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09 MAY 22 PM 3:30
COMMISSION
CLERK

May 22, 2009

HAND DELIVERED

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

Re: Petition by Tampa Electric Company for approval of extension of small power production agreement with City of Tampa; FPSC Docket No. 090146-EQ

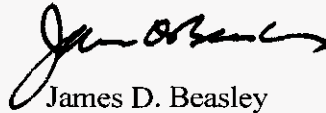
Dear Ms. Cole:

Enclosed for filing on behalf of Tampa Electric Company are the original and five copies of the company's corrected response to Staff's First Data Request No. 6 (Bates stamp page 79) marked "Revised: May 22, 2009." This version has modified verbiage to reflect the correction of a calculation error on which the original response was based.

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

COM JDB/pp
ECR 1 Enclosure
GCL 2 cc: Martha Brown (w/enc.)
CPC _____
FOP _____
SBC _____
SGA 2
ADM _____
CLK _____

DOCUMENT NUMBER-DATE

05134 MAY 22 8

FPSC-COMMISSION CLERK

**TAMPA ELECTRIC COMPANY
DOCKET NO. 090146-EQ
STAFF'S FIRST DATA REQUEST
REQUEST NO. 6
PAGE 1 OF 1
FILED: MAY 15, 2009
REVISED: MAY 22, 2009**

6. Section 8 of Appendix A establishes a one time option to accept a standard offer contract for the Facility. Please compare the savings to ratepayers under the Extension and under TECO's most recent standard offer contract.
- A. Tampa Electric calculated the City of Tampa contract assuming the City selected the company's most recent standard offer, Sheet Numbers 8.422-8.460, dated July 28, 2008. Compared to the 2006 Agreement, the standard offer options have lower capacity payments but higher energy payment thresholds. The 2006 Agreement caps the energy price at the cost of Big Bend Unit 4 generation. In contrast, the standard offers increase that threshold to the lesser of the energy cost of the avoided resource, which is either a natural gas-fired combustion turbine ("CT") in 2012 or combined cycle unit ("CC") in 2017, or the system avoided energy cost.

The results of the requested analysis show that the standard offer 2012 avoided CT non-levelized early payment option would have resulted in an estimated \$17.4 million cost to customers. Similarly, the standard offer 2017 avoided CC non-levelized early payment option would have resulted in an estimated \$8.2 million cost to customers. The 2006 Agreement provides an estimated \$2.2 million savings to customers.