FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

FEBRUARY 29, 2000

RE: DOCKET NO. 990529-EI - Petition for 1999 depreciation study by Tampa Electric Company.

Issue 1: Should the depreciation rates approved for preliminary implementation be revised?
Recommendation: Yes. By Order No. PSC-99-1398-PCO-EI, preliminary implementation of depreciation rates, general plant amortizations, recovery schedules, and fossil dismantlement accrual were ordered. Preliminarily implemented expenses were to be trued up upon final action by this Commission. Staff has completed its review of the company's study and this is its recommendation for final action.

APPROVED

COMMISSIONERS ASSIGNED: Full Commission

COMMISSIONERS' SIGNATURES

MAJORITY	DISSENTING
Lila A. Jaber	
Susan F. Clark	
Joe Garcia	
J. Terry Deason	
[illegible]	

REMARKS/DISSENTING COMMENTS:

DOCUMENT NUMBER-DATE

02731 MAR-1 8

FPSC-RECORDS/REPORTING

VOTE SHEET
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Issue 2: What should be the implementation date for the recommended rates and recovery/amortization schedules?
Recommendation: Staff recommends a January 1, 1999, date of implementation for depreciation rates, amortizations, recovery schedules, and fossil dismantlement accruals.
To recognize the impact of the CFJ on the Gannon Station assets, a January 1, 2000, date of implementation is recommended for the preliminary implementation of the associated recovery schedule addressing the now planned retiring assets and additional revised depreciation rates for those assets remaining in service with the repowering.

APPROVED

Issue 3: Should any corrective reserve allocations be made?
Recommendation: Yes, staff recommends the corrective reserve allocations shown on Attachment A, pages 27 - 29, of its February 17, 2000 memorandum.

APPROVED

Issue 4: Should any recovery schedules be approved?
Recommendation: Yes, staff recommends that recovery schedules shown on Attachment D, page 44, and Attachment E, page 48 of its memorandum, addressing the unrecovered investments associated with TECO's planned retirement of its Energy Management System, coal classifiers, and the planned retirements associated with the coal related assets at the Gannon Station be approved.

APPROVED

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Issue 5: What is the appropriate annual provision for dismantlement?
Recommendation: Staff recommends a 1999 provision for dismantlement of $7,153,489 as shown on Attachment B, page 30 of its memorandum. This represents a $378,014 decrease in the preliminary approved accrual of $7,531,503 and approximately a $3 million total decrease in the dismantlement provision approved in 1995.

Additionally, staff recommends, beginning January 1, 2000, an annual dismantlement provision for the Gannon Station of $711,297 to reflect the plan for repowering as discussed in Issue 5. Further, staff recommends an annual dismantlement provision of $235,177 for the Big Bend Unit 1 & 2 Scrubber with an in-service date of January 1, 2000. The effect of repowering the Gannon Station and the addition of the Big Bend Unit 1 & 2 Scrubber will result in a 2000 provision for dismantlement of $5,660,618. This represents an additional decrease of about $1.5 million over the 1999 dismantlement accruals.

For other plant under construction, staff recommends an annual provision for dismantlement of $109,196 for Polk Unit No. 2 and for any other new combined cycle units planned for service during the 1999-2002 period to begin when each unit goes into service.

APPROVED

Issue 6: What are the appropriate depreciation rates and amortization schedules?
Recommendation: The recommended lives, net salvages, reserves, and resultant depreciation rates are shown on Attachment C, pages 31-36 of staff's memorandum. Attachment D, pages 37-44, shows the estimated resultant annual expenses of about $136.1 million, based on actual January 1, 1999 investments and reserves. This represents a decrease of about $720,000 compared to the effect from rates preliminarily ordered. Expenses should be trued up accordingly. For information, the preliminary implementation resulted in an annual decrease in expense of about $857,000.

The recommended lives, net salvages, reserves, and resulting rates for the investments remaining in service at the repowered Gannon Station and also for the new Big Bend Unit 1 & 2 Scrubber are shown on Attachment E,

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pages 45-48 of staff's memorandum. The estimated resultant annual expenses shown on pages 47-48 are based on estimated January 1, 2000 investments and reserves and reflect a net annual increase in expenses of about $6.4 million over 1999 depreciation expenses.

APPROVED

Issue 7: Should the current amortization of investment tax credits (ITCs) and the flowback of excess deferred income taxes be revised to reflect the approved depreciation rates and recovery schedules?
Recommendation: Yes. The current amortization of ITCs and the flowback of excess deferred income taxes (EDIT) should be revised to match the actual recovery periods for the related property. The utility should file detailed calculations of the revised ITC amortization and flowback of EDIT at the same time it files its surveillance report covering the period ending December 31, 2000.

APPROVED

Issue 8: Should this docket be closed?
Recommendation: No. If staff's recommendation is approved, this docket should remain open, pending the determination of prudency of TECO's planned implementation of the CFJ in Docket No. 992014-EI. The depreciation rates, recovery/amortization schedules, and fossil dismantlement accruals for all other accounts and plant sites should become final upon issuance of a consummating order if no person whose interests are substantially affected by the proposed action files a protest within the 21-day protest period.

APPROVED