UNIT No. 4 FGD System	742,529.70	237,558.62	3.1	23,018	2.5	18,563	(4,455)

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review - Change in Annual Accruals

Account Number	Account Title	Total Plant 12/98 ($)	Accumulated Depreciation 12/98 ($)	Current Rates Effective 1/1/96 Depreciation Rate (%)	Current Rates Effective 1/1/96 Accrual on Total Plant ($)	Company Proposed Effective 1/1/99 Remaining Life Depreciation Rate (%)	Company Proposed Effective 1/1/99 Remaining Life Annual Accrual ($)	Change in Annual Accruals ($)
	GANNON STATION							
311500	COMMON	29,704,853.67	12,468,155.62	3.3	980,260	3.6	1,069,375	89,115
312500	COMMON	17,755,603.58	6,212,042.87	3.9	692,469	4.1	727,980	35,511
314500	COMMON	1,844,181.56	655,542.54	3.2	59,014	3.7	68,235	9,221
315500	COMMON	7,000,411.33	2,478,995.30	3.2	224,013	4.4	308,018	84,005
316500	COMMON	3,228,358.50	1,847,730.50	4.7	151,733	4.5	145,276	(6,457)
311510	UNIT No. 1	2,589,783.20	2,222,763.67	2.5	64,745	2.3	59,565	(5,180)
312510	UNIT No. 1	9,056,558.71	6,667,079.31	3.6	326,036	4.5	407,545	81,509
314510	UNIT No. 1	8,858,437.08	6,319,355.01	3.0	265,753	4.4	389,771	124,018
315510	UNIT No. 1	2,093,331.82	1,638,935.57	3.1	64,893	3.4	71,173	6,280
316510	UNIT No. 1	253,316.11	220,774.06	2.7	6,840	2.2	5,573	(1,267)
311520	UNIT No. 2	2,775,427.98	2,034,994.38	3.1	86,038	3.4	94,365	8,327
312520	UNIT No. 2	8,316,155.01	5,670,739.18	4.2	349,279	5.2	432,440	83,161
314520	UNIT No. 2	10,984,309.84	7,936,731.68	3.4	373,467	3.8	417,404	43,937
315520	UNIT No. 2	1,636,945.48	1,189,452.99	3.5	57,293	3.6	58,930	1,637
316520	UNIT No. 2	90,997.25	79,657.98	3.1	2,821	2.2	2,002	(819)
311530	UNIT No. 3	2,135,431.75	1,728,509.18	2.8	59,792	2.2	46,979	(12,813)
312530	UNIT No. 3	19,140,470.72	11,276,690.96	3.9	746,478	4.8	918,743	172,265
314530	UNIT No. 3	11,853,410.36	8,758,813.14	3.2	379,309	3.3	391,163	11,854
315530	UNIT No. 3	2,382,584.33	1,701,566.32	3.4	81,008	3.5	83,390	2,382
316530	UNIT No. 3	88,144.91	74,458.84	3.2	2,821	2.4	2,115	(706)
311540	UNIT No. 4	1,758,650.51	1,210,457.85	2.7	47,484	2.6	45,725	(1,759)
312540	UNIT No. 4	19,587,608.64	9,337,671.67	3.8	744,329	4.9	959,793	215,464
314540	UNIT No. 4	8,670,211.44	6,408,808.22	2.8	242,766	2.7	234,096	(8,670)
315540	UNIT No. 4	2,477,506.03	1,396,150.98	3.5	86,713	3.9	96,623	9,910
316540	UNIT No. 4	170,624.90	56,570.23	2.8	4,777	5.2	8,872	4,095
311550	UNIT No. 5	5,588,230.84	2,427,274.76	3.2	178,823	3.8	212,353	33,530
312550	UNIT No. 5	30,305,479.99	15,033,530.85	3.8	1,151,608	4.3	1,303,136	151,528
314550	UNIT No. 5	12,582,138.35	6,785,052.17	3.4	427,793	3.6	452,957	25,164
315550	UNIT No. 5	5,857,951.88	2,812,962.16	4.0	234,318	4.1	240,176	5,858
316550	UNIT No. 5	355,544.41	175,816.58	3.9	13,866	3.8	13,511	(355)
311560	UNIT No. 6	4,589,434.77	2,753,565.67	2.7	123,915	2.5	114,736	(9,179)
312560	UNIT No. 6	47,129,400.22	22,253,720.24	3.5	1,649,529	3.9	1,838,047	188,518
314560	UNIT No. 6	22,966,006.38	10,167,396.63	3.5	803,810	3.5	803,810	0
315560	UNIT No. 6	7,821,431.33	3,809,650.36	3.7	289,393	3.7	289,393	0
316560	UNIT No. 6	292,887.43	176,522.62	3.3	9,665	2.8	8,201	(1,464)

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review - Change in Annual Accruals

Account Number	Account Title	Total Plant 12/98 ($)	Accumulated Depreciation 12/98 ($)	Current Rates — Effective 1/1/96 — Depreciation Rate (%)	Current Rates — Effective 1/1/96 — Accrual on Total Plant ($)	Company Proposed — Effective 1/1/99 — Remaining Life — Depreciation Rate (%)	Company Proposed — Effective 1/1/99 — Remaining Life — Annual Accrual ($)	Change in Annual Accruals ($)
	GANNON TRUST							
311700	COMMON	7,136,888.75	4,549,203.98	3.5	249,791	2.4	171,285	(78,506)
312700	COMMON	28,087,481.89	17,902,172.15	3.5	983,062	2.5	702,187	(280,875)
314700	COMMON	0.00	0.00	3.5	0	0.0	0	0
315700	COMMON	6,036,354.37	4,150,649.21	3.5	211,272	2.4	144,873	(66,399)
316700	COMMON	1,575,973.13	1,091,007.35	3.5	55,159	2.0	31,519	(23,640)
311710	UNIT No. 1	638,297.93	519,323.67	2.9	18,511	2.9	18,511	0
312710	UNIT No. 1	15,301,799.02	12,293,447.85	2.9	443,752	2.9	443,752	0
314710	UNIT No. 1	4,086.50	3,265.88	2.9	119	2.8	114	(5)
315710	UNIT No. 1	2,979,327.07	2,325,749.82	2.9	86,400	2.8	83,421	(2,979)
316710	UNIT No. 1	101,265.46	80,233.21	2.9	2,937	3.0	3,038	101
311720	UNIT No. 2	2,075,348.90	1,615,220.36	3.5	72,637	3.0	62,260	(10,377)
312720	UNIT No. 2	15,849,207.14	12,294,708.33	3.5	554,722	3.0	475,476	(79,246)
314720	UNIT No. 2	3,657.26	2,824.77	3.5	128	2.9	106	(22)
315720	UNIT No. 2	3,234,810.03	2,415,237.36	3.5	113,218	2.9	93,809	(19,409)
316720	UNIT No. 2	82,558.77	62,520.29	3.5	2,890	3.0	2,477	(413)
311730	UNIT No. 3	948,026.36	706,243.66	3.0	28,441	2.8	26,545	(1,896)
312730	UNIT No. 3	21,066,752.36	15,535,441.55	3.0	632,003	2.9	610,936	(21,067)
314730	UNIT No. 3	18,046.61	13,433.52	3.0	541	2.8	505	(36)
315730	UNIT No. 3	2,993,208.97	2,123,172.68	3.0	89,796	2.8	83,810	(5,986)
316730	UNIT No. 3	175,333.04	125,838.22	3.0	5,260	2.9	5,085	(175)
311740	UNIT No. 4	1,694,472.61	1,208,737.41	3.1	52,529	2.7	45,751	(6,778)
312740	UNIT No. 4	25,413,057.61	17,624,484.56	3.1	787,805	2.7	686,153	(101,652)
314740	UNIT No. 4	3,671.86	2,575.24	3.1	114	2.6	95	(19)
315740	UNIT No. 4	4,380,913.88	2,880,953.46	3.1	135,808	2.6	113,904	(21,904)
316740	UNIT No. 4	228,778.53	151,573.50	3.1	7,092	2.7	6,177	(915)

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review - Change in Annual Accruals

Account Number	Account Title	Total Plant 12/98 ($)	Accumulated Depreciation 12/98 ($)	Current Rates Effective 1/1/96 Depreciation Rate (%)	Current Rates Effective 1/1/96 Accrual on Total Plant ($)	Company Proposed Effective 1/1/99 Remaining Life Depreciation Rate (%)	Company Proposed Effective 1/1/99 Remaining Life Annual Accrual ($)	Change in Annual Accruals ($)
	HOOKERS POINT STATION							
311600	COMMON	3,936,210.22	3,612,152.45	1.7	66,916	2.1	82,660	15,744
312600	COMMON	4,476,614.77	4,108,066.93	1.7	76,102	2.1	94,009	17,907
314600	COMMON	840,321.21	771,139.79	1.7	14,285	2.1	17,647	3,362
315600	COMMON	2,368,511.94	2,173,518.62	1.7	40,265	2.1	49,739	9,474
316600	COMMON	1,528,133.52	1,402,326.33	1.7	25,978	2.7	41,260	15,282
311610	UNIT No. 1	1,120,752.51	1,028,483.92	1.7	19,053	3.6	40,347	21,294
312610	UNIT No. 1	3,270,355.15	3,001,115.47	1.7	55,596	2.8	91,570	35,974
314610	UNIT No. 1	2,343,385.68	2,150,460.94	1.7	39,838	2.6	60,928	21,090
315610	UNIT No. 1	728,751.52	668,755.34	1.7	12,389	2.7	19,676	7,287
316610	UNIT No. 1	81,995.70	75,245.21	1.7	1,394	3.7	3,034	1,640
311620	UNIT No. 2 & 3	817,057.35	749,791.18	1.7	13,890	3.6	29,414	15,524
312620	UNIT No. 2 & 3	5,997,566.00	5,503,802.27	1.7	101,959	2.1	125,949	23,990
314620	UNIT No. 2 & 3	4,287,872.25	3,934,863.08	1.7	72,894	2.4	102,909	30,015
315620	UNIT No. 2 & 3	1,063,689.82	976,119.05	1.7	18,083	2.7	28,720	10,637
316620	UNIT No. 2 & 3	48,672.81	44,665.71	1.7	827	3.1	1,509	682
311640	UNIT No. 4	852,842.87	782,630.57	1.7	14,498	3.4	28,997	14,499
312640	UNIT No. 4	2,461,917.84	2,259,234.66	1.7	41,853	2.6	64,010	22,157
314640	UNIT No. 4	3,359,755.46	3,083,155.69	1.7	57,116	2.6	87,354	30,238
315640	UNIT No. 4	738,348.83	677,562.53	1.7	12,552	2.4	17,720	5,168
316640	UNIT No. 4	43,353.65	39,784.46	1.7	737	2.7	1,171	434
311650	UNIT No. 5	1,236,219.52	1,134,444.84	1.7	21,016	3.2	39,559	18,543
312650	UNIT No. 5	5,620,601.46	5,157,872.22	1.7	95,550	2.2	123,653	28,103
314650	UNIT No. 5	4,648,307.13	4,265,624.31	1.7	79,021	2.5	116,208	37,187
315650	UNIT No. 5	1,138,015.91	1,044,326.07	1.7	19,346	2.3	26,174	6,828
316650	UNIT No. 5	48,227.90	44,257.45	1.7	820	2.1	1,013	193
311110	DINNER LAKE STATION	631,359.20	556,549.17	3.4	21,466	2.2	13,890	(7,576)
312110	DINNER LAKE STATION	1,465,723.79	1,441,439.29	3.4	49,835	0.6	8,794	(41,041)
314110	DINNER LAKE STATION	1,111,908.88	1,060,704.05	3.4	37,805	1.0	11,119	(26,686)
315110	DINNER LAKE STATION	378,863.13	350,202.12	3.4	12,881	1.4	5,304	(7,577)
316110	DINNER LAKE STATION	33,395.93	31,770.82	3.4	1,135	1.1	367	(768)
	TOTAL STEAM PRODUCTION	**1,529,789,163.24**	**723,969,369.18**	**3.0**	**45,919,763.00**	**3.0**	**46,094,437.00**	**174,684.00**

