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COMMISSION CLERK

February 15, 2012

Ms. Ann Cole, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

080317-EE

Dear Ms. Cole:

Pursuant to Rule 25-6.0143 (1) (m) F.A.C., Tampa Electric files this report providing information concerning our most recent efforts to obtain commercial insurance for transmission and distribution ("T&D") facilities and a summary of amounts recorded in account 228.1 in 2011.

1. Status on Efforts to Obtain Commercial T&D Insurance – The property insurance markets remain very restrictive, especially for Gulf and Atlantic coast locations. Late last year, Tampa Electric requested a price indication from its property insurance broker for commercial property insurance to cover its T&D facilities from storm related damage. Based on discussions with the broker, property insurance for the company's T&D facilities at reasonable costs and deductible levels continues to be generally unavailable.
2. Summary of Amounts Recorded in Account 228.1 in 2011 – Tampa Electric accrued \$8M during 2010 to Account 228.1 as authorized by Commission Order No. PSC-09-0283-FOF-EI. Order PSC-09-0283-FOF-EI increased the annual accrual to the reserve from \$4 million to \$8 million per year. The balance at December 31, 2011 was \$43,394,171.

Thank you for your assistance in connection with this matter.

Sincerely,

William R. Ashburn
Director, Pricing and Financial Analysis

cc: Mr. Marshall Willis – FPSC
Mr. Jim Beasley – Ausley Law Firm

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