

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of modification to non-firm electric service tariff sheets and petition for waiver of Rule 25-6.0438(8), F.A.C., pertaining to written notice to transfer to firm service, by Tampa Electric Company.

DOCKET NO. 001487-EI  
ORDER NO. PSC-00-2499-TRF-EI  
ISSUED: December 26, 2000

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
E. LEON JACOBS, JR.  
LILA A. JABER  
BRAULIO L. BAEZ

ORDER GRANTING APPROVAL OF TARIFF MODIFICATION

BY THE COMMISSION:

On September 27, 2000, Tampa Electric Company (TECO or Company) filed a petition requesting approval of a modification to its IS-1, IS-3, IST-1, IST-3, SBI-1 and SBI-3 Non-Firm Electric Service Tariff Sheets, pertaining to written notice to transfer to firm service. On November 7, 2000, we voted to suspend TECO's tariffs to allow additional time to review the filing.

On September 27, 2000, TECO also filed a petition for waiver of Rule 25-6.0438(8), Florida Administrative Code, pertaining to written notice to transfer to firm service.

Rule 25-6.0438(8), Florida Administrative Code, provides:

Each utility that offers non-firm service shall include a specific provision in its tariff that requires a customer to provide the utility with at least five years advance written notice in order for the customer to be eligible to transfer from interruptible to firm service. **A utility may apply to the Commission for approval of a different notice requirement if it can demonstrate that**

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**a different notice requirement is necessary or appropriate, either for all or any individual non-firm service offerings. (Emphasis Added).**

Given that this rule contemplates an alternative time frame, the waiver requirement of Section 120.542, Florida Statutes, is not operative.

Jurisdiction in this matter is vested by Sections 366.04, 366.05 and 366.06, Florida Statutes.

TECO has requested a minimum notice period of 36 months prior to the transfer from non-firm service to firm service for its IS-1, IS-3, IST-1, IST-3, SBI-1 and SBI-3 rate schedules. These rate schedules currently require a five-year notice from customers who wish to return to firm service. TECO currently has two non-firm rate schedules which contain 36-month notice requirements: GSLM-2 and GSLM-3. Order No. PSC-99-1778-FOF-EI, approving these rate schedules, reads in part as follows:

Rule 25-6.0438, Florida Administrative Code, requires that non-firm customers provide five years minimum notice prior to switching from non-firm to firm service. The rule provides that a utility can request a different minimum notice period if it can be demonstrated that a different notice requirement is appropriate. TECO has requested that the minimum notice for the GSLM tariffs be reduced to 36 months. TECO argues that this more closely reflects the planning horizon of constructing a new combustion turbine. We agree. The minimum notice should coincide with TECO's planning horizon. We note that a 36-month notice is consistent with Florida Power Corporation's notice period in its Interruptible General Service tariff adopted in June 1996.

Rule 25-6.0438, Florida Administrative Code, requiring five years' written notice to transfer from non-firm service to firm service was adopted at a time when most utilities were building generation facilities that required up to a five-year construction schedule. The five year notice period was intended to give the utilities sufficient time to plan and build its generation

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facilities to meet the needs of its firm customers, including the needs of those customers who were formerly interruptible.

According to TECO's Ten Year Site Plan filed with the Commission in April 2000, all eight of TECO's planned plant additions in the next ten years are either Combustion Turbine (CT) or Combined Cycle (CC) units. Both of these unit types can be constructed and placed into service in less than three years.

Rule 25-6.0438(8), Florida Administrative Code, allows a utility to require less than a five-year written notice if they can demonstrate that a different notice requirement is necessary or appropriate. Based on the type of generating unit additions reflected in TECO's Ten Year Site Plan and the lead time associated with constructing those units, we believe that a 36-month notice requirement is appropriate. Therefore, we approve the tariff modification.

The appropriate effective date for TECO's revised non-firm electric service tariff sheets is November 28, 2000.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Petition by Tampa Electric Company to modify its Non-Firm Electric Service Tariff Sheets, pertaining to the written notice requirement to transfer to firm service, is approved. It is further

ORDERED that the effective date for the revised non-firm electric service tariff sheets is November 28, 2000. It is further

ORDERED that if a protest is filed within 21 days of issuance of the Order, the tariff shall remain in effect with any charges held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

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By ORDER of the Florida Public Service Commission this 26th  
day of December, 2000.

BLANCA S. BAYÓ, Director  
Division of Records and Reporting

By: Kay Flynn  
Kay Flynn, Chief  
Bureau of Records

( S E A L )

KDW

NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

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Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on January 16, 2001.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.