

Board

M E M O R A N D U M

January 24, 2003

TO: DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES

FROM: OFFICE OF THE GENERAL COUNSEL (STERN)MKS

RE: DOCKET NO. 021255-EI - PETITION FOR APPROVAL OF NEW ENVIRONMENTAL PROGRAM FOR COST RECOVERY THROUGH ENVIRONMENTAL COST RECOVERY CLAUSE, BY TAMPA ELECTRIC COMPANY.

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Please place the attached LETTER in docket file of the above-referenced docket. (Number of pages in

DATE ORDER SENT ~~ELECTRONICALLY~~ TO CCA 1/24/03.

MKS/anc  
Attachment  
I:021255ltr1.mks

DOCUMENT NUMBER-DATE

00788 JAN 24 8

FPSC-COMMISSION CLERK

STATE OF FLORIDA

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OFFICE OF THE GENERAL COUNSEL  
HAROLD A. MCLEAN  
GENERAL COUNSEL  
(850) 413-6199

## Public Service Commission

January 24, 2003

Mr. James D. Beasely  
P.O. Box 391  
Tallahassee, FL 32302

*RE: Docket No. 021255-EI - Bayside Selective Catalytic Reduction Consumables*

Dear Mr. Beasely:

The staff of the Florida Public Service Commission requires additional information on Docket 021255-EI in order to determine if the project qualifies for cost recovery. The information needed is identified below.

- 1) A copy of DEP's final construction permit addressing SCR for each of the Bayside Units.
- 2) A copy of TECO's analysis that resulted in selecting SCR over "zero-ammonia" technology to control NOx emissions.
- 3) How did TECO determine SCR was the appropriate NOx emission control technology for the Bayside Plant? For example, did TECO use a least-cost analysis based on "in-service" revenue requirements or did TECO use a least-cost analysis of life-cycle revenue requirements to select SCR?
- 4) Please provide a copy of each analysis identified in your response to question 3.
- 5) Please provide a copy of each analysis TECO presented to its management for purposes of selecting SCR technology.
- 6) What are the disposal costs associated with replacing the catalytic beds for each of the SCR facilities?
- 7) How many years will the catalytic beds operate before they need to be replaced?
- 8) Please list all the O&M functions and their respective costs associated with operating each of the Bayside SCR facilities.

Mr. Beasley  
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9) Please list all the capitalized items, their in-service costs, and in-service dates, by retirement unit associated with each of the Bayside SCR facilities.

10) How did TECO assure itself that the SCR equipment provider(s) are the most cost-effective and most reasonable equipment providers?

11) How did TECO assure itself that the provider(s) of SCR consumables are the most cost-effective and most reasonable providers?

12) Explain any replacement power purchase constraints contained in either the Consent Final Judgment or the Consent Decree that may limit TECO's wholesale purchase options should there be an unplanned SCR outage at Bayside.

13) Explain any replacement power purchase constraints contained in either the Consent Final Judgment or the Consent Decree that may limit TECO's wholesale purchase options for a planned SCR outage at Bayside.

Please provide the requested information within the next 30 days. If you have any questions or wish to discuss these data requests further, please call me at 850-413-6230, or Jim Breman at 850-413-6664. Thank you for your attention to this matter.

Sincerely,



Marlene K. Stern, Senior Attorney

MKS/anc  
cc: Jim Breman, ECR