TAMPA ELECTRIC COMPANY
Comparison of Reserve - Actual vs Theoretical

Account Number	Account Title	Total Plant 12/98 ($)	Actual Accumulated Depreciation 12/98 ($)	Actual A/D Ratio (%)	Calculated (Theoretical) A/D 12/98 ($)	Theo-retical A/D Ratio (%)	Actual Minus Theoretical ($)	Actual over Theoretical (%)
	STEAM PRODUCTION							
	BIG BEND STATION							
311400	COMMON	44,074,192.52	14,958,048.51	33.94	14,403,729.66	32.68	554,318.85	104
312400	COMMON	58,186,103.95	20,697,524.28	35.57	19,930,510.60	34.25	767,013.68	104
314400	COMMON	3,298,967.82	1,442,615.28	43.73	1,389,154.51	42.11	53,460.77	104
315400	COMMON	13,113,091.00	5,997,015.81	45.73	5,774,777.00	44.04	222,238.81	104
316400	COMMON	3,858,667.27	1,793,459.19	46.48	1,726,996.76	44.76	66,462.43	104
311410	UNIT No. 1	7,265,039.45	3,925,721.76	54.04	3,780,241.45	52.03	145,480.31	104
312410	UNIT No. 1	56,103,747.78	24,780,487.52	44.17	23,862,166.43	42.53	918,321.09	104
314410	UNIT No. 1	23,555,741.06	12,164,210.81	51.64	11,713,426.65	49.73	450,784.16	104
315410	UNIT No. 1	8,262,811.13	4,378,241.97	52.99	4,215,992.06	51.02	162,249.91	104
316410	UNIT No. 1	645,511.63	382,597.35	59.27	368,418.97	57.07	14,178.38	104
311420	UNIT No. 2	6,998,280.33	3,422,310.28	48.90	3,295,485.51	47.09	126,824.77	104
312420	UNIT No. 2	52,425,436.70	22,587,159.19	43.08	21,750,118.98	41.49	837,040.21	104
314420	UNIT No. 2	25,199,498.35	12,066,299.00	47.88	11,619,143.28	46.11	447,155.72	104
315420	UNIT No. 2	7,529,510.17	3,452,627.14	45.85	3,324,678.88	44.16	127,948.26	104
316420	UNIT No. 2	539,942.26	218,417.82	40.45	210,323.64	38.95	8,094.18	104
311430	UNIT No. 3	15,122,534.05	7,209,053.54	47.67	6,941,898.75	45.90	267,154.79	104
312430	UNIT No. 3	86,097,695.24	42,236,936.96	49.06	40,671,710.70	47.24	1,565,226.26	104
314430	UNIT No. 3	28,785,848.37	16,724,771.73	58.10	16,104,981.24	55.95	619,790.49	104
315430	UNIT No. 3	18,641,407.58	9,082,530.29	48.72	8,745,947.76	46.92	336,582.53	104
316430	UNIT No. 3	888,756.82	360,111.75	40.52	346,766.64	39.02	13,345.11	104
311440	UNIT No. 4	62,215,336.50	18,519,906.66	29.77	17,833,591.64	28.66	686,315.02	104
312440	UNIT No. 4	195,051,513.41	73,373,745.27	37.62	70,654,643.90	36.22	2,719,101.37	104
314440	UNIT No. 4	80,700,612.12	27,751,100.85	34.39	26,722,694.08	33.11	1,028,406.77	104
315440	UNIT No. 4	35,892,678.26	13,133,423.01	36.59	12,646,721.56	35.23	486,701.45	104
316440	UNIT No. 4	5,377,095.55	1,674,848.16	31.15	1,612,781.25	29.99	62,066.91	104
311450	UNIT No. 4 FGD System	21,528,162.34	6,615,918.11	30.73	6,370,743.87	29.59	245,174.24	104
312450	UNIT No. 4 FGD System	140,129,441.35	50,312,667.25	35.90	48,448,168.69	34.57	1,864,498.56	104
315450	UNIT No. 4 FGD System	18,909,140.22	6,673,836.41	35.29	6,426,517.75	33.99	247,320.66	104
316450	UNIT No. 4 FGD System	742,529.70	237,558.62	31.99	228,755.12	30.81	8,803.50	104

TAMPA ELECTRIC COMPANY
Comparison of Reserve - Actual vs Theoretical

Account Number	Account Title	Total Plant 12/98 ($)	Actual Accumulated Depreciation 12/98 ($)	Actual A/D Ratio (%)	Calculated (Theoretical) A/D 12/98 ($)	Theo-retical A/D Ratio (%)	Actual Minus Theoretical ($)	Actual over Theoretical (%)
	GANNON STATION							
311500	COMMON	29,704,853.67	12,468,155.62	41.97	12,109,314.44	40.77	358,841.18	103
312500	COMMON	17,755,603.58	6,212,042.87	34.99	6,033,256.46	33.98	178,786.41	103
314500	COMMON	1,844,181.56	655,542.54	35.55	636,675.62	34.52	18,866.92	103
315500	COMMON	7,000,411.33	2,478,995.30	35.41	2,407,648.29	34.39	71,347.01	103
316500	COMMON	3,228,358.50	1,847,730.50	57.23	1,794,551.68	55.59	53,178.82	103
311510	UNIT No. 1	2,589,783.20	2,222,763.67	85.83	2,158,791.17	83.36	63,972.50	103
312510	UNIT No. 1	9,056,558.71	6,667,079.31	73.62	6,475,196.67	71.50	191,882.64	103
314510	UNIT No. 1	8,858,437.08	6,319,355.01	71.34	6,137,480.09	69.28	181,874.92	103
315510	UNIT No. 1	2,093,331.82	1,638,935.57	78.29	1,591,766.00	76.04	47,169.57	103
316510	UNIT No. 1	253,316.11	220,774.06	87.15	214,420.05	84.65	6,354.01	103
311520	UNIT No. 2	2,775,427.98	2,034,994.38	73.32	1,976,425.99	71.21	58,568.39	103
312520	UNIT No. 2	8,316,155.01	5,670,739.18	68.19	5,507,531.82	66.23	163,207.36	103
314520	UNIT No. 2	10,984,309.84	7,936,731.68	72.26	7,708,307.67	70.18	228,424.01	103
315520	UNIT No. 2	1,636,945.48	1,189,452.99	72.66	1,155,219.80	70.57	34,233.19	103
316520	UNIT No. 2	90,997.25	79,657.98	87.54	77,365.37	85.02	2,292.61	103
311530	UNIT No. 3	2,135,431.75	1,728,509.18	80.94	1,678,761.62	78.61	49,747.56	103
312530	UNIT No. 3	19,140,470.72	11,276,690.96	58.92	10,952,140.87	57.22	324,550.09	103
314530	UNIT No. 3	11,853,410.36	8,758,813.14	73.89	8,506,729.12	71.77	252,084.02	103
315530	UNIT No. 3	2,382,584.33	1,701,566.32	71.42	1,652,594.20	69.36	48,972.12	103
316530	UNIT No. 3	88,144.91	74,458.84	84.47	72,315.87	82.04	2,142.97	103
311540	UNIT No. 4	1,758,650.51	1,210,457.85	68.83	1,175,620.13	66.85	34,837.72	103
312540	UNIT No. 4	19,587,608.64	9,337,671.67	47.67	9,068,927.74	46.30	268,743.93	103
314540	UNIT No. 4	8,670,211.44	6,408,808.22	73.92	6,224,358.78	71.79	184,449.44	103
315540	UNIT No. 4	2,477,506.03	1,396,150.98	56.35	1,355,968.90	54.73	40,182.08	103
316540	UNIT No. 4	170,624.90	56,570.23	33.15	54,942.10	32.20	1,628.13	103
311550	UNIT No. 5	5,588,230.84	2,427,274.76	43.44	2,357,416.30	42.19	69,858.46	103
312550	UNIT No. 5	30,305,479.99	15,033,530.85	49.61	14,600,856.60	48.18	432,674.25	103
314550	UNIT No. 5	12,582,138.35	6,785,052.17	53.93	6,589,774.20	52.37	195,277.97	103
315550	UNIT No. 5	5,857,951.88	2,812,962.16	48.02	2,732,003.38	46.64	80,958.78	103
316550	UNIT No. 5	355,544.41	175,816.58	49.45	170,756.47	48.03	5,060.11	103
311560	UNIT No. 6	4,589,434.77	2,753,565.67	60.00	2,674,316.36	58.27	79,249.31	103
312560	UNIT No. 6	47,129,400.22	22,253,720.24	47.22	21,613,244.50	45.86	640,475.74	103
314560	UNIT No. 6	22,966,006.38	10,167,396.63	44.27	9,874,772.71	43.00	292,623.92	103
315560	UNIT No. 6	7,821,431.33	3,809,650.36	48.71	3,700,006.28	47.31	109,644.08	103
316560	UNIT No. 6	292,887.43	176,522.62	60.27	171,442.19	58.54	5,080.43	103

TAMPA ELECTRIC COMPANY
Comparison of Reserve - Actual vs Theoretical

Account Number	Account Title	Total Plant 12/98 ($)	Actual Accumulated Depreciation 12/98 ($)	Actual A/D Ratio (%)	Calculated (Theoretical) A/D 12/98 ($)	Theo-retical A/D Ratio (%)	Actual Minus Theoretical ($)	Actual over Theoretical (%)
	GANNON TRUST							
311700	COMMON	7,136,888.75	4,549,203.98	63.74	3,637,040.31	50.96	912,163.67	125
312700	COMMON	28,087,481.89	17,902,172.15	63.74	14,312,596.66	50.96	3,589,575.49	125
314700	COMMON	0.00	0.00	0.00	0.00	0.00	0.00	0
315700	COMMON	6,036,354.37	4,150,649.21	68.76	3,318,400.00	54.97	832,249.21	125
316700	COMMON	1,575,973.13	1,091,007.35	69.23	872,248.80	55.35	218,758.55	125
311710	UNIT No. 1	638,297.93	519,323.67	81.36	415,193.76	65.05	104,129.91	125
312710	UNIT No. 1	15,301,799.02	12,293,447.85	80.34	9,828,481.10	64.23	2,464,966.75	125
314710	UNIT No. 1	4,086.50	3,265.88	79.92	2,611.04	63.89	654.84	125
315710	UNIT No. 1	2,979,327.07	2,325,749.82	78.06	1,859,412.30	62.41	466,337.52	125
316710	UNIT No. 1	101,265.46	80,233.21	79.23	64,145.60	63.34	16,087.61	125
311720	UNIT No. 2	2,075,348.90	1,615,220.36	77.83	1,291,351.54	62.22	323,868.82	125
312720	UNIT No. 2	15,849,207.14	12,294,708.33	77.57	9,829,488.84	62.02	2,465,219.49	125
314720	UNIT No. 2	3,657.26	2,824.77	77.24	2,258.37	61.75	566.40	125
315720	UNIT No. 2	3,234,810.03	2,415,237.36	74.66	1,930,956.64	59.69	484,280.72	125
316720	UNIT No. 2	82,558.77	62,520.29	75.73	49,984.31	60.54	12,535.98	125
311730	UNIT No. 3	948,026.36	706,243.66	74.50	564,634.31	59.56	141,609.35	125
312730	UNIT No. 3	21,066,752.36	15,535,441.55	73.74	12,420,420.66	58.96	3,115,020.89	125
314730	UNIT No. 3	18,046.61	13,433.52	74.44	10,739.96	59.51	2,693.56	125
315730	UNIT No. 3	2,993,208.97	2,123,172.68	70.93	1,697,454.03	56.71	425,718.65	125
316730	UNIT No. 3	175,333.04	125,838.22	71.77	100,606.32	57.38	25,231.90	125
311740	UNIT No. 4	1,694,472.61	1,208,737.41	71.33	966,372.73	57.03	242,364.68	125
312740	UNIT No. 4	25,413,057.61	17,624,484.56	69.35	14,090,588.38	55.45	3,533,896.18	125
314740	UNIT No. 4	3,671.86	2,575.24	70.13	2,058.88	56.07	516.36	125
315740	UNIT No. 4	4,380,913.88	2,880,953.46	65.76	2,303,291.72	52.58	577,661.74	125
316740	UNIT No. 4	228,778.53	151,573.50	66.25	121,181.39	52.97	30,392.11	125

TAMPA ELECTRIC COMPANY
Comparison of Reserve - Actual vs Theoretical

Account Number	Account Title	Total Plant 12/98 ($)	Actual Accumulated Depreciation 12/98 ($)	Actual A/D Ratio (%)	Calculated (Theoretical) A/D 12/98 ($)	Theo-retical A/D Ratio (%)	Actual Minus Theoretical ($)	Actual over Theoretical (%)
	HOOKERS POINT STATION							
311600	COMMON	3,936,210.22	3,612,152.45	91.77	3,172,664.22	80.60	439,488.23	114
312600	COMMON	4,476,614.77	4,108,066.93	91.77	3,402,684.89	76.01	705,382.04	121
314600	COMMON	840,321.21	771,139.79	91.77	678,911.16	80.79	92,228.63	114
315600	COMMON	2,368,511.94	2,173,518.62	91.77	1,511,211.78	63.80	662,306.84	144
316600	COMMON	1,528,133.52	1,402,326.33	91.77	1,188,719.76	77.79	213,606.57	118
311610	UNIT No. 1	1,120,752.51	1,028,483.92	91.77	1,060,942.27	94.66	(32,458.35)	97
312610	UNIT No. 1	3,270,355.15	3,001,115.47	91.77	2,891,795.47	88.42	109,320.00	104
314610	UNIT No. 1	2,343,385.68	2,150,460.94	91.77	2,126,574.34	90.75	23,886.60	101
315610	UNIT No. 1	728,751.52	668,755.34	91.77	649,400.51	89.11	19,354.83	103
316610	UNIT No. 1	81,995.70	75,245.21	91.77	77,463.98	94.47	(2,218.77)	97
311620	UNIT No. 2 & 3	817,057.35	749,791.18	91.77	767,573.82	93.94	(17,782.64)	98
312620	UNIT No. 2 & 3	5,997,566.00	5,503,802.27	91.77	4,795,139.69	79.95	708,662.58	115
314620	UNIT No. 2 & 3	4,287,872.25	3,934,863.08	91.77	3,709,874.86	86.52	224,988.22	106
315620	UNIT No. 2 & 3	1,063,689.82	976,119.05	91.77	922,602.42	86.74	53,516.63	106
316620	UNIT No. 2 & 3	48,672.81	44,665.71	91.77	42,950.09	88.24	1,715.62	104
311640	UNIT No. 4	852,842.87	782,630.57	91.77	801,249.77	93.95	(18,619.20)	98
312640	UNIT No. 4	2,461,917.84	2,259,234.66	91.77	2,167,243.51	88.03	91,991.15	104
314640	UNIT No. 4	3,359,755.46	3,083,155.69	91.77	3,000,200.29	89.30	82,955.40	103
315640	UNIT No. 4	738,348.83	677,562.53	91.77	624,829.44	84.63	52,733.09	108
316640	UNIT No. 4	43,353.65	39,784.46	91.77	38,041.23	87.75	1,743.23	105
311650	UNIT No. 5	1,236,219.52	1,134,444.84	91.77	1,154,875.81	93.42	(20,430.97)	98
312650	UNIT No. 5	5,620,601.46	5,157,872.22	91.77	4,123,790.44	73.37	1,034,081.78	125
314650	UNIT No. 5	4,648,307.13	4,265,624.31	91.77	3,998,055.18	86.01	267,569.13	107
315650	UNIT No. 5	1,138,015.91	1,044,326.07	91.77	940,262.07	82.62	104,064.00	111
316650	UNIT No. 5	48,227.90	44,257.45	91.77	42,476.15	88.07	1,781.30	104
311110	DINNER LAKE STATION	631,359.20	556,549.17	88.15	476,221.30	75.43	80,327.87	117
312110	DINNER LAKE STATION	1,465,723.79	1,441,439.29	98.34	1,233,393.43	84.15	208,045.86	117
314110	DINNER LAKE STATION	1,111,908.88	1,060,704.05	95.39	907,610.48	81.63	153,093.57	117
315110	DINNER LAKE STATION	378,863.13	350,202.12	92.43	299,656.74	79.09	50,545.38	117
316110	DINNER LAKE STATION	33,395.93	31,770.82	95.13	27,185.27	81.40	4,585.55	117
	TOTAL STEAM PRODUCTION	1,529,789,163.24	723,969,369.18	47.32	678,857,104.79	44.38	45,112,264.39	107

Tampa Electric Company
Overview of Depreciation Study for
Energy Supply - Miscellaneous Production

The company has completed the following depreciation study for Energy Supply - Miscellaneous Production. The final dismantling of the units is not included with this portion of the depreciation study, but is included separately in this depreciation study.

The company has continued the FERC account format for the depreciation study as previously requested by the Florida Public Service Commission (FPSC) Staff. The company has completed the depreciation study at the FERC account level for each unit including allowance for future net salvage. The detailed accounts were not reviewed or adjusted for reserve deficiencies previously, but have been adjusted as part of this depreciation study. The actual reserve through 1998 for each account was allocated based on the theoretical reserve calculation for each account within the unit. These details are presented separately, under the heading "Reserve Adjustments", within this depreciation study.

The company utilized "home grown" formats for this portion of the depreciation study. In order to continue using the method prescribed by the FPSC Staff for calculation of remaining life, the company had to abandon the use of purchased software. The method prescribed by the Staff utilizes average service life in its calculations, and the software does not provide this detail. The company has prepared tables in house that provide the necessary details to complete the study. The interim retirement rates, service lives and curve types assigned are consistent with our last depreciation studies for Energy Supply - Miscellaneous Production.

The company has presented all information in this detailed manner, and an overview by generating station is presented below:

Structures and Improvements

The company prepared the depreciation study at the FERC account level. A complete review of all assets was completed and Account 106 - CWIPIS was added at the asset level to bring the analysis in balance with Electric Plant In Service as of December 31, 1998. Assets that had outlived shorter life categories were reassigned to the next longer life category as required. No reassignments of specific segments of plant were warranted.

Future net salvage was calculated for each FERC account. At the request of the FPSC Staff, the company has calculated future net salvage at the FERC account level. This was a major change for the company and resulted in significant changes in future net salvage rates. The company recognizes the concerns that Staff communicated during the last depreciation study, and believes that this method provides a more accurate method

for assigning future net salvage rates to the FERC accounts. The method is consistent within Energy Supply - Miscellaneous Production.

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Rates and Components

		- Current Rates - Effective 1/1/96 -			——Company Proposed - Effective 1/1/99 ——				
					——————Remaining Life——————				
					——————Total Plant——————				
Account Number	Account Title	Average Remaining Life	Future Net Salvage	Composite Rate	Average Age	Average Remaining Life	Actual A/D Ratio 12/98	Future Net Salvage	Depre-ciation Rate
		(yrs)	(%)	(%)	(yrs)	(yrs)	(%)	(%)	(%)
	MISC. PRODUCTION								
311010	Structures & Improvements	21.0	(3)	3.1	14.2	15.2	48.12	(4)	3.7

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review - Change in Annual Accruals

Account Number	Account Title	Total Plant 12/98 ($)	Accumulated Depreciation 12/98 ($)	Current Rates Effective 1/1/96 Depreciation Rate (%)	Current Rates Effective 1/1/96 Accrual on Total Plant ($)	Company Proposed Effective 1/1/99 Remaining Life Depreciation Rate (%)	Company Proposed Effective 1/1/99 Remaining Life Annual Accrual ($)	Change in Annual Accruals ($)
	MISC. PRODUCTION							
311010	Structures & Improvements	6,938,922.29	3,338,719.35	3.1	215,107	3.7	256,740	41,633
TOTAL MISCELLANEOUS PRODUCTIO		**6,938,922.29**	**3,338,719.35**	**3.1**	**215,107.00**	**3.7**	**256,740.00**	**41,633.00**

TAMPA ELECTRIC COMPANY
Comparison of Reserve - Actual vs Theoretical

Account Number	Account Title	Total Plant 12/98 ($)	Actual Accumulated Depreciation 12/98 ($)	Actual A/D Ratio (%)	Calculated (Theoretical) A/D 12/98 ($)	Theo-retical A/D Ratio (%)	Actual Minus Theoretical ($)	Actual over Theoretical (%)
	MISC. PRODUCTION							
311010	Structures & Improvements	6,938,922.29	3,338,719.35	48.12	3,338,719.35	48.12	0.00	100
TOTAL MISCELLANEOUS PRODUCTION		**6,938,922.29**	**3,338,719.35**	**48.12**	**3,338,719.35**	**48.12**	**0.00**	**100**

Tampa Electric Company
Overview of Depreciation Study for
Energy Supply - Other Production

The company has completed the following depreciation study for Energy Supply - Other Production. The final dismantling of the units is not included with this portion of the depreciation study, but is included separately within this depreciation study.

The company has continued the FERC account format for the depreciation study as previously requested by the Florida Public Service Commission (FPSC) Staff. The company has completed the depreciation study at the FERC account level for each unit including allowance for future net salvage. This had been done for Big Bend and Gannon Stations in the last depreciation study and has been completed for Phillips and Polk Power Stations. Previously, depreciation rates were maintained at the unit level and not at the account level even though the company maintained the detailed accounts within the accounting system. The detailed accounts were not reviewed or adjusted for reserve deficiencies previously, but have been adjusted as part of this depreciation study. The actual reserve through 1998 for each unit was allocated based on the theoretical reserve calculation for each account within the unit. These details are presented separately, under the heading "Reserve Adjustments", within this depreciation study.

The company utilized "home grown" formats for this portion of the depreciation study. In order to continue using the method prescribed by the FPSC Staff for calculation of remaining life, the company had to abandon the use of purchased software. The method prescribed by the Staff utilizes average service life in its calculations, and the software does not provide this detail. The company has prepared tables in house that provide the necessary details to complete the study. The interim retirement rates, average service lives and curve types assigned are consistent with our last depreciation studies for Energy Supply - Other Production.

The company has presented all information in this detailed manner, and an overview by generating station is presented below:

Big Bend Combustion Turbines

The company prepared the depreciation study at the FERC account level. A complete review of all assets was completed and Account 106 - CWIPIS was added at the asset level to bring the analysis in balance with Electric Plant In Service as of December 31, 1998. Assets that had outlived shorter life categories were reassigned to the next longer life category as required. No reassignments of specific segments of plant were warranted.

Future net salvage was calculated for each FERC account. At the request of the FPSC Staff, the company has calculated future net salvage at the FERC account level. This was a major change for the company and resulted in significant changes in future net salvage rates. The company recognizes the concerns that Staff communicated during the last depreciation study, and believes that this method provides a more accurate method for assigning future net salvage rates to the FERC accounts. The method is consistent within Energy Supply - Other Production.

Gannon Station Combustion Turbine

The company prepared the depreciation study at the FERC account level. A complete review of all assets was completed and Account 106 - CWIPIS was added at the asset level to bring the analysis in balance with Electric Plant In Service as of December 31, 1998. Assets that had outlived shorter life categories were reassigned to the next longer life category as required. No reassignments of specific segments of plant were warranted.

Future net salvage was calculated for each FERC account. At the request of the FPSC Staff, the company has calculated future net salvage at the FERC account level. This was a major change for the company and resulted in significant changes in future net salvage rates. The company recognizes the concerns that Staff communicated during the last depreciation study, and believes that this method provides a more accurate method for assigning future net salvage rates to the FERC accounts. The method is consistent within Energy Supply - Other Production.

