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Sent: Wednesday, May 30, 2007 4:41 PM
To: Filings@psc.state.fl.us
Cc: Susan Masterton; Sandy Khazraee
Subject: Docket No. 070297 Embarq's Preliminary Comments on Tampa Electric Company Infrastructure Storm Hardening Plan
Attachments: 070297 Preliminary Comments of Embarq 5 30 2007 (2).doc

Filed on Behalf of: Susan S. Masterton

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Docket No. 070297-EI

Title of filing: *Embarq Florida, Inc.'s Preliminary Comments on Tampa Electric Company's Infrastructure Storm Hardening Plan*

Filed on behalf of: Susan Masterton

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<<070297 Preliminary Comments of Embarq 5 30 2007 (2).doc>>

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May 30, 2007

Ann Cole
Office of Commission Clerk
Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

Re: Docket No. 070297-EI; Embarq Florida, Inc.'s Preliminary Comments

Dear Ms. Cole:

Enclosed for filing on behalf of Embarq Florida Inc. are the Embarq's Preliminary Comments on Tampa Electric Company Infrastructure Storm Hardening Plan.

Copies are being served on the parties in this docket pursuant to the attached certificate of service.

If you have any questions regarding this electronic filing, please do not hesitate to call me at 850/599-1560.

Sincerely,

s/ Susan S. Masterton
Susan S. Masterton

Enclosure

Susan S. Masterton
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic Mail and U.S. Mail (*) this 30th day of May, 2007, to the following:

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Tallahassee, FL 32302

s/ Susan S. Masterton
Susan S. Masterton

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Review of 2007 Electric Infrastructure)
Storm Hardening Plan filed pursuant to) DOCKET NO. 070297-EI
Rule 25-6.0342, F.A.C., submitted by Tampa) FILED: MAY 30, 2007
Electric Company)
_____)

PRELIMINARY COMMENTS OF EMBARQ – FLORIDA, INC.

Pursuant to the May 14, 2007 memorandum from the Commission's Staff Counsel, Embarq – Florida, Inc. (Embarq) submits these preliminary comments regarding Tampa Electric Company's ("TECO") "Electric Infrastructure Storm Hardening Plan" (the "Plan") dated and filed in this docket on May 7, 2007. By filing these comments, Embarq does not waive any objection it might otherwise have the right to make in any formal proceeding related to this docket or other legal or regulatory proceeding.

Embarq has reviewed the plans submitted by four of the five Investor Owned Utilities (IOUs) in this Electric Infrastructure Hardening initiative. The plans were submitted by Florida Power & Light, Progress Energy, Tampa Electric Company and Gulf Power Company. (Embarq contacted Florida Public Utilities Company (FPUC) for a copy of their draft plan but learned that FPUC has requested a rule variance from the Commission and does not yet have a plan to share with the attachers.) Although there are very limited details provided in the plans, Embarq has attempted to develop an anticipated impact based on the information provided. While impacts specific to each plan are provided in the individual comments filed within each IOU's docket, Embarq estimates the total impact to Embarq of these planned hardening initiatives throughout the

combined service territory of the aforementioned IOUs is ten to twenty million dollars during the first three years of the plans. The additional comments following are specific to the TECO plan.

Embarq reviewed the draft hardening plan provided by TECO for the years 2007 through 2009 which was received on April 11, 2007 and dated May 7, 2007. After reviewing the TECO materials, Embarq provided comments on the plan to TECO on May 3, 2007. Embarq reiterates those comments below for filing with the Commission.

While TECO's plan provided some specifics, e.g., the intent to harden the facilities serving the Port of Tampa in 2007, most of the plan is non-specific. Therefore, in order to respond regarding the impact of this plan on Embarq, certain assumptions were made. If TECO provides additional details regarding their plan, Embarq will review the revised plan and provide a more targeted estimation of the costs and benefits.

TECO indicates in the plan that more than \$8,000,000.00 will be spent on distribution pole replacements in each of the years 2007, 2008 and 2009 in the proposed plan for a total estimated spend of \$24,000,000 for the three years. In the absence of any information regarding which poles specifically are targeted for replacement, Embarq has assumed that all of the approximately 3,500 poles to which Embarq is attached will be replaced in the first three years of the plan. Thus, the estimated costs to Embarq in the first three years of this plan for pole replacements would be approximately \$6,000,000 or about one fourth of the amount TECO plans to spend during the same time period. Those costs would include Embarq's pro rata share of the cost of the new poles computed under

the current pole attachment agreement between Embarq and TECO as well as the cost to transfer Embarq's attachments to the new poles.

The draft plan which Embarq reviewed indicated that TECO desired to make some changes to the pole attachment request process in conjunction with this storm hardening plan. Those changes were of concern to Embarq. Specifically, TECO proposed a deposit fee to third party attachers of \$200.00 per pole which currently does not apply to Embarq and which Embarq considers excessive. Additionally, the draft plan which Embarq reviewed indicated that TECO might require 45 days to review attachment permit applications and an additional 45 days to perform make ready work. These time frames are in excess of the 10 days currently required in the joint use agreement for TECO to review Embarq's attachment application and determine whether Embarq's attachment will be allowed or denied. These changes, if applied to Embarq, could cause unacceptable delays in Embarq's provisioning of service to its customers as well as significantly increase Embarq's costs. It appears that Embarq's feedback on these issues was considered and the plan revised so this may no longer be an issue. Embarq will follow up with TECO to ensure that is the case.

TECO's plan may benefit Embarq by reducing the amount of damage to our facilities, thereby reducing the number of outages and reducing the time to restore service. The extent of those benefits will not be known until the next storm and they cannot be readily quantified in dollar savings; however, Embarq does not believe it is likely these benefits will outweigh the costs.

Embarq appreciates the opportunity to submit these comments for the Commission's consideration and looks forward to participating in these proceedings.

Respectfully submitted this 30th day of May, 2007.

S/Susan S. Masterton
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