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March 20, 2008

HAND DELIVERED

Ms. Ann Cole, Director
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RECEIVED FPSC
08 MAR 20 AM 11:01
COMMISSION
CLERK

Re: Petition of Tampa Electric Company for approval of three
Performance Guaranty Agreements; FPSC Docket No. 070729-EI

Dear Ms. Cole:

On December 17, 2007 we filed, on behalf of Tampa Electric Company, the original and fifteen (15) copies of the company's petition for approval of performance guaranty agreements. Attached to that petition as Exhibits A, B and C, respectively, were proposed tariff sheets designed to implement the three performance guaranty agreements addressed in the petition.

At Staff's suggestion, Tampa Electric has modified Original Sheet No. 7.960 to include reference to a surety bond and to change the reference in 3.2 thereof from "each year of the term" to "no earlier than quarterly intervals."

CMP _____ Enclosed are the original and fifteen (15) copies of Original Sheet No. 7.960, revised to
COM _____ make the above-referenced changes. We would appreciate your distributing copies of this
CTR _____ revised Original Sheet No. 7.960 to recipients of the company's petition so that the revised page
ECR _____ ~~may~~ may be substituted in place of that which accompanied the petition.

GCL 1 _____ By copy of this letter we are providing Staff with five copies of the revised Original
OPC _____ Sheet No. 7.960 marked in legislative format to show the material that is new.

RCA _____ Please acknowledge receipt and filing of the above by stamping the duplicate copy of this
SCR _____ letter and returning same to this writer.

SGA _____ * Tariff copies forwarded to ECR.

SEC _____

OTH _____

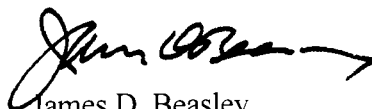
DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

Thank you for your assistance in connection with this matter.

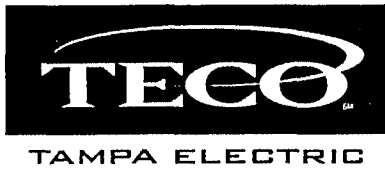
Sincerely,



James D. Beasley

JDB/pp
Enclosure

cc: Paula Brown (w/enc.)
Barbara Benton (w/enc.)



ARTICLE III – PAYMENT AND REFUND

- 3.1 The Applicant shall pay the above specified Performance Guaranty Amount to the Company to guarantee that the Applicant's development is completed so that all Facilities installed to serve new customers are utilized. This amount may be paid in cash or secured either by a surety bond or an irrevocable letter of credit in a form acceptable to the Company.
- 3.2 At the request of the Applicant, this Performance Guaranty Amount will be refunded without interest, if cash, or the required amount reduced, if secured by a surety bond or an irrevocable bank letter of credit, no earlier than quarterly intervals on a prorated basis of _____ (\$_____) for each Service Installation and _____ (\$_____) for the final Service Installation.
- 3.3 If the Performance Guaranty Amount is secured by an irrevocable bank letter of credit, the Applicant may provide either an amended or replacement irrevocable bank letter of credit in a form acceptable to the Company at the time to reflect the reduced Performance Guaranty Amount as provided for in Section 3.2. If, upon notice of cancellation or prior to expiration of an irrevocable bank letter of credit, a replacement irrevocable bank letter of credit in a form acceptable to the Company or payment in cash is not provided by Applicant to the Company, the Company will require the third party issuing either of these guaranties to pay the full balance due in accordance with this Agreement in cash. It is the responsibility of the customer to track the progress of construction and report it to the Company on an annual basis. The Company will continue to refund the Performance Guaranty Amount in accordance with Section 3.2 except such refund will be paid jointly to the Applicant and the designated third party having paid the Performance Guaranty Amount. The check shall be provided to the Applicant with a copy to the third party.
- 3.4 Upon written consent from the Company, the Applicant may replace the balance of any cash Performance Guaranty Amount with an irrevocable bank letter of credit acceptable to the Company. Upon receipt of such irrevocable bank letter of credit, the Company will refund the balance of the cash Performance Guaranty Amount. If a third party has made payment to the Company pursuant to Section 3.3, then any such refund will be paid jointly to the Applicant and the designated third party. The check shall be provided to the Applicant with a copy to the third party.

ISSUED BY: C. R. Black, President

DOCUMENT NUMBER-DATE

DATE EFFECTIVE:

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