

State of Florida



Public Service Commission
-M-E-M-O-R-A-N-D-U-M-

DATE: June 29, 2001

TO: Parties of Record

FROM: Wm. Cochran Keating, Senior Attorney

RE: Docket No. 010577-EI - Review of Tampa Electric Company and impact of its participation in GridFlorida, a Florida Transmission Company, on TECO's retail ratepayers.

Attached is the Commission staff's preliminary list of issues related to the GridFlorida phase of the above-referenced docket.

If you have any questions about this document, please call me at (850) 413-6193.

WCK/jb

Attachment

cc: Division of Economic Regulation
Division of Policy Analysis and Intergovernmental Liaison
Division of Safety and Electric Reliability
Division of Regulatory Oversight
Division of Competitive Services

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DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

STAFF'S PRELIMINARY LIST OF ISSUES

DOCKET NO. 010577-EI - GRIDFLORIDA (TECO)

LEGAL

1. Can the Commission deny recovery of any expenses incurred by TECO to form and participate in GridFlorida?

BENEFITS

2. What are the expected benefits to TECO's ratepayers attributable to the elimination of discrimination through open transmission access resulting from the company's participation in GridFlorida and when will those benefits occur?
3. What are the expected benefits to TECO's ratepayers associated with transferring functions and/or activities from the regulated utility to GridFlorida or GridFlorida related entities and when will those benefits occur?
4. What are the expected benefits to TECO's ratepayers attributable to facilitation of competition in the wholesale generation market resulting from the company's participation in GridFlorida and when will those benefits occur?
5. What are the net benefits to TECO's ratepayers resulting from the company's participation in GridFlorida and when will those benefits occur?

RATE BASE

6. What are the appropriate amounts and components of rate base to transfer and/or allocate to GridFlorida?
7. What are the appropriate amounts and components of capital structure to transfer and/or allocate to GridFlorida?

REVENUES AND EXPENSES

8. What is the amount of the company's share of start-up costs associated with GridFlorida that is recoverable in rates?
9. What are the appropriate amounts of revenues and expenses to transfer and/or allocate to GridFlorida?
10. What is the amount of the net increase/decrease in revenue requirements to the utility due to participation in GridFlorida?

RATES

11. How and when should costs associated with the company's participation in GridFlorida be recovered?
12. How and when should costs associated with the company's participation in GridFlorida that exceed the costs currently included in base rates be recovered from retail ratepayers?
13. How should revenue requirements associated with transmission costs be allocated among rate classes?

POLICY

14. If net benefits cannot be demonstrated, or will accrue at some future date, should transmission costs recovered from retail ratepayers remain at or below current levels until such benefits are realized?