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September 15, 2006

HAND DELIVERED

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

Re: Environmental Cost Recovery Clause  
FPSC Docket No. 060007-EI

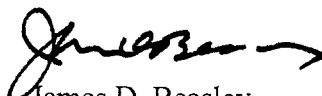
Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and fifteen (15) copies of Tampa Electric Company's Preliminary List of Issues and Positions.

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

JDB/pp  
Enclosure

cc: All Parties of Record (w/enc.)

DOCUMENT NUMBER-DATE  
08512 SEP 15 06  
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental Cost     )  
Recovery Clause.             )  
\_\_\_\_\_ )

DOCKET NO. 060007-EI  
FILED: September 15, 2006

**TAMPA ELECTRIC COMPANY'S  
PRELIMINARY LIST OF ISSUES AND POSITIONS**

Tampa Electric Company ("Tampa Electric" or "the company") hereby submits its Preliminary List of the Issues and Positions to be taken up at hearing scheduled to commence on November 6, 2006 in the above docket.

**ISSUE 1:**     What are the final environmental cost recovery true-up amounts for the period ending December 31, 2005?

**Tampa Electric's Position:**     An under-recovery of \$23,609,173. (Witness: Bryant)

**ISSUE 2:**     What are the estimated environmental cost recovery true-up amounts for the period January 2006 through December 2006?

**Tampa Electric's Position:**     An over-recovery of \$58,347,408. (Witness: Bryant)

**ISSUE 3:**     What are the projected environmental cost recovery amounts for the period January 2007 through December 2007?

**Tampa Electric's Position:**     The appropriate amount of environmental costs projected to be recovered for the period January 2007 through December 2007 is (\$34,064,523). (Witness: Bryant)

**ISSUE 4:**     What are the environmental cost recovery amounts, including true-up amounts, for the period January 2007 through December 2007?

**Tampa Electric's Position:** The total environmental cost recovery amount, including true-up amounts, for the period January 2007 through December 2007 is (\$68,852,296) after the adjustment for taxes. (Witness: Bryant)

**ISSUE 5:** What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2007 through December 2007?

**Tampa Electric's Position:** The depreciation rates used to calculate the depreciation expense shall be the rates that are in effect during the period the allowed capital investment is in service. (Witness: Bryant)

**ISSUE 6:** What are the appropriate jurisdictional separation factors for the projected period January 2007 through December 2007?

**Tampa Electric's Position:** The demand jurisdictional separation factor is 96.66743%. The energy jurisdictional separation factors are calculated for each month based on retail kWh sales as a percentage of projected total system kWh sales. These are shown on the schedules sponsored by witness Bryant. (Witness: Bryant)

**ISSUE 7:** What are the appropriate environmental cost recovery factors for the period January 2007 through December 2007, for each rate group?

**Tampa Electric's Position:** The appropriate environmental cost recovery factors for the period January 2007 through December 2007 for each rate group are as follows:

<u>Rate Class</u>	<u>Factor (¢/kWh)</u>
RS, RST	(0.344)
GS, GST, TS	(0.345)
GSD, GSDT	(0.347)

GSLD, GSLDT, SBF (0.345)  
IS1, IST1, SBI1,  
IS3, IST3, SBI3 (0.340)  
SL, OL (0.358)  
Average Factor (0.345)


(Witness: Bryant)

**ISSUE 8:** What should be the effective date of the environmental cost recovery factors for billing purposes?

**Tampa Electric's Position:** The factors should be effective beginning with the specified environmental cost recovery cycle and thereafter for the period January 2007 through December 2007. Billing cycles may start before January 1, 2007, and the last cycle may be read after December 31, 2007, so that each customer is billed for 12 months regardless of when the adjustment factor became effective. (Witness: Bryant)

DATED this 15<sup>th</sup> day of September 2006

Respectfully submitted,



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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of the foregoing Preliminary List of Issues and Positions filed on behalf of Tampa Electric Company has been furnished by hand delivery (\*) or U. S. Mail on this 15<sup>th</sup> day of September 2006 to the following:

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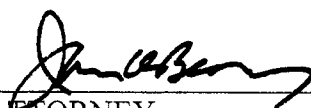
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ATTORNEY