Phillips Station

The company prepared the depreciation study at the FERC account level. The initial plant purchase amount was assigned to the FERC account and life category based on a simulation of other similar assets. The appropriate transfers were made and the reserve was assigned based on the theoretical reserve calculations. A complete review of all assets was completed and Account 106 - CWIPIS was added at the asset level to bring the analysis in balance with Electric Plant In Service as of December 31, 1998. Assets that had outlived shorter life categories were reassigned to the next longer life category as required. No reassignments of specific segments of plant were warranted.

Future net salvage was calculated for each FERC account. At the request of the FPSC Staff, the company has calculated future net salvage at the FERC account level. This was a major change for the company and resulted in significant changes in future net salvage rates. The company recognizes the concerns that Staff communicated during the last depreciation study, and believes that this method provides a more accurate method for assigning future net salvage rates to the FERC accounts. The method is consistent within Energy Supply - Other Production.

Polk Power Station

The company prepared the depreciation study at the FERC account level. A complete review of all assets was completed and Account 106 - CWIPIS was added at the asset level to bring the analysis in balance with Electric Plant In-Service as of December 31, 1998. The company completed a life analysis at the asset level as had been completed for all other units. The assets were segregated into life categories based on specific criteria. First, the assets that will be assigned to common facilities when multiple units are in-service at the site were assigned a full life of 50 years. These assets include initial site preparation, yard area including roads, landscaping, cooling pond, storage areas, administration, maintenance and warehouse buildings, and underground facilities. The unit specific assets were assigned lives from 5 years to 40 years. This unit is wholly different from all other units that the company owns. The nature of this plant with its chemical processes requires a life analysis that is sensitive to the more corrosive atmosphere that this type of unit will be operating under. The company has assigned a 5 year life to the combustion section of the combustion turbine, lockhoppers, pumps, motors, piping and related equipment that is most exposed to a corrosive environment. A 20 year life has been assigned to air conditioners, sump pumps, station batteries and related, conveyor belts and belt cleaners, dust collection components, agitators, rotating equipment, ductwork, control systems and electrical equipment. A 40 year life was assigned to the power block structures, pipe bridges, stacks, piping, valves and control valves, all concrete foundations, motors, coal storage bins, conveyor structures and other long life items. The company was consistent in its assignment of life categories in relation to its other units. Long life assets, medium life assets and short life assets are in the same categories as with other units. The company believes that this type of plant should have a full life of 40 years and not the 50-year full life assigned to our other major units.

Future net salvage was calculated for each FERC account. At the request of the FPSC Staff, the company has calculated future net salvage at the FERC account level. This was a major change for the company and resulted in significant changes in future net salvage rates. The company recognizes the concerns that Staff communicated during the last depreciation study, and believes that this method provides a more accurate method for assigning future net salvage rates to the FERC accounts. The method is consistent within Energy Supply - Other Production.

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Rates and Components

Account Number	Account Title	- Current Rates - Effective 1/1/96 - Average Remaining Life (yrs)	Future Net Salvage (%)	Composite Rate (%)	Company Proposed - Effective 1/1/99 - Remaining Life - Total Plant - Average Age (yrs)	Average Remaining Life (yrs)	Actual A/D Ratio 12/98 (%)	Future Net Salvage (%)	Depreciation Rate (%)
	OTHER PRODUCTION								
	BIG BEND STATION								
341410	COMBUSTION TURBINE No. 1	13.4	(3)	0.6	28.2	8.9	81.01	(4)	2.6
342410	COMBUSTION TURBINE No. 1	13.6	(17)	1.0	28.7	8.4	84.05	(7)	2.7
344410	COMBUSTION TURBINE No. 1	12.6	(9)	2.0	28.1	3.8	92.87	(6)	3.5
345410	COMBUSTION TURBINE No. 1	13.4	(4)	0.8	27.6	5.4	84.95	(2)	3.2
346410	COMBUSTION TURBINE No. 1	6.2	(17)	(1.0)	22.7	10.2	73.07	(4)	3.0
341420	COMBUSTION TURBINE No. 2 & 3	5.4	(3)	3.6	24.1	5.3	88.01	(4)	3.0
342420	COMBUSTION TURBINE No. 2 & 3	8.9	(17)	3.7	24.5	5.1	90.26	(6)	3.1
344420	COMBUSTION TURBINE No. 2 & 3	9.9	(9)	4.0	19.0	4.9	82.20	(6)	4.9
345420	COMBUSTION TURBINE No. 2 & 3	6.3	(4)	4.6	18.7	4.8	77.94	(2)	5.0
346420	COMBUSTION TURBINE No. 2 & 3	6.4	(17)	4.2	24.5	3.8	95.72	(8)	3.2
	GANNON STATION								
341510	COMBUSTION TURBINE No. 1	13.4	(3)	1.2	29.4	9.4	89.35	(3)	1.5
342510	COMBUSTION TURBINE No. 1	13.4	(17)	1.3	29.5	6.0	100.93	(8)	1.2
344510	COMBUSTION TURBINE No. 1	13.4	(9)	1.1	29.2	6.4	95.92	(5)	1.4
345510	COMBUSTION TURBINE No. 1	13.4	(4)	1.1	20.3	6.6	70.10	(2)	4.8
346510	COMBUSTION TURBINE No. 1	0.0	(17)	0.0	0.0	0.0	0.00	0	0.0
	PHILLIPS STATION								
341280	PHILLIPS STATION	15.4	(12)	3.8	15.2	11.6	66.17	(10)	3.8
342280	PHILLIPS STATION	15.4	(12)	3.8	15.5	11.8	66.22	(10)	3.7
343280	PHILLIPS STATION	15.4	(12)	3.8	15.1	12.2	61.68	(6)	3.6
345280	PHILLIPS STATION	15.4	(12)	3.8	15.4	11.1	63.20	(3)	3.6
346280	PHILLIPS STATION	15.4	(12)	3.8	15.0	11.6	65.83	(11)	3.9
	POLK POWER STATION								
341810	UNIT No. 1	26.0	(12)	4.3	2.5	32.0	7.98	(8)	3.1
342810	UNIT No. 1	26.0	(12)	4.3	2.4	19.6	12.51	(15)	5.2
343810	UNIT No. 1	26.0	(12)	4.3	2.5	22.0	11.51	(11)	4.5
345810	UNIT No. 1	26.0	(12)	4.3	2.5	24.0	9.69	(4)	3.9
346810	UNIT No. 1	26.0	(12)	4.3	2.5	22.0	10.94	(10)	4.5

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review - Change in Annual Accruals

Account Number	Account Title	Total Plant 12/98 ($)	Accumulated Depreciation 12/98 ($)	Current Rates Effective 1/1/96 Depreciation Rate (%)	Current Rates Effective 1/1/96 Accrual on Total Plant ($)	Company Proposed Effective 1/1/99 Remaining Life Depreciation Rate (%)	Company Proposed Effective 1/1/99 Remaining Life Annual Accrual ($)	Change in Annual Accruals ($)
	OTHER PRODUCTION							
	BIG BEND STATION							
341410	COMBUSTION TURBINE No. 1	82,828.80	67,096.76	0.6	497	2.6	2,154	1,657
342410	COMBUSTION TURBINE No. 1	113,662.91	95,531.93	1.0	1,137	2.7	3,069	1,932
344410	COMBUSTION TURBINE No. 1	1,309,542.64	1,216,140.73	2.0	26,191	3.5	45,834	19,643
345410	COMBUSTION TURBINE No. 1	249,583.05	212,031.92	0.8	1,997	3.2	7,987	5,990
346410	COMBUSTION TURBINE No. 1	2,642.34	1,930.78	-1.0	(26)	3.0	79	105
341420	COMBUSTION TURBINE No. 2 & 3	1,611,600.68	1,418,378.96	3.6	58,018	3.0	48,348	(9,670)
342420	COMBUSTION TURBINE No. 2 & 3	831,746.00	750,701.69	3.7	30,775	3.1	25,784	(4,991)
344420	COMBUSTION TURBINE No. 2 & 3	15,765,826.38	12,959,183.21	4.0	630,633	4.9	772,525	141,892
345420	COMBUSTION TURBINE No. 2 & 3	2,577,577.94	2,008,842.61	4.6	118,569	5.0	128,879	10,310
346420	COMBUSTION TURBINE No. 2 & 3	27,718.00	26,531.22	4.2	1,164	3.2	887	(277)
	GANNON STATION							
341510	COMBUSTION TURBINE No. 1	75,361.92	67,332.90	1.2	904	1.5	1,130	226
342510	COMBUSTION TURBINE No. 1	132,325.00	133,560.55	1.3	1,720	1.2	1,588	(132)
344510	COMBUSTION TURBINE No. 1	1,323,725.91	1,269,783.93	1.1	14,561	1.4	18,532	3,971
345510	COMBUSTION TURBINE No. 1	328,443.07	230,223.99	1.1	3,613	4.8	15,765	12,152
346510	COMBUSTION TURBINE No. 1	0.00	0.00	0.0	0	0.0	0	0
	PHILLIPS STATION							
341280	PHILLIPS STATION	9,002,267.61	5,956,954.48	3.8	342,086	3.8	342,086	0
342280	PHILLIPS STATION	25,456,416.96	16,858,396.96	3.8	967,344	3.7	941,887	(25,457)
343280	PHILLIPS STATION	18,771,596.73	11,579,215.91	3.8	713,321	3.6	675,777	(37,544)
345280	PHILLIPS STATION	5,879,777.30	3,716,306.91	3.8	223,432	3.6	211,672	(11,760)
346280	PHILLIPS STATION	558,219.88	367,462.41	3.8	21,212	3.9	21,771	559
	POLK POWER STATION							
341810	UNIT No. 1	110,711,180.86	8,833,320.69	4.3	4,760,581	3.1	3,432,047	(1,328,534)
342810	UNIT No. 1	210,094,936.60	26,282,756.01	4.3	9,034,082	5.2	10,924,937	1,890,855
343810	UNIT No. 1	115,388,211.46	13,285,491.71	4.3	4,961,693	4.5	5,192,470	230,777
345810	UNIT No. 1	58,586,675.41	5,678,323.17	4.3	2,519,227	3.9	2,284,880	(234,347)
346810	UNIT No. 1	5,629,622.38	615,774.85	4.3	242,074	4.5	253,333	11,259
	TOTAL OTHER PRODUCTION	**584,511,489.83**	**113,631,274.28**	**4.2**	**24,674,805.00**	**4.3**	**25,353,421.00**	**678,616.00**
	TOTAL PRODUCTION PLANT	**2,121,239,575.36**	**840,939,362.81**	**3.3**	**70,809,665.00**	**3.4**	**71,704,598.00**	**894,933.00**

