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COMMISSION
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October 6, 2006

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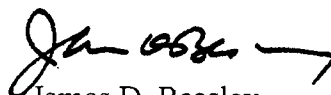
Ms. Lisa Bennett
Staff Attorney
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Fuel and Purchased Power Cost Recovery Clause with Generating
Performance Incentive Factor; FPSC Docket No. 060001-EI

Dear Ms. Bennett:

On August 25, 2006 we submitted Tampa Electric Company's responses to Staff's First Data Requests Nos. 1-9. Subsequent to that filing Tampa Electric has amended the October 14, 2005 natural gas storage agreement referred to in its response to Data Request No. 1. Enclosed is a revised response to Data Request No. 1 (marked "Revised October 6, 2006") that updates the earlier response to include the amendment.

Sincerely,



James D. Beasley

CMP _____

COM _____ JDB/pp

CTR _____ Enclosure

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

GCL _____ Division of Commission Clerk and Administrative Services (w/enc.) ✓

OPC _____ Division of Economic Regulation (Lester) (w/enc.)

OTH _____ Division of Regulatory Compliance and Consumer Assistance (Vandiver) (w/enc.)

RCA _____

SCR _____

SGA _____

SEC 1

OTH _____

DOCUMENT NUMBER-DATE

09267 OCT-6 8

FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing revised answer to Staff's First Data Request No. 1, has been furnished by U. S. Mail or hand delivery (*) on this 6th day of October 2006 to the following:

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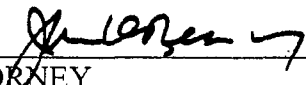
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ATTORNEY

**TAMPA ELECTRIC COMPANY
DOCKET NO. 060001-EI
STAFF'S FIRST SET OF DATA
REQUESTS
DATA REQUEST NO. 1
PAGE 1 OF 1
FILED: AUGUST 25, 2006
REVISED: OCTOBER 6, 2006**

1. Please explain Tampa Electric's plans for using firm natural gas storage. Include the following in the explanation:
 - when Tampa Electric plans to begin using natural gas storage;
 - the planned amount of firm storage capacity;
 - how Tampa Electric will recover the costs of natural gas storage; and
 - how Tampa Electric will report the costs of natural gas storage.

- A. Tampa Electric has used natural gas storage since Hurricane Ivan disrupted natural gas supplies in Mobile Bay and the eastern Gulf of Mexico in 2004. Tampa Electric replaced much of its lost gas supply with gas bought from gas marketers who had gas in storage.

Tampa Electric expanded its use of storage in 2005 to mitigate the risk of disruptions to natural gas supply. Tampa Electric contracted with gas marketers for call options on gas from storage during the 2005 hurricane season as well as for natural gas storage capacity. Effective July 14, 2005, Tampa Electric entered into a contract with Bay Gas Storage Company, Ltd. The contract provides Tampa Electric with 175,000 MMBtu of storage volume with a daily firm withdrawal capability of 35,000 MMBtu. On October 14, 2005, Tampa Electric entered a second agreement with Bay Gas Storage, which superseded the prior agreement. The new agreement extended the 175,000 MMBtu of previously contracted storage capacity until a new storage cavern is operational at Bay Gas. On August 29, 2006, Tampa Electric amended the previous agreement to increase the storage capacity to 250,000 MMBtu until the cavern is operational. At that time, the contracted capacity increases to 750,000 MMBtu and the withdrawal capability increases to 75,000 MMBtu per day. The agreement has a ten-year term and the new storage capacity is expected to be available beginning around April 1, 2007.

Costs for storage include a Firm Services Demand Charge based on the amount of storage space reserved, a variable Injection and Withdrawal Charge based on the movement of gas into and out of storage, and a Fuel Charge which is a percentage of gas retained by the storage operator to cover the fuel used in injection. These costs are recovered through fuel costs since they directly relate to the reliable, cost-effective acquisition of natural gas supply. The total costs are reported in the natural gas costs of actual fuel costs along with the cost of the commodity injected into the storage facility. The balance of gas in storage is valued at the end of each month and the monthly net change is expensed in that month.