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AUSLEY & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

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

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November 15, 2000

HAND DELIVERED

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

Re: Fuel and Purchased Power Cost Recovery Clause with Generating Performance
Incentive Factor; FPSC Docket No. 000001-EI

Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and ten (10) copies of Tampa
Electric Company's Response to the Florida Industrial Power Users Group's Motion for Oral
Argument and to Strike Testimony and Motion to Amend Prehearing Position.

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

Thank you for your assistance in connection with this matter.

Sincerely,


James D. Beasley

JDB/pp
Enclosures

cc: All parties of record (w/enc.)

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 000001-EI
FILED: November 15, 2000

**TAMPA ELECTRIC COMPANY'S RESPONSE TO THE
FLORIDA INDUSTRIAL POWER USERS GROUP'S MOTION
FOR ORAL ARGUMENT AND TO STRIKE TESTIMONY
AND MOTION TO AMEND PREHEARING POSITION**

Tampa Electric Company ("Tampa Electric" or "the company") responds as follows to the Florida Industrial Power Users Group's ("FIPUG") Motion for Oral Argument and to Strike Testimony and Motion to Amend Prehearing Position:

1. FIPUG's Motion for Oral Argument and to Strike Testimony should be denied. FIPUG fails to state any plausible reason to delay the disposition of Issues 9 and 10 having to do with the implementation of the Commission's decision in Order No. PSC-00-1744-PAA-EI ("Order No. 1744") in Docket No. 991779-EI.

2. In Order No. 1744 the Commission adopted a new incentive mechanism to encourage utilities to make wholesale sales for the benefit of their general body of ratepayers. In that order the Commission approved, as a matter of final agency action, a carefully described incentive mechanism that would provide utilities a modest 20% of the amount of gains on certain wholesale sales that exceed a three year moving average. The only aspect of Order No. 1744 that was decided on a proposed agency action basis had to do with the method of calculating the "gains."

3. FIPUG has protested that portion of the incentive order addressing the singular issue of how the gains on the affected wholesale sales are to be calculated. The "gains" are an

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input variable in the incentive formula approved as final agency action by the Commission in its final order. The incentive formula is not subject to protest or question, only the calculation of the variable input of gains.

4. There is no reason to hold up the implementation of the approved incentive formula solely in order to address the method by which the gains are to be calculated. The fuel adjustment docket is an on-going docket. The approved incentive formula should be implemented in the upcoming fuel adjustment hearing. Once the method for calculating the gains on the affected wholesale sales is finally decided, that calculation can be easily inserted into the incentive formula without having to readdress or re-implement the already approved formula.

5. In view of the foregoing, FIPUG's request to strike portions of the testimony of the investor owned utilities witnesses prepared direct testimony is without merit and should be denied.

6. Tampa Electric does not believe that oral argument is necessary or appropriate in connection with FIPUG's Motion but, in the event oral argument is granted, Tampa Electric reserves the right to participate.

WHEREFORE, Tampa Electric Company urges the Commission to deny FIPUG's Motion for Oral Argument as well as FIPUG's Motion to Strike Testimony.

DATED this 15th day of November 2000.

Respectfully submitted,



LEE L. WILLIS
JAMES D. BEASLEY
Ausley & McMullen
Tallahassee, Florida 32302
(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of Tampa Electric Company's Response to the FIPUG's Motion for Oral Argument and to Strike Testimony and Motion to Amend Prehearing Position, has been furnished by U. S. Mail or hand delivery (*) on this 15th day of November 2000 to the following:

Mr. Wm. Cochran Keating, IV*
Staff Counsel
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0863

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

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

Mr. Norman Horton
Messer Caparello & Self
P. O. Box 1876
Tallahassee, FL 32302

Mr. John W. McWhirter
McWhirter, Reeves, McGlothlin, Davidson,
Decker, Kaufman, Arnold & Steen, P.A.
Post Office Box 3350
Tampa, FL 33601

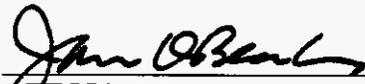
Ms. Susan Ritenour
Gulf Power Company
One Energy Place
Pensacola, FL 32520

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

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

Mr. Kenneth A. Hoffman
Mr. William B. Willingham
Rutledge, Ecenia, Undewood,
Purnell & Hoffman
Post Office Box 551
Tallahassee, FL 32302-0551

Mr. Stephen Burgess
Deputy Public Counsel
Office of Public Counsel
111 W. Madison Street, Suite 812
Tallahassee, FL 32399-1400



ATTORNEY