TAMPA ELECTRIC COMPANY
Comparison of Reserve - Actual vs Theoretical

Account Number	Account Title	Total Plant 12/98 ($)	Actual Accumulated Depreciation 12/98 ($)	Actual A/D Ratio (%)	Calculated (Theoretical) A/D 12/98 ($)	Theo-retical A/D Ratio (%)	Actual Minus Theoretical ($)	Actual over Theoretical (%)
	OTHER PRODUCTION							
	BIG BEND STATION							
341410	COMBUSTION TURBINE No. 1	82,828.80	67,096.76	81.01	64,297.00	77.63	2,799.76	104
342410	COMBUSTION TURBINE No. 1	113,662.91	95,531.93	84.05	91,545.65	80.54	3,986.28	104
344410	COMBUSTION TURBINE No. 1	1,309,542.64	1,216,140.73	92.87	1,165,394.55	88.99	50,746.18	104
345410	COMBUSTION TURBINE No. 1	249,583.05	212,031.92	84.95	203,184.42	81.41	8,847.50	104
346410	COMBUSTION TURBINE No. 1	2,642.34	1,930.78	73.07	1,850.21	70.02	80.57	104
341420	COMBUSTION TURBINE No. 2 & 3	1,611,600.68	1,418,378.96	88.01	1,364,207.66	84.65	54,171.30	104
342420	COMBUSTION TURBINE No. 2 & 3	831,746.00	750,701.69	90.26	722,030.59	86.81	28,671.10	104
344420	COMBUSTION TURBINE No. 2 & 3	15,765,826.38	12,959,183.21	82.20	12,464,240.91	79.06	494,942.30	104
345420	COMBUSTION TURBINE No. 2 & 3	2,577,577.94	2,008,842.61	77.94	1,932,120.09	74.96	76,722.52	104
346420	COMBUSTION TURBINE No. 2 & 3	27,718.00	26,531.22	95.72	25,517.93	92.06	1,013.29	104
	GANNON STATION							
341510	COMBUSTION TURBINE No. 1	75,361.92	67,332.90	89.35	58,080.99	77.07	9,251.91	116
342510	COMBUSTION TURBINE No. 1	132,325.00	133,560.55	100.93	115,208.60	87.06	18,351.95	116
344510	COMBUSTION TURBINE No. 1	1,323,725.91	1,269,783.93	95.92	1,095,308.65	82.74	174,475.28	116
345510	COMBUSTION TURBINE No. 1	328,443.07	230,223.99	70.10	198,589.95	60.46	31,634.04	116
346510	COMBUSTION TURBINE No. 1	0.00	0.00	0.00	0.00	0.00	0.00	0
	PHILLIPS STATION							
341280	PHILLIPS STATION	9,002,267.61	5,956,954.48	66.17	5,542,603.12	61.57	414,351.36	107
342280	PHILLIPS STATION	25,456,416.96	16,858,396.96	66.22	15,685,767.60	61.62	1,172,629.36	107
343280	PHILLIPS STATION	18,771,596.73	11,579,215.91	61.68	10,773,793.63	57.39	805,422.28	107
345280	PHILLIPS STATION	5,879,777.30	3,716,306.91	63.20	3,457,809.58	58.81	258,497.33	107
346280	PHILLIPS STATION	558,219.88	367,462.41	65.83	341,902.61	61.25	25,559.80	107
341810	POLK POWER STATION	110,711,180.86	8,833,320.69	7.98	8,833,320.69	7.98	0.00	100
342810	POLK POWER STATION	210,094,936.60	26,282,756.01	12.51	26,282,756.01	12.51	0.00	100
343810	POLK POWER STATION	115,388,211.46	13,285,491.71	11.51	13,285,491.71	11.51	0.00	100
345810	POLK POWER STATION	58,586,675.41	5,678,323.17	9.69	5,678,323.17	9.69	0.00	100
346810	POLK POWER STATION	5,629,622.38	615,774.85	10.94	615,774.85	10.94	0.00	100
	TOTAL OTHER PRODUCTION	**584,511,489.83**	**113,631,274.28**	**19.44**	**109,999,120.17**	**18.82**	**3,632,154.11**	**103**
	TOTAL PRODUCTION PLANT	**2,121,239,575.36**	**840,939,362.81**	**39.64**	**792,194,944.31**	**37.35**	**48,744,418.50**	**106**

Tampa Electric Company
Calculation of Annual Accrual for
Final Plant Dismantling

The company has completed a detailed review of the dismantling study for Energy Supply - Production Plant. As part of the review the company again secured the services of a dismantling contractor to review production rates, cost factors and salvage rates in the previous study. The company incorporated all changes indicated by the contractor and prepared the dismantling study. The company also prepared a detailed dismantling study for the Polk Power Station, which was prepared in the same manner as for each existing unit. The dismantling study is in year end 1998 dollars.

The company included a 10% contingency on all portions of the dismantling study, 5% for quantity variations and 5% for pricing variances. The company believes that the application of contingency is proper and that this rate is appropriate for our study. As of December 31, 1998 the company has accrued $85,465,982 against a total dismantling estimate of $121,366,655 that includes 10% contingency. This position provides the company with a reserve ratio of over 70% and provides enough capital to dismantle all of our units with the exception of the Polk Power Station and Big Bend Unit No.4, our newest units. The company believes that a 10% contingency is appropriate at this time.

The DRI indices were updated to be the most recent available at the time of this filing. The accruals were updated to balances at year-end 1998. The data was input into the model provided by FPSC Staff and recalculated. The results indicate an annual accrual of $6,295,975, which is a reduction of $3,822,825 from $10,118,800, approved in our last dismantling study. This reduction is solely due to the reduction in the DRI indices. In our last dismantling study, a reduction in dismantling accrual was indicated but the company requested that the annual accrual for dismantling remainat the previous level and that an annual accrual be approved for the Polk Power Station. The company believed that reducing the annual dismantling accrual was premature due to the limited recovery at that time for dismantling, and the uncertainty of the long-term outlook of the DRI indices. The company believes that after an additional four year period the reduction is warranted based on our reserve position and the continued trend of the DRI indices.

The company requests a final dismantling estimate of $2,660,000 for the Big Bend Unit No. 1 and 2 Scrubber. This amount is consistent with the total dismantling estimate against the total plant in service investment for the Big Bend Unit No. 4 FGD System. This will result in an annual accrual of $207,379 when the plant goes into service in early 2000. The company will complete a detailed dismantling study for this unit upon completion of the detailed property records.

The company requests a final dismantling estimate of $1,863,000 for Polk Unit No. 2. This amount is consistent with the total dismantling estimate against the total

plant in service investment for Polk Power Station Unit No. 1. This will result in an annual accrual of $126,085 when the plant goes into service in 2001. The company will complete a detailed dismantling study for this unit upon completion of the detailed property records.

The company requests that an annual dismantling accrual of $126,085 be allowed for each new peaking unit installed during the next four-year period. The company will complete a detailed dismantling study for each unit upon completion of the detailed property records. The annual accrual is a reasonable estimate and will allow the company to begin accrual for final dismantling when the unit goes into service.

Tampa Electric Company
Energy Supply Dismantlement Study
Estimate as of December 31, 1998

	Labor	Materials & Equipment	Disposal	Salvage	TOTAL
Big Bend Common	6,500,014	2,761,673	84,058	(1,519,793)	7,825,952
Big Bend Unit No. 1	6,677,971	2,878,541	793,555	(1,967,130)	8,382,937
Big Bend Unit No. 2	5,508,601	2,442,843	561,634	(1,961,960)	6,551,118
Big Bend Unit No. 3	5,680,571	2,479,672	215,473	(1,961,960)	6,413,755
Big Bend Unit No. 4	14,132,330	6,137,077	170,885	(4,213,770)	16,226,522
Big Bend Unit No. 4 FGD	5,431,788	2,233,812	111,440	(1,464,320)	6,312,720
Gannon Common	4,905,496	2,073,125	182,471	(1,100,648)	6,060,443
Gannon Unit No. 1	4,731,319	2,061,143	402,508	(1,490,850)	5,704,120
Gannon Unit No. 2	3,921,063	1,706,681	337,954	(1,256,380)	4,709,318
Gannon Unit No. 3	4,385,714	1,910,915	374,642	(1,396,835)	5,274,436
Gannon Unit No. 4	4,402,823	1,918,937	377,031	(1,405,382)	5,293,409
Gannon Unit No. 5	4,500,493	1,961,545	385,660	(1,433,465)	5,414,232
Gannon Unit No. 6	4,884,690	2,105,079	392,632	(1,465,482)	5,916,920
Hookers Point Station	7,620,665	1,285,300	203,633	(898,040)	8,211,559
Dinner Lake	1,143,684	190,914	14,409	(799,679)	549,328
Big Bend CT No. 1	153,818	54,133	8,226	(74,624)	141,552
Big Bend CT No. 2 & 3	740,370	255,217	120,951	(390,434)	726,105
Gannon CT No. 1	165,630	59,263	6,822	(71,038)	160,677
Phillips Station	2,455,851	409,606	30,275	(1,077,440)	1,818,292
Polk Power Station Unit No. 1	20,850,352	5,793,895	771,768	(7,742,756)	19,673,258
	108,793,240	40,719,372	5,546,028	(33,691,985)	121,366,655

Tampa Electric Company
Depreciation Rates for
Energy Supply - Plant Under Construction

The company is currently undertaking two major additions to plant. The first is the Big Bend Unit No. 1 & 2 Scrubber project, which is currently under construction and the second, is Polk Power Station Unit No. 2 - a gas/oil fired combustion turbine. The company has prepared a life analysis based on the project estimates available at this time and is requesting a remaining life rate for each project to be instated at the in-service date of each project.

The Big Bend Unit No. 1 & 2 Scrubber has a remaining life of 23 years. We have applied a future net salvage rate of -13%, which is the rate for the Big Bend Unit No. 4 FGD System boiler plant equipment, since the large majority of the investment will be in this category of plant. This would result in a remaining life rate of 4.9%. The company requests that we be able to use this rate to depreciate this property upon its placement in-service. The company will prepare a formal life analysis upon completion of the property records.

The Polk Power Station Unit No. 2 has a remaining life of 26 years and we have applied a future net salvage rate of -11%, which is the rate for Polk Power Station Unit No. 1 turbogenerator equipment, since the large majority of the investment will be in this category of plant. This would result in a remaining life rate of 4.3%. The company requests that we be able to use this rate to depreciate this property upon its placement in-service. The company will prepare a formal life analysis upon completion of the property records.

The company is also pursuing other possible new generation to be in-service within the next few years. The exact type of generation and the cost estimates have not been completed. It is known that the generation will be in the form of combustion turbines. The company requests that we be permitted to use a remaining life rate of 4.3% for each new unit upon its placement in-service. This is consistent with the analysis performed for Polk Power Station Unit No. 2. The company will prepare a formal life analysis for each unit upon completion of the property records.

TRANSMISSION PLANT:

The proposed depreciation rates for Transmission plant reflect the company's expectations for future service lives and net salvage. These expectations are based on improvements in quality of materials and operations implemented today that contribute to longer asset lives. The proposed depreciation rates also reflect the state industry expectations. With annual retirements typically representing only one percent of total assets in a category, a greater reliance on company and industry expectations is necessary rather than relying solely on plant activity. The company proposes changes in the following accounts:

353.00 - Station Equipment
Discussion with substation department personnel indicates that they would expect a lengthening of asset lives due to less frequent replacement of the larger cost assets in the stations. This is attributed to an improved maintenance program, installation of oil filtration systems on transformers, using more of the current system capacity rather than replacing assets and the installation of larger capacity equipment where replacement is required. The proposed average service life is 45 years versus the currently approved 39 years. The proposed (10)% net salvage reflects the most current experience.

355.00 Poles and Fixtures
The company has changed its standard for transmission poles from wood to concrete. The proposed 34 year average service life is lengthening from the current approved 30 years. This increase in service life reflects a move more in line with the current industry expectations. Based on our most recent experience, net salvage indicates a change from the proposed (35)% to (30)%.

356.00 Overhead Conductor and Devices
Transmission conductor and devices indicates that the average service life is lengthening from the current approved 33 years to the proposed 35 years. Future net salvage indicates a change from the current (15)% to (20)% due to a decrease in reusable salvage. Both of these changes reflect a move more in line with the current industry expectations.

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Rates and Components

Account Number	Account Title	Current Rates - Effective 1/1/96						Company Proposed - Effective 1/1/99								
								Whole Life				Remaining Life				
		Average Service Life	Average Remaining Life	Future Net Salvage	Approved Curve Type	Reserve Ratio 1/1'95	Depre-ciation Rate	Curve Type	Average Service Life	Future Net Salvage	Whole Life Rate	Average Age	Average Remaining Life	Reserve Ratio 12/98	Future Net Salvage	Depre-ciation Rate
		(yrs)	(yrs)	(%)		(%)	(%)		(yrs)	(%)	(%)	(yrs)	(yrs)	(%)	(%)	(%)
	Transmission Plant															
350.01	Land Rights	48	33.0	-	R3	27.87	2.2	R3	48	-	2.1	12.6	36.0	24.49	-	2.2
352	Structures and Improvements	50	39.0	(3)	R5	23.32	2.1	R5	50	(3)	2.1	10.2	40.0	20.04	(3)	2.1
353	Station Equipment	39	28.0	(15)	R2	34.10	2.9	R1.5	45	(10)	2.4	13.8	34.0	34.69	(10)	2.2
354	Towers and Fixtures	48	24.0	(15)	R3	50.47	2.5	R5	48	(15)	2.4	28.3	20.0	63.06	(15)	2.6
355	Poles and Fixtures	30	24.0	(35)	R.05	23.82	4.6	SC	34	(30)	3.8	11.9	28.0	30.67	(30)	3.5
356.00	Overhead Conductors and Devices	33	24.0	(15)	R1.5	33.47	3.4	R1.5	35	(20)	3.4	12.9	25.0	34.77	(20)	3.4
356.01	Clearing Rights-of-Way	48	29.0	-	L4	40.83	2.0	L4	48	-	2.1	20.3	28.0	40.82	-	2.1
357	Underground Conduit	50	45.0	-	R5	10.72	2.0	R5	50	-	2.0	7.1	43.0	17.25	-	1.9
358	Underground Conductors and Devices	40	9.4	-	R5	76.32	2.5	R5	40	-	2.5	11.5	29.0	21.40	-	2.7
359	Roads and Trails	50	36.0	-	SQ	25.41	2.1	R5	50	-	2.0	13.7	36.0	26.17	-	2.1
	Distribution Plant															
360.01	Land Rights								0	-	-			-	-	-
361	Structures and Improvements	44	29.0	(3)	R4	33.15	2.4	R4	44	(3)	2.3	14.9	30.0	31.92	(3)	2.4
362	Station Equipment	34	24.0	(15)	R2	32.80	3.4	R2	36	(10)	3.1	13.6	25.0	36.99	(10)	2.9
364	Poles, Towers and Fixtures	33	26.0	(35)	R.05	30.29	4.0	R.05	33	(35)	4.1	13.1	25.0	33.80	(35)	4.0
365	Overhead Conductors and Devices	34	24.0	(20)	S0.5	40.75	3.3	S0.5	34	(20)	3.5	15.4	23.0	44.24	(20)	3.3
366	Underground Conduit	50	39.0	-	R3	22.20	2.0	R3	50	-	2.0	11.8	39.0	23.11	-	2.0
367	Underground Conductors and Devices	33	24.0	-	R2.5	28.16	3.0	R2.5	33	-	3.0	10.8	24.0	27.81	-	3.0
368	Line Transformers	17	9.3	30	S6	34.03	3.9	S6	17	30	4.1	8.9	8.3	38.33	30	3.8
369.01	Overhead Services	33	26.0	(50)	SC	28.58	4.7	SC	33	(50)	4.5	14.3	26.0	36.96	(50)	4.3
369.02	Underground Services	35	27.0	(15)	R4	27.66	3.2	R4	35	(15)	3.3	9.1	26.0	29.32	(15)	3.3
370	Meters	25	17.0	(20)	R2	29.27	5.3	R2	25	(20)	4.8	11.1	16.1	33.78	(20)	5.4
373	Street Lighting and Signal Systems	20	15.1	-	R0.5	26.65	4.9	R2.5	19	-	5.3	7.8	12.4	29.96	-	5.6

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Change in annual accruals

Account Number	Account Title	Current Rates - Effective 1/1/96				Company Proposed - Effective 1/1/99					
						Whole Life			Remaining Life		
		Total Plant 12/98	Reserve 12/98	Depreciation Rate	Depreciation Expense	Depreciation Rate	Depreciation Expense	Change in Depreciation Expense	Depreciation Rate	Depreciation Expense	Change in Depreciation Expense
	Transmission Plant										
350.01	Land Rights	6,480,434	1,587,210	2.2	142,570	2.1	136,089	(6,481)	2.2	142,570	-
352	Structures and Improvements	2,027,738	406,442	2.1	42,582	2.1	42,582	-	2.1	42,582	-
353	Station Equipment	119,285,989	41,374,948	2.9	3,459,294	2.4	2,862,864	(596,430)	2.2	2,624,292	(835,002)
354	Towers and Fixtures	4,342,275	2,738,144	2.5	108,557	2.4	104,215	(4,342)	2.6	112,899	4,342
355	Poles and Fixtures	67,102,662	20,583,333	4.6	3,086,722	3.8	2,549,901	(536,821)	3.5	2,348,593	(738,129)
356.00	Overhead Conductors and Devices	65,545,021	22,791,466	3.4	2,228,531	3.4	2,228,531	-	3.4	2,228,531	-
356.01	Clearing Rights-of-Way	2,133,240	870,821	2.0	42,665	2.1	44,798	2,133	2.1	44,798	2,133
357	Underground Conduit	6,409,807	1,105,875	2.0	128,196	2.0	128,196	-	1.9	121,786	(6,410)
358	Underground Conductors and Devices	4,174,657	893,263	2.5	104,366	2.5	104,366	-	2.7	112,716	8,350
359	Roads and Trails	2,843,988	744,362	2.1	59,724	2.0	56,880	(2,844)	2.1	59,724	-
	Total Transmission Plant	280,345,811	93,095,864	3.4	9,403,207	2.9	8,258,422	(1,144,785)	2.8	7,838,491	(1,564,716)
	Distribution Plant										
360.01	Land Rights	-	-	-	-	-	-	-	-	-	-
361	Structures and Improvements	841,734	268,687	2.4	20,202	2.3	19,360	(842)	2.4	20,202	-
362	Station Equipment	103,108,633	38,138,860	3.4	3,505,694	3.1	3,196,368	(309,326)	2.9	2,990,150	(515,544)
364	Poles, Towers and Fixtures	127,345,194	43,046,450	4.0	5,093,808	4.1	5,221,153	127,345	4.0	5,093,808	-
365	Overhead Conductors and Devices	146,635,665	64,874,069	3.3	4,838,977	3.5	5,132,248	293,271	3.3	4,838,977	-
366	Underground Conduit	77,475,611	17,901,947	2.0	1,549,512	2.0	1,549,512	-	2.0	1,549,512	-
367	Underground Conductors and Devices	96,933,319	26,955,152	3.0	2,908,000	3.0	2,908,000	-	3.0	2,908,000	-
368	Line Transformers	238,637,347	91,481,148	3.9	9,306,857	4.1	9,784,131	477,274	3.8	9,068,219	(238,638)
369.01	Overhead Services	47,776,292	17,657,121	4.7	2,245,486	4.5	2,149,933	(95,553)	4.3	2,054,381	(191,105)
369.02	Underground Services	51,653,502	15,145,038	3.2	1,652,912	3.3	1,704,566	51,654	3.3	1,704,566	51,654
370	Meters	41,824,152	14,129,128	5.3	2,216,680	4.8	2,007,559	(209,121)	5.4	2,258,504	41,824
373	Street Lighting and Signal Systems	78,982,969	23,659,879	4.9	3,870,165	5.3	4,186,097	315,932	5.6	4,423,046	552,881
	Total Distribution Plant	1,011,214,418	353,257,479	3.7	37,208,293	3.7	37,858,927	650,634	3.7	36,909,365	(298,928)

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Reserve - Actual vs Theoretical

Account Number	Account Title	Total Plant ($)	Reserve ($)	Reserve Ratio 12/98 (%)	Calculated Reserve 12/98 ($)	Calculated Reserve Ratio	Actual Minus Calculated (%)
	Transmission Plant						
350.01	Land Rights	6,480,434	1,587,210	24.49	1,571,306	24.25	15,904
352	Structures and Improvements	2,027,738	406,442	20.04	424,164	20.92	(17,722)
353	Station Equipment	119,285,989	41,374,948	34.69	30,627,759	25.68	10,747,189
354	Towers and Fixtures	4,342,275	2,738,144	63.06	2,917,772	67.19	(179,628)
355	Poles and Fixtures	67,102,662	20,583,333	30.67	15,202,050	22.65	5,381,283
356.00	Overhead Conductors and Devices	65,545,021	22,791,466	34.77	21,605,812	32.96	1,185,654
356.01	Clearing Rights-of-Way	2,133,240	870,821	40.82	871,795	40.87	(974)
357	Underground Conduit	6,409,807	1,105,875	17.25	887,201	13.84	218,674
358	Underground Conductors and Devices	4,174,657	893,263	21.40	1,110,731	26.61	(217,468)
359	Roads and Trails	2,843,988	744,362	26.17	781,705	27.49	(37,343)
					-	-	-
	Total Transmission Plant	280,345,811	93,095,864	33.21	76,000,295	27.11	17,095,569
	Distribution Plant						
360.01	Land Rights	-	-	-	-	-	-
361	Structures and Improvements	841,734	268,687	31.92	282,897	33.61	(14,210)
362	Station Equipment	103,108,633	38,138,860	36.99	34,632,863	33.59	3,505,997
364	Poles, Towers and Fixtures	127,345,194	43,046,450	33.80	40,124,166	31.51	2,922,284
365	Overhead Conductors and Devices	146,635,665	64,874,069	44.24	58,304,819	39.76	6,569,250
366	Underground Conduit	77,475,611	17,901,947	23.11	17,112,029	22.09	789,918
367	Underground Conductors and Devices	96,933,319	26,955,152	27.81	27,473,638	28.34	(518,486)
368	Line Transformers	238,637,347	91,481,148	38.33	85,028,307	35.63	6,452,841
369.01	Overhead Services	47,776,292	17,657,121	36.96	15,577,972	32.61	2,079,149
369.02	Underground Services	51,653,502	15,145,038	29.32	15,130,983	29.29	14,055
370	Meters	41,824,152	14,129,128	33.78	17,748,972	42.44	(3,619,844)
373	Street Lighting and Signal Systems	78,982,969	23,659,879	29.96	27,388,216	34.68	(3,728,337)
	Total Distribution Plant	1,011,214,418	353,257,479	34.93	338,804,862	33.50	14,452,617

DISTRIBUTION PLANT:

With the exception of the two accounts discussed below, the company proposes to retain the current average service lives and net salvage percents. Changes in remaining lives and depreciation rates for these accounts are the result of plant and reserve activity since rates were approved. The following changes to average service lives and/or net salvage percents are proposed:

362.00 - Station Equipment
Discussion with substation department personnel indicates that they would expect a lengthening of asset lives due to less frequent replacement of the larger cost assets in the stations. This is attributed to an improved maintenance program, installation of oil filtration systems on transformers, using more of the current system capacity rather than replacing assets and the installation of larger capacity equipment where replacement is required and the installation of animal guard protection to prevent circuit breaker replacements due to animal contact. The proposed average service life is 36 years versus the currently approved 34 years. The proposed (10)% net salvage reflects the most current experience. The proposed changes result in a depreciation rate more in line with the current industry expectations.

373.00 Street Lighting and Signal Systems
The proposed average service life of 19 years is a slight change to the currently approved 20 years, resulting in a rate more in line with current industry expectations.

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Rates and Components

		Current Rates - Effective 1/1/96						Company Proposed - Effective 1/1/99								
								Whole Life				Remaining Life				
Account Number	Account Title	Average Service Life (yrs)	Average Remaining Life (yrs)	Future Net Salvage (%)	Approved Curve Type	Reserve Ratio 1/1'95 (%)	Depre-ciation Rate (%)	Curve Type	Average Service Life (yrs)	Future Net Salvage (%)	Whole Life Rate (%)	Average Age (yrs)	Average Remaining Life (yrs)	Reserve Ratio 12/98 (%)	Future Net Salvage (%)	Depre-ciation Rate (%)
	Transmission Plant															
350.01	Land Rights	48	33.0	-	R3	27.87	2.2	R3	48	-	2.1	12.6	36.0	24.49	-	2.2
352	Structures and Improvements	50	39.0	(3)	R5	23.32	2.1	R5	50	(3)	2.1	10.2	40.0	20.04	(3)	2.1
353	Station Equipment	39	28.0	(15)	R2	34.10	2.9	R1.5	45	(10)	2.4	13.8	34.0	34.69	(10)	2.2
354	Towers and Fixtures	48	24.0	(15)	R3	50.47	2.5	R5	48	(15)	2.4	28.3	20.0	63.06	(15)	2.6
355	Poles and Fixtures	30	24.0	(35)	R.05	23.82	4.6	SC	34	(30)	3.8	11.9	28.0	30.67	(30)	3.5
356.00	Overhead Conductors and Devices	33	24.0	(15)	R1.5	33.47	3.4	R1.5	35	(20)	3.4	12.9	25.0	34.77	(20)	3.4
356.01	Clearing Rights-of-Way	48	29.0	-	L4	40.83	2.0	L4	48	-	2.1	20.3	28.0	40.82	-	2.1
357	Underground Conduit	50	45.0	-	R5	10.72	2.0	R5	50	-	2.0	7.1	43.0	17.25	-	1.9
358	Underground Conductors and Devices	40	9.4	-	R5	76.32	2.5	R5	40	-	2.5	11.5	29.0	21.40	-	2.7
359	Roads and Trails	50	36.0	-	SQ	25.41	2.1	R5	50	-	2.0	13.7	36.0	26.17	-	2.1
	Distribution Plant															
360.01	Land Rights								0	-	-			-	-	-
361	Structures and Improvements	44	29.0	(3)	R4	33.15	2.4	R4	44	(3)	2.3	14.9	30.0	31.92	(3)	2.4
362	Station Equipment	34	24.0	(15)	R2	32.80	3.4	R2	36	(10)	3.1	13.6	25.0	36.99	(10)	2.9
364	Poles, Towers and Fixtures	33	26.0	(35)	R.05	30.29	4.0	R.05	33	(35)	4.1	13.1	25.0	33.80	(35)	4.0
365	Overhead Conductors and Devices	34	24.0	(20)	S0.5	40.75	3.3	S0.5	34	(20)	3.5	15.4	23.0	44.24	(20)	3.3
366	Underground Conduit	50	39.0	-	R3	22.20	2.0	R3	50	-	2.0	11.8	39.0	23.11	-	2.0
367	Underground Conductors and Devices	33	24.0	-	R2.5	28.16	3.0	R2.5	33	-	3.0	10.8	24.0	27.81	-	3.0
368	Line Transformers	17	9.3	30	S6	34.03	3.9	S6	17	30	4.1	8.9	8.3	38.33	30	3.8
369.01	Overhead Services	33	26.0	(50)	SC	28.58	4.7	SC	33	(50)	4.5	14.3	26.0	36.96	(50)	4.3
369.02	Underground Services	35	27.0	(15)	R4	27.66	3.2	R4	35	(15)	3.3	9.1	26.0	29.32	(15)	3.3
370	Meters	25	17.0	(20)	R2	29.27	5.3	R2	25	(20)	4.8	11.1	16.1	33.78	(20)	5.4
373	Street Lighting and Signal Systems	20	15.1	-	R0.5	26.65	4.9	R2.5	19	-	5.3	7.8	12.4	29.96	-	5.6

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Change in annual accruals

Account Number	Account Title	Current Rates - Effective 1/1/96				Company Proposed - Effective 1/1/99					
						Whole Life			Remaining Life		
		Total Plant 12/98	Reserve 12/98	Depreciation Rate	Depreciation Expense	Depreciation Rate	Depreciation Expense	Change in Depreciation Expense	Depreciation Rate	Depreciation Expense	Change in Depreciation Expense
	Transmission Plant										
350.01	Land Rights	6,480,434	1,587,210	2.2	142,570	2.1	136,089	(6,481)	2.2	142,570	-
352	Structures and Improvements	2,027,738	406,442	2.1	42,582	2.1	42,582	-	2.1	42,582	-
353	Station Equipment	119,285,989	41,374,948	2.9	3,459,294	2.4	2,862,864	(596,430)	2.2	2,624,292	(835,002)
354	Towers and Fixtures	4,342,275	2,738,144	2.5	108,557	2.4	104,215	(4,342)	2.6	112,899	4,342
355	Poles and Fixtures	67,102,662	20,583,333	4.6	3,086,722	3.8	2,549,901	(536,821)	3.5	2,348,593	(738,129)
356.00	Overhead Conductors and Devices	65,545,021	22,791,466	3.4	2,228,531	3.4	2,228,531	-	3.4	2,228,531	-
356.01	Clearing Rights-of-Way	2,133,240	870,821	2.0	42,665	2.1	44,798	2,133	2.1	44,798	2,133
357	Underground Conduit	6,409,807	1,105,875	2.0	128,196	2.0	128,196	-	1.9	121,786	(6,410)
358	Underground Conductors and Devices	4,174,657	893,263	2.5	104,366	2.5	104,366	-	2.7	112,716	8,350
359	Roads and Trails	2,843,988	744,362	2.1	59,724	2.0	56,880	(2,844)	2.1	59,724	-
	Total Transmission Plant	280,345,811	93,095,864	3.4	9,403,207	2.9	8,258,422	(1,144,785)	2.8	7,838,491	(1,564,716)
	Distribution Plant										
360.01	Land Rights	-	-	-	-	-	-	-	-	-	-
361	Structures and Improvements	841,734	268,687	2.4	20,202	2.3	19,360	(842)	2.4	20,202	-
362	Station Equipment	103,108,633	38,138,860	3.4	3,505,694	3.1	3,196,368	(309,326)	2.9	2,990,150	(515,544)
364	Poles, Towers and Fixtures	127,345,194	43,046,450	4.0	5,093,808	4.1	5,221,153	127,345	4.0	5,093,808	-
365	Overhead Conductors and Devices	146,635,665	64,874,069	3.3	4,838,977	3.5	5,132,248	293,271	3.3	4,838,977	-
366	Underground Conduit	77,475,611	17,901,947	2.0	1,549,512	2.0	1,549,512	-	2.0	1,549,512	-
367	Underground Conductors and Devices	96,933,319	26,955,152	3.0	2,908,000	3.0	2,908,000	-	3.0	2,908,000	-
368	Line Transformers	238,637,347	91,481,148	3.9	9,306,857	4.1	9,784,131	477,274	3.8	9,068,219	(238,638)
369.01	Overhead Services	47,776,292	17,657,121	4.7	2,245,486	4.5	2,149,933	(95,553)	4.3	2,054,381	(191,105)
369.02	Underground Services	51,653,502	15,145,038	3.2	1,652,912	3.3	1,704,566	51,654	3.3	1,704,566	51,654
370	Meters	41,824,152	14,129,128	5.3	2,216,680	4.8	2,007,559	(209,121)	5.4	2,258,504	41,824
373	Street Lighting and Signal Systems	78,982,969	23,659,879	4.9	3,870,165	5.3	4,186,097	315,932	5.6	4,423,046	552,881
	Total Distribution Plant	1,011,214,418	353,257,479	3.7	37,208,293	3.7	37,858,927	650,634	3.7	36,909,365	(298,928)

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Reserve - Actual vs Theoretical

Account Number	Account Title	Total Plant ($)	Reserve ($)	Reserve Ratio 12/98 (%)	Calculated Reserve 12/98 ($)	Calculated Reserve Ratio	Actual Minus Calculated (%)
	Transmission Plant						
350.01	Land Rights	6,480,434	1,587,210	24.49	1,571,306	24.25	15,904
352	Structures and Improvements	2,027,738	406,442	20.04	424,164	20.92	(17,722)
353	Station Equipment	119,285,989	41,374,948	34.69	30,627,759	25.68	10,747,189
354	Towers and Fixtures	4,342,275	2,738,144	63.06	2,917,772	67.19	(179,628)
355	Poles and Fixtures	67,102,662	20,583,333	30.67	15,202,050	22.65	5,381,283
356.00	Overhead Conductors and Devices	65,545,021	22,791,466	34.77	21,605,812	32.96	1,185,654
356.01	Clearing Rights-of-Way	2,133,240	870,821	40.82	871,795	40.87	(974)
357	Underground Conduit	6,409,807	1,105,875	17.25	887,201	13.84	218,674
358	Underground Conductors and Devices	4,174,657	893,263	21.40	1,110,731	26.61	(217,468)
359	Roads and Trails	2,843,988	744,362	26.17	781,705	27.49	(37,343)
					-	-	-
	Total Transmission Plant	280,345,811	93,095,864	33.21	76,000,295	27.11	17,095,569
	Distribution Plant						
360.01	Land Rights	-	-	-	-	-	-
361	Structures and Improvements	841,734	268,687	31.92	282,897	33.61	(14,210)
362	Station Equipment	103,108,633	38,138,860	36.99	34,632,863	33.59	3,505,997
364	Poles, Towers and Fixtures	127,345,194	43,046,450	33.80	40,124,166	31.51	2,922,284
365	Overhead Conductors and Devices	146,635,665	64,874,069	44.24	58,304,819	39.76	6,569,250
366	Underground Conduit	77,475,611	17,901,947	23.11	17,112,029	22.09	789,918
367	Underground Conductors and Devices	96,933,319	26,955,152	27.81	27,473,638	28.34	(518,486)
368	Line Transformers	238,637,347	91,481,148	38.33	85,028,307	35.63	6,452,841
369.01	Overhead Services	47,776,292	17,657,121	36.96	15,577,972	32.61	2,079,149
369.02	Underground Services	51,653,502	15,145,038	29.32	15,130,983	29.29	14,055
370	Meters	41,824,152	14,129,128	33.78	17,748,972	42.44	(3,619,844)
373	Street Lighting and Signal Systems	78,982,969	23,659,879	29.96	27,388,216	34.68	(3,728,337)
	Total Distribution Plant	1,011,214,418	353,257,479	34.93	338,804,862	33.50	14,452,617

GENERAL PLANT AMORTIZABLE

Tampa Electric proposes expanding the amortization currently in place for certain general plant accounts. Specifically, the January 1, 1999 net unrecovered depreciable portions of Accounts 393 (Stores), 394 (Tools, Shop & Garage), 395 (Laboratory Equipment) and 396 (Power Operated Equipment) are proposed to be amortized over 7 years. Subsequent additions will be maintained by vintage and amortized accordingly. These accounts represent minor investments and numerous items that are difficult to track or trace. On a going forward basis, each vintage year's addition associated with each account will be amortized over a like period of time. This proposed use of amortization is in line with the companies' and Commission Staff's efforts to simplify the accounts and depreciation study process, where possible and with Commission precedent in recent depreciation rate orders.

391.02 - Computer Equipment - Workstations
The Company proposes to shorten the amortization period on computer equipment-workstations from the currently approved 5 years to the proposed 3 years, consistent with the company's current replacement policy of 3 years for this type of equipment.

397.00 - Communication Equipment
The Company proposes to shorten the amortization period on Communication Equipment from the currently approved 10 years to a proposed 7 years. Discussion with telecommunication department personnel indicated that a 7 year life is appropriate and is in line with current industry expectations.

GENERAL PLANT

392.02 Transportation Equipment-Light Truck
Using current retirement data, transportation equipment-light trucks indicated that the average service life is lengthening from the current 7 years to the proposed 10 years. Discussions with the transportation department personnel indicated that they would expect lengthening of life due to improved maintenance programs, high replacement costs and capital cost control efforts.

397.02 Energy Control System
The company proposes a recovery period of 2 years to recover the remaining investment in this account by year end 2000 to coincide with the indicated retirement date.

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Rates and Components

Account Number	Account Title	Current Rates - Effective 1/1/96						Company Proposed - Effective 1/1/99								
								Whole Life				Remaining Life				
		Average Service Life (yrs)	Average Remaining Life (yrs)	Future Net Salvage (%)	Approved Curve Type	Reserve Ratio 1/1'95 (%)	Depre-ciation Rate (%)	Curve Type	Average Service Life (yrs)	Future Net Salvage (%)	Whole Life Rate (%)	Average Age (yrs)	Average Remaining Life (yrs)	Reserve Ratio 12/98 (%)	Future Net Salvage (%)	Depre-ciation Rate (%)
	General Plant															
390	Structures and Improvements	38	29.0	(20)	R5	20.35	3.4	R5	38	(20)	3.2	10.2	28.0	25.02	(20)	3.4
393.01	Stores Equipment	26	18.3	-	SC	54.21	2.5		7yr Amortizable				7yr Amortizable			
394.01	Tools, Shop and Garage Equipment	16	8.2	5	R2	52.75	5.2		7yr Amortizable				7yr Amortizable			
395.01	Laboratory Equipment	26	17.6	-	R1	47.38	3.0		7yr Amortizable				7yr Amortizable			
396	Power Operated Equipment	20	8.8	10	R5	56.77	3.8		10yr Amortizable				10yr Amortizable			
397.25	Communication Equipment-Fiber	16	11.4	(10)	R2	38.18	6.3	R2	16	(10)	6.9	5.3	11.5	48.75	(10)	5.3
	Transportation Equipment															
392.01	Automobiles	6	2.7	24	R3	46.52	22.2	R3	6	24	12.7	6.6	-	62.08	24	-
392.02	Light Trucks	7	3.7	20	L2	54.92	9.3	L2	10	20	8.0	5.5	6.0	32.00	20	8.0
392.03	Heavy Trucks	15	9.3	20	L2	35.22	4.1	L2	15	20	5.3	8.5	8.9	43.08	20	4.1
	General Plant Amortized															
391.01	Office Furniture and Equipment	7 yr Amortizable							7 yr Amortizable				7 yr Amortizable			
391.02	Computer Equipment-Workstations	5 yr Amortizable							3 yr Amortizable				3 yr Amortizable			
391.04	Computer Equipment-Mainframe	5 yr Amortizable							5 yr Amortizable				5 yr Amortizable			
393.00	Stores Equipment	7 yr Amortizable							7 yr Amortizable				7 yr Amortizable			
394.00	Tools, Shop and Garage Equipment	7 yr Amortizable							7 yr Amortizable				7 yr Amortizable			
395.00	Laboratory Equipment	7 yr Amortizable							7 yr Amortizable				7 yr Amortizable			
397	Communication Equipment	10 yr Amortizable							7 yr Amortizable				7 yr Amortizable			
398.00	Miscellaneous Equipment	7 yr Amortizable							7 yr Amortizable				7 yr Amortizable			
	Recovery Schedule															
397.01	Energy Management System	15	4.5	-	R5	57.59	9.4						2 yr Recovery Period			

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Change in annual accruals

		Current Rates - Effective 1/1/96				Company Proposed - Effective 1/1/99					
						Whole Life			Remaining Life		
Account Number	Account Title	Total Plant 12/98	Reserve 12/98	Depre-ciation Rate	Depre-ciation Expense	Depre-ciation Rate	Depre-ciation Expense	Change in Depreciation Expense	Depre-ciation Rate	Depre-ciation Expense	Change in Depreciation Expense
	General Plant										
390	Structures and Improvements	68,595,561	17,163,608	3.4	2,332,249	3.2	2,195,058	(137,191)	3.4	2,332,249	-
393.01	Stores Equipment	566,333	344,051	2.5	14,158		31,755	17,597		31,755.0	17,597
394.01	Tools, Shop and Garage Equipment	728,812	495,072	5.2	37,898		33,391	(4,507)		33,391.0	(4,507)
395.01	Laboratory Equipment	1,198,928	675,962	3.0	35,968		74,709	38,741		74,709.0	38,741
396	Power Operated Equipment	1,066,313	600,590	3.8	40,520		46,572	6,052		46,572.0	6,052
397.25	Communication Equipment-Fiber	8,607,246	4,196,041	6.3	542,257	6.9	593,900	51,643	5.3	456,184	(86,073)
	Transportation Equipment										
392.01	Automobiles	701,072	435,246	22.2	155,638	12.7	89,036	(66,602)	-	-	(155,638)
392.02	Light Trucks	6,342,191	2,029,408	9.3	589,824	8.0	507,375	(82,449)	8.0	507,375	(82,449)
392.03	Heavy Trucks	27,092,981	11,671,850	4.1	1,110,812	5.3	1,435,928	325,116	4.1	1,110,812	-
	General Plant Amortized										
391.01	Office Furniture and Equipment	6,747,115	2,756,002		963,874		963,874	-		963,874	-
391.02	Computer Equipment-Workstations	32,753,163	12,904,409		6,550,633		6,616,252	65,619		6,616,252	65,619
391.04	Computer Equipment-Mainframe	1,069,698	51,367		213,940		213,940			213,940	-
393.00	Stores Equipment	6,310	(8,306)		901		901	-		901	-
394.00	Tools, Shop and Garage Equipment	3,806,209	1,572,888		543,744		543,744	-		543,744	-
395.00	Laboratory Equipment	855,261	373,090		122,180		122,180	-		122,180	-
397	Communication Equipment	58,907,987	27,297,961		4,125,802		4,515,718	389,916		4,515,718	389,916
398.00	Miscellaneous Equipment	246,466	116,038		35,209		35,209	-		35,209	-
	TOTAL GENERAL PLANT	219,291,646	82,675,277	7.9	17,415,607	8.2	18,019,542	603,935	8.0	17,604,865	189,258
	TOTAL Trans, Distr, & General	1,510,851,875	529,028,620		64,027,107		64,136,891	109,784		62,352,721	(1,674,386)
	Recovery Schedule										
397.01	Energy Management System	33,144,637	26,703,342	9.4	4,115,596					3,220,648	(894,948)
	Total T,D & G & Recovery Schedule	1,543,996,512	555,731,962		68,142,703					65,573,369	(2,569,334)

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Comparison of Reserve - Actual vs Theoretical

Account Number	Account Title	Total Plant ($)	Reserve ($)	Reserve Ratio 12/98 (%)	Calculated Reserve 12/98 ($)	Calculated Reserve Ratio	Actual Minus Calculated (%)
	General Plant						
390	Structures and Improvements	68,595,561	17,163,608	25.02	21,551,585	31.42	(4,387,977)
393.01	Stores Equipment	566,333	344,051	60.75		-	N/A
394.01	Tools, Shop and Garage Equipment	728,812	495,072	67.93		-	N/A
395.01	Laboratory Equipment	1,198,928	675,962	56.38		-	N/A
396	Power Operated Equipment	1,066,313	600,590	56.32		-	N/A
397.25	Communication Equipment-Fiber	8,607,246	4,196,041	48.75	2,652,823	30.82	1,543,218
	Transportation Equipment						
392.01	Automobiles	701,072	435,246	62.08	435,246	62.08	-
392.02	Light Trucks	6,342,191	2,029,408	32.00	2,029,408	32.00	-
392.03	Heavy Trucks	27,092,981	11,671,850	43.08	8,828,979	32.59	2,842,871
	General Plant Amortized						
391.01	Office Furniture and Equipment	6,747,115	2,756,002	40.85	N/A	N/A	N/A
391.02	Computer Equipment-Workstations	32,753,163	12,904,409	39.40	N/A	N/A	N/A
391.04	Computer Equipment-Mainframe	1,069,698	51,367	4.80	N/A	N/A	N/A
393.00	Stores Equipment	6,310	(8,306)	(131.63)	N/A	N/A	N/A
394.00	Tools, Shop and Garage Equipment	3,806,209	1,572,888	41.32	N/A	N/A	N/A
395.00	Laboratory Equipment	855,261	373,090	43.62	N/A	N/A	N/A
397	Communication Equipment	58,907,987	27,297,961	46.34	N/A	N/A	N/A
398.00	Miscellaneous Equipment	246,466	116,038	47.08	N/A	N/A	N/A
	TOTAL GENERAL	219,291,646	82,675,277		35,498,041		(1,888)
	TOTAL	1,510,851,875	529,028,620		450,303,198		31,546,298

RESERVE TRANSFERS - DISTRIBUTION AND GENERAL

The company proposes a reserve transfer in the amount of $2,997,507 to account 39203 - Heavy Vehicle to eliminate an increase in depreciation resulting from activity rather that a change in life or salvage expectancy. With the company's focus on reducing costs and all indications that vehicle lives will grow longer, an increase in Heavy Vehicle depreciation without a change in life or salvage expectancy makes no sense. Unlike other depreciation, vehicle depreciation charges are allocated monthly to business units' capital and operations and maintenance (O&M) based on vehicle usage as a major component of the total cost of vehicles. The proposed reserve transfer maintains the current rate and expectation of the company.

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Proposed Reserve Transfers

Account Number	Account Title	Reserve 12/98	Reserve Transfer	Adjusted Reserve
	Transmission Plant			
350.01	Land Rights	1,587,210	-	1,587,210
352	Structures and Improvements	406,442	-	406,442
353	Station Equipment	41,374,948	-	41,374,948
354	Towers and Fixtures	2,738,144	-	2,738,144
355	Poles and Fixtures	20,583,333	-	20,583,333
356.00	Overhead Conductors and Devices	22,791,466	-	22,791,466
356.01	Clearing Rights-of-Way	870,821	-	870,821
357	Underground Conduit	1,105,875	-	1,105,875
358	Underground Conductors and Devices	893,263	-	893,263
359	Roads and Trails	744,362	-	744,362
	Total Transmission Plant	93,095,864	-	93,095,864
	Distribution Plant			
360.01	Land Rights	-	-	-
361	Structures and Improvements	268,687	-	268,687
362	Station Equipment	38,138,860	-	38,138,860
364	Poles, Towers and Fixtures	43,046,450	-	43,046,450
365	Overhead Conductors and Devices	66,174,069	(1,300,000)	64,874,069
366	Underground Conduit	17,901,947	-	17,901,947
367	Underground Conductors and Devices	26,955,152	-	26,955,152
368	Line Transformers	91,481,148	-	91,481,148
369.01	Overhead Services	17,657,121	-	17,657,121
369.02	Underground Services	15,145,038	-	15,145,038
370	Meters	14,129,128	-	14,129,128
373	Street Lighting and Signal Systems	23,659,879	-	23,659,879
	Total Distribution Plant	354,557,479	(1,300,000)	353,257,479

TAMPA ELECTRIC COMPANY
1999 Depreciation Rate Review
Proposed Reserve Transfers

Account Number	Account Title	Reserve 12/98	Reserve Transfer	Adjusted Reserve
	General Plant			
390	Structures and Improvements	17,163,608	-	17,163,608
393.01	Stores Equipment	344,051	-	344,051
394.01	Tools, Shop and Garage Equipment	495,072	-	495,072
395.01	Laboratory Equipment	675,962	-	675,962
396	Power Operated Equipment	600,590	-	600,590
397.25	Communication Equipment-Fiber	4,196,041	-	4,196,041
	Transportation Equipment			
392.01	Automobiles	704,287	(269,041)	435,246
392.02	Light Trucks	3,457,874	(1,428,466)	2,029,408
392.03	Heavy Trucks	8,674,343	2,997,507	11,671,850
	General Plant Amortized			
391.01	Office Furniture and Equipment	2,756,002	-	2,756,002
391.02	Computer Equipment-Workstations	12,904,409	-	12,904,409
391.04	Computer Equipment-Mainframe	51,367	-	51,367
393.00	Stores Equipment	(8,306)	-	(8,306)
394.00	Tools, Shop and Garage Equipment	1,572,888	-	1,572,888
395.00	Laboratory Equipment	373,090	-	373,090
397	Communication Equipment	27,297,961	-	27,297,961
398.00	Miscellaneous Equipment	116,038	-	116,038
	TOTAL GENERAL PLANT	81,375,277	1,300,000	82,675,277
	TOTAL Trans, Distr, & General	529,028,620	-	529,028,620
	Recovery Schedule			
397.01	Energy Management System	-	-	-
	Total T,D & G & Recovery Schedule	529,028,620	-	529,028,620