

ORIGINAL

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

July 1, 2004

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Ms. Blanca S. Bayo, Director  
Division of Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

040000-PU

Re: Tampa Electric Company Non-Firm Electric Service – 2004 Assessment of Need

Dear Ms. Bayo:

In accordance with Rule 25-6.0438, Florida Administrative Code regarding non-firm electric service, enclosed are the original and fifteen (15) copies of Tampa Electric Company's July 1, 2004 revision to its January 1, 2004 assessment of need for additional interruptible load during calendar year 2004.

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

- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_ JDB/pp
- GCL \_\_\_\_\_ Enclosure
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**TAMPA ELECTRIC COMPANY  
NON-FIRM ELECTRIC SERVICE  
2004 ASSESSMENT OF NEED**

In accordance with Tampa Electric Company's Rate Schedule GSLM-2, the following is the July 1, 2004 revision to the January 1, 2004 assessment of need for additional interruptible load during calendar year 2004.

Tampa Electric Company's tariff requires that the Company complete an assessment twice each year by January 1 and July 1 regarding the need for additional non-firm electric service during the following calendar year. The Company's tariff provision regarding assessment of need was approved on December 4, 1985. Subsequent to that date, the Commission adopted Florida Administrative Code Rule 25-6.0438 to define the character and various types of non-firm electric service to require a procedure for determining a utility's maximum level of non-firm load; and to establish other minimum terms and conditions for the provision of non-firm electric service.

2. Tampa Electric submitted a revised assessment of need procedure in Docket No. 870408-EI, which takes into account the various provisions of Rule 25-6.0438. The Commission approved the Company's proposal in November 1989.
3. Tampa Electric submits that its current assessment of need procedure in Docket No. 870408-EI, in addition to accomplishing the same intent as the procedure approved in Docket No. 850050-EI, Order No. 15451, fully comports with the Commission's intent expressed in Rule 25-6.0438. Moreover, the revised assessment used the assumptions and planning criteria in place for Tampa Electric's 2004 Customer, Demand & Energy Forecast and the Generation, Fuel, & Interchange Forecast adjusted for wholesale sales. Under the application of the methodology described in Docket No. 870408-EI, non-firm load under Rate Schedule GSLM-2 will have 34.8 MW of non-firm service during 2004.
4. The estimated levels of non-firm load on the Tampa Electric system for the month of July 2004 are as follows:

Load Management	240.0 MW
GSLM 2	34.8 MW
Interruptible Load	<u>199.0 MW</u>
 TOTAL:	 473.8 MW

5. Attached hereto is a document entitled *Target Interruptible Load Worksheet* which was developed based on Tampa Electric's proposal in Docket No. 870408-EI. As this document indicates, 34.8 MW of non-firm electric service in the form of interruptible load can be offered during 2004.

## TARGET INTERRUPTIBLE LOAD WORKSHEET

1.	TARGET INTERRUPTIBLE BEGINNING FOR	2004	199	MW
2.	TARGET INTERRUPTIBLE FOR THE YEAR	2008	338	MW
3.	ANNUAL INTERRUPTIBLE INCREMENT	338 - 199 (Over 4 Years)	34.8	MW
4.	TARGET INTERRUPTIBLE ENDING FOR	2008	338	MW

**TARGET INTERRUPTIBLE LOAD WORKSHEET  
FIRM LOAD RESERVE MARGIN WORKSHEET  
(WITH COMMITTED CAPACITY ONLY)**

(1)	(2)	(3)	(4)	(5)	(6)	
YEAR	TOTAL INSTALLED CAPACITY (MW)	FIRM CAPACITY INTERCHANGE (MW)	COGENERATION (MW)	TOTAL CAPACITY (MW)	FIRM LOAD ANNUAL PEAK DEMAND (MW)	RESERVE MARGIN (%)
2004	4,323	449	60	4,832	3,899	24
2005	4,331	449	61	4,841	4,012	21
2006	4,331	649	61	5,041	4,136	22
2007	4,411	649	61	5,121	4,260	20
2008	4,411	649	61	5,121	4,381	17

Column (1) Bayside unit 1 received a capacity increase in February 2004 to 787 MW winter. Big Bend CT2 (80 MW winter) **will** be reactivated in May 2006.

Column (2) Firm capacity interchange is the net of capacity import and exports. Capacity imports for 2004 through 2008 includes a firm purchase power agreement with Hardee Power Partners of 449 MW. Capacity imports for 2005 through 2008 include an undetermined supplier for **up** to 200 MW beginning May 2005 (RFP issued July 2003).

Column (3) The cogeneration column accounts for cogeneration that will **be** purchased under firm contracts.

Column (5) The **firm** load annual peak demand is firm system peak demand. Firm system **peak** demand includes **firm** retail and **firm** wholesale demand (PR, etc.). Firm demand values are based on the current load forecast.

Column (6) The **reserve** margin is a winter firm **peak** reserve margin.

## TARGET INTERRUPTIBLE LOAD WORKSHEET

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
YEAR	FIRM LOAD ANNUAL PEAK DEMAND (MW)	INTER- RUPTIBLE LOAD (MW)	LOAD MANAGE- MENT (MW)	TARGET NON-FIRM LOAD (MW)	ADJUSTED FIRM LOAD (MW)	ADJUSTED FIRM RESERVE (%)	TARGET INTER- RUPTIBLE (MW)	INCREMENTAL INTER- RUPTIBLE AVAILABLE (MW)
2004	3,899	199	240				199	34.8
2005	4,012	203	246				234	34.8
2006	4,136	177	250				269	34.8
2007	4,260	177	250				303	34.8
2008	4,381	178	251	589	4,221	21	338	

Column (2) The **firm** load annual peak demand is firm system peak demand. Firm system peak demand contains **firm** retail and **firm** wholesale demand. Firm demand values are based on the current load forecast,

Column (7) The adjusted **firm** reserve is a winter firm peak reserve **margin**.