

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: July 22, 2004

TO: Director, Division of the Commission Clerk & Administrative Services (Bayó)

FROM: Division of Economic Regulation (Gardner, Harlow, Lester)
Office of the General Counsel (Jaeger)

RE: Docket No. 030409-EI – Petition for approval of 2003 depreciation study by Tampa Electric Company.

AGENDA: 08/03/04 – Regular Agenda – Proposed Agency Action-Interested Persons May Participate

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\ECR\WP\030409.RCM.DOC

CASE BACKGROUND

Rule 25-6.0436, Florida Administrative Code (F.A.C.), requires Investor Owned Utilities to file comprehensive depreciation studies at least once every four years. On April 28, 2003, Tampa Electric Company (Tampa Electric or company) filed its regular depreciation study in accordance with this rule. By Order No. PSC-03-0736-PCO-EI, issued June 20, 2003, in this docket, the company was authorized to implement, on a preliminary basis, its depreciation rates, amortizations, recovery schedules, and fossil dismantlement accruals as of January 1, 2003, in accordance with rule 25-6.0436 (5), F.A.C.

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Since the plant investment and reserve factors were updated through December 31, 2003, this recommendation addresses the approval of new depreciation rates for 2004. The Commission has jurisdiction over these matters through several provisions of Chapter 366, Florida Statutes, including Sections 366.04, 366.05, and 366.06.

Consistent with the Company's revised proposal, staff is recommending a decrease of \$3.3 million in annual depreciation expense, a decrease of \$4.1 million in annual accrual for the provision of fossil dismantlement, and an implementation date of January 1, 2004.

DISCUSSION OF ISSUES

ISSUE 1: Should the preliminary depreciation rates, amortizations, recovery schedules, and provision for dismantlement for Tampa Electric Company be changed?

RECOMMENDATION: Yes. Staff recommends the Commission approve the revised lives, net salvage, reserves, resultant depreciation rates, and provision for dismantlement as shown on Attachments A, B, and C. (Gardner, Harlow, Lester)

STAFF ANALYSIS: Order No. PSC-03-0736-PCO-EI authorized Tampa Electric to implement on a preliminary basis depreciation rates, amortizations, recovery schedules, and fossil dismantlement accruals for 2003. For information, Order No. PSC-03-0736-PCO-EI approved the annual increase in total depreciation expense of about \$48 million based on actual January 1, 2003 investments. The primary difference between the preliminary approved 2003 annual expense and the current proposal was the accelerated recovery of Gannon Station coal related assets which ended December 31, 2003, instead of the original approved date of December 31, 2004. Also, in the original study, the investment, reserves, average ages, and remaining lives for each strata were as of January 1, 2003, and therefore had to be updated to reflect the results for January 1, 2004. Staff has completed its review of the Company's depreciation study and recommends for final action for 2004 the revised depreciation rates, amortizations, recovery schedules, and provision for dismantlement shown on Attachments A, B, and C. The effect of this proposal would be to decrease total depreciation expenses as shown on Attachment B by an estimated \$3.3 million beginning January 1, 2004 and going forward until the next depreciation study.

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ISSUE 2: What should be the implementation date for new depreciation rates, amortizations, recovery schedules, and dismantlement accruals?

RECOMMENDATION: Staff recommends January 1, 2004, as the implementation date for Tampa Electric's new depreciation rates, amortizations, recovery schedules, and dismantlement provision as shown in Attachments A, B, and C. For all practicable purposes, the depreciation rates, amortizations, recovery schedules, and dