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May 18, 2007

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MAY 18 AM 11:30
COMMISSION
CLERK

Ms. Ann Cole, Director
Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 070193-EI; Petition for Determination of Need for Willow-Oak
Davis 230 kV transmission line by Tampa Electric Company

Dear Ms. Cole:

Enclosed herewith for filing on behalf of Tampa Electric Company are the original and
fifteen (15) copies of Tampa Electric's Prehearing Statement. Also enclosed is a CD containing
the above Prehearing Statement using Word 2003 as the Word Processing software and
Windows XP as the operating system.

Please acknowledge receipt of these documents by stamping the extra copy of this letter
"filed" and returning the same to me. Please contact me if you have questions regarding this
filing.

Thank you for your assistance with this filing.

Sincerely,

[Handwritten signature of Lee L. Willis]

Lee L. Willis

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OPC LLW/bjd
RCA
SCR cc: Martha Carter-Brown, Esq.
SGA
SEC
OTH

Enclosures

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

04078 MAY 18 07

FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition of Tampa Electric Company )  
 For Determination of Need for Willow Oak- )  
 Davis 230 kV Transmission Line )  
 \_\_\_\_\_ )

Docket No. 070193-EI

Dated: May 18, 2007

**TAMPA ELECTRIC COMPANY'S  
PREHEARING STATEMENT**

Pursuant to Order No. PSC-07-0312-PCO-EI issued April 13, 2007, Tampa Electric Company ("Tampa Electric" or the "company") hereby files its Prehearing Statement.

**APPEARANCES**

LEE L. WILLIS  
 JAMES D. BEASLEY  
 Ausley & McMullen  
 Post Office Box 391  
 Tallahassee, Florida 32302  
 Telephone: 850-425-5487  
 Telecopier: 850-222-7952

Attorneys for Tampa Electric Company

<b>A. WITNESSES</b>	<b>ON BEHALF OF</b>	<b>ISSUES</b>
<b><u>Direct</u></b>		
Paul Davis	Tampa Electric	1, 2, 3, 4

**B. EXHIBITS**

<b><u>Sponsoring Witness</u></b>	<b><u>Description of Exhibit</u></b>
None	Notices of Final Hearing and Affidavits of Publication
Paul Davis	Exhibit "A" to the Petition to Determine Need for the Willow Oak-Davis 230 kV transmission line in Polk and Hillsborough Counties

DOCUMENT NUMBER-DATE

**04078 MAY 18 5**

FPSC-COMMISSION CLERK

Tampa Electric also reserves the right to introduce exhibits for cross-examination, impeachment, or for any other purposes authorized by the applicable Florida Rules of Evidence and rules or orders of this Commission.

**C. STATEMENT OF BASIC POSITION**

Tampa Electric's proposal to build a new 230kV transmission line extending from Tampa Electric's planning Willow Oak Substation in Polk County to Tampa Electric's planned Davis Substation in Hillsborough County (the "Project") scheduled to be in service by March 2012 should be approved.

The Project is clearly the most cost-effective alternative available, taking into account the demand for electricity, the need for electric system reliability and integrity, and the need for abundant, low-cost electrical energy to assure the economic well-being of the citizens of this state. Further, the Project meets area load requirements by serving proposed future distribution Substations east of I-75 and north of S. R. 60 in Hillsborough County ("Project Area") while maximizing system reliability and minimizing cost to customers.

Over the past five years (2002-2006), customer growth in Tampa Electric's service area has been 2.6% Average Annual Growth Rate ("AAGR"). For the same period, the customer AAGR in the East Region was 3.2%, 0.6% higher than the entire service territory. For the prior five year period, (2001-2005) the AAGR for the East Region was 3.3% compared to the overall service territory AAGR of 2.5%, or 0.8% higher. Tampa Electric is forecasting overall service area customers to grow an AAGR of 2.2% over the next five years (2007-2011). The East Region is expected to continue the recent trend of higher than overall customer AAGR.

Transmission assessment studies conducted by Tampa Electric during 2006 have identified regional transmission system limitations in northeast Hillsborough County. These

studies show that by 2012, the existing 230 kV transmission network will not have sufficient capability to provide reliable service to existing and proposed Substations. Additionally, some of the projected load to be served by the proposed future distribution Substations will be located further east and north of the existing 230 kV transmission network.

A study of transmission improvements for this area evaluated various alternatives which resulted in the selection of the Willow Oak to Davis Project as the most cost-effective and efficient means to both increase the capability of the existing 230kV network and provide electrical service to the new load areas and Substations east and north of the existing transmission facilities.

New load development has been identified to the east of the existing north-south 230kV transmission corridor between the Big Bend/Bayside Power Stations and River Substations and north of the existing east-west 230 kV corridors between the Big Bend and Peebledale substations which will require new electrical service within the next 5 to 10 years. Additionally the load served by the existing 230kV transmission network has grown to the point where an increase of the network's capability is required to maintain adequate and reliable electric service. The Willow Oak-Davis Project fulfills both the requirement to serve the new load areas to the east as well as to increase the capability of the existing 230 kV network.

A study of transmission alternatives has resulted in Tampa Electric's selection of the Willow Oak-Davis Project as the most cost-effective and efficient means to: (a) provide additional transmission capability to the existing 230kV transmission network between Polk County and north Hillsborough County in a reliable manner consistent with NERC, FRCC and other applicable standards; (b) serve the increasing load and customer base in the Project Area; and (c) provide another electrical source from Polk County west to Brandon and north

Hillsborough via a separate Right-of-Way (“ROW”) path, thereby reducing the impact of a loss of the existing transmission facilities on a common ROW. The cost and reliability benefits of the Project would be enhanced by the construction of the Project in a geographically separate ROW. For these reasons, Tampa Electric’s Petition to Determine the Need for the Willow Oak-Davis 230kV Project should be approved.

**D. ISSUES**

**Issue 1:** Is there a need for Tampa Electric’s proposed Willow Oak-Davis 230kV electrical transmission line project, given the need for electric system reliability and integrity, as prescribed in Section 403.537, Florida Statutes?

**Tampa Electric’s Position:**

Yes. Tampa Electric’s Petition and testimony demonstrates the need for a 230kV line by March 2012 to: (a) serve the increasing load and customer base in the Project service area north of State Road 60, west of Willow Oak substation and to the east of the existing River substation in northeastern Hillsborough County and Polk County (Project Area); (b) provide additional reinforcement to the existing 230kV transmission networks in Polk County and Hillsborough County in a reliable manner consistent with North American Electric Reliability Council (NERC), Florida Reliability Coordinating Council (FRCC) and other applicable transmission system standards; (c) provide another electrical feed from Polk County west to Brandon and north Hillsborough County via a separate Right-of-Way (ROW) path, thereby reducing the impact of a loss of the existing transmission facilities on a common ROW.

**Issue 2:** Is there a need for Tampa Electric’s proposed Willow Oak-Davis 230kV electrical transmission line project, given the need for abundant, low cost electrical energy to assure the economic well-being of the citizens of the State, as prescribed in Section 403.537, Florida Statutes?

**Tampa Electric’s Position:**

Yes. See Tampa Electric’s Position on Issue 1.

**Issue 3:** Are Tampa Electric’s planned Willow Oak Substation in Polk County and its planned Davis Substation in Hillsborough County the appropriate starting and ending points of the proposed Willow Oak-Davis 230kV

electrical transmission line project, as prescribed in Section 403.537, Florida Statutes?

**Tampa Electric's Position:**

Yes. The analysis in the exhibit to the testimony of Paul Davis attached to the Petition demonstrates that the appropriate starting and ending points are the planned Willow Oak Substation and the planned Davis Substation, respectively. In addition to resolving the need to increase the 230 kV network capability, the Project is in close proximity as opposed to other alternatives to provide service to planned distribution substations in the Project Area.

**Issue 4:** Should the Commission grant Tampa Electric's Petition for determination of need for the proposed Willow Oak-Davis 230kV electrical transmission line project?

**Tampa Electric's Position:**

Yes. The Commission should grant Tampa Electric's Petition and determine that the cost and reliability benefits of the Project would be enhanced by construction of the line in a geographically separate ROW.

**E. STIPULATED ISSUES**

None at this time.

**F. ALL PENDING MOTIONS OR OTHER MATTERS TAMPA ELECTRIC SEEKS ACTION UPON**

None.

**G. PENDING REQUESTS FOR CLAIMS FOR CONFIDENTIALITY**

On April 27, 2007, pursuant to Rule 25-22.006(4), Florida Administrative Code, Tampa Electric filed a request for Confidential Classification of information and materials provided in Attachments 1 and 9 of the Exhibit to the testimony of Paul Davis attached to Tampa Electric's Petition. Tampa Electric does not plan to introduce such claimed confidential information and documents, as set forth in Tampa Electric's Request for Confidential Classification, into the

record at the final hearing. Staff has reviewed these materials and has returned them to Tampa Electric. Consequently, the request for confidential treatment is now moot.

**H. ANY REQUIREMENTS SET FORTH IN THIS ORDER THAT CANNOT BE COMPLIED WITH, AND THE REASONS THEREFOR**

There are no requirements set forth in Order No. PSC-07-0312-PCO-EI (Order Establishing Procedure) with which Tampa Electric cannot comply.

**I. OBJECTIONS TO A WITNESS' QUALIFICATIONS AS AN EXPERT**

None.

Respectfully submitted this 18th day of May, 2007.

LEE L. WILLIS  
JAMES D. BEASLEY  
Ausley & McMullen  
Post Office Box 391  
Tallahassee, Florida 32302  
(850) 425-5487

By: \_\_\_\_\_

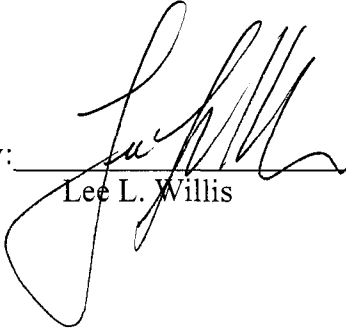
Lee L. Willis

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the foregoing was furnished by Hand Delivery to  
the following this 18th day of May, 2007:

Martha Carter-Brown, Esq.  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

By: \_\_\_\_\_

  
Lee L. Willis