

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for authority
to issue and sell securities
pursuant to Section 366.04, F.S.
and Chapter 25-8, F.A.C., by
Tampa Electric Company.

DOCKET NO. 011324-EI
ORDER NO. PSC-01-2275-FOF-EI
ISSUED: November 19, 2001

The following Commissioners participated in the disposition of
this matter:

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

FINAL ORDER GRANTING APPROVAL FOR
AUTHORITY TO ISSUE AND SELL SECURITIES

BY THE COMMISSION:

Tampa Electric Company (TECO) filed an application on October 2, 2001, seeking authority pursuant to Section 366.04, Florida Statutes, and Chapter 25-8, Florida Administrative Code, to issue and sell securities for the twelve month period beginning January 1, 2002 and ending December 31, 2002. Notice of TECO's application was given in the Florida Administrative Weekly on October 19, 2001.

TECO is a Florida corporation and was incorporated in 1899 and was reincorporated in 1949. TECO seeks authority to issue, sell and/or exchange equity securities and issue, sell, exchange and/or assume long-term debt securities and short-term securities and/or to assume liabilities or obligations as guarantor, endorser, or surety during the period covered by this application. TECO also seeks authority to enter into interest rate swaps or other derivative instruments related to debt securities.

According to TECO, the equity securities may take the form of preferred stock, preference stock, common stock, or options or rights with respect to the foregoing with such par values, terms,

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and conditions, conversion and relative rights and preferences as may be permitted by TECO's Restated Articles of Incorporation as the same may be amended to permit the issuance of any such securities.

TECO maintains that the long-term debt securities may take the form of first mortgage bonds, debentures, notes, bank borrowings, convertible securities, installment contracts and/or other obligations underlying pollution control or sewage and solid waste disposal revenue bonds, or options, rights, interest rate swaps or other derivative instruments with respect to the foregoing with maturities ranging from nine months to one hundred years and may be issued in both domestic and international markets. TECO states that the issuance and/or sale of equity securities and long-term debt requested may be through negotiated underwritten public offering, including medium-term note issuance, public offering at competitive bidding, direct public or private sale, sale through agents, or distributions to security holders of the company or affiliated companies.

TECO also states that the short-term debt may take the form of commercial paper, short-term tax-exempt notes, or bank borrowings. Short-term debt sold in the commercial paper market may bear an interest rate as determined by the market price at the date of issuance. TECO asserts that the short-term debt will mature not more than nine months from the date of issuance.

TECO asserts that the amount of all equity and long-term debt securities issued, sold, exchanged or assumed and liabilities and obligations assumed or guaranteed as guarantor, endorser, or surety will not exceed in the aggregate \$1 billion during the period covered by TECO's application, including any amounts issued to retire existing long-term debt securities. According to TECO, the maximum amount of short-term debt at any one time will be \$500 million.

The present estimates of the interest rates for the aforementioned debt securities, based upon current trading levels of short-term debt and 10-year notes of TECO are 3.0% and 6.5%, respectively. Actual dividend and interest rates will be determined at the time of the issuance and/or sale of the applicable securities.

TECO maintains that any proceeds to be received from any sale of securities will be added to TECO's general funds and used for working capital requirements and for other general business purposes, including the financing of TECO's capital investment or the acquisition of additional properties or businesses. According to TECO, the net proceeds received from the sale of securities may also be used for the repurchase or repayment of debt or equity securities of the company.

Having reviewed the application, it is the finding of this Commission that the issuance and sale of the aforementioned securities will not impair the ability of TECO to perform the services of a public utility. These transactions are for such lawful purposes within TECO's corporate powers and, as such, the application is granted subject to the conditions stated herein.

Our approval of the proposed issuance of securities by TECO does not indicate specific approval of any rates, terms, or conditions associated with the issuance. Such matters are properly reserved for review by the Commission within the context of a rate proceeding.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the application of Tampa Electric Company to issue and sell securities during the twelve month period beginning January 1, 2002, and ending December 31, 2002, be approved. It is further

ORDERED that Tampa Electric Company's request to issue, sell and/or exchange any combination of long-term debt and equity securities and/or assume liabilities or obligations as guarantor, endorser, or surety in an aggregate amount not to exceed \$1 billion during the twelve month period, ending December 31, 2002, is granted. It is further

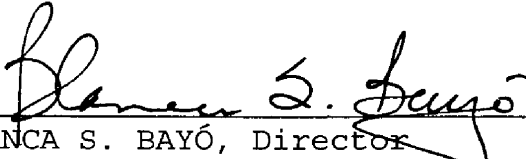
ORDERED that Tampa Electric Company's request to issue, sell, exchange and/or assume short-term debt in an aggregate amount not to exceed \$500 million during the twelve month period, ending December 31, 2002, is granted. It is further

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ORDERED that Tampa Electric Company shall file a consummation report in compliance with Rule 25-8.009, Florida Administrative Code, within 90 days of the end of the fiscal year in which it issues any securities authorized by this Order. It is further

ORDERED that this docket remain open pending the submission of the consummation report by Tampa Electric Company.

By ORDER of the Florida Public Service Commission this 19th day of November, 2001.



BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, 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 or judicial review will be granted or result in the relief sought.

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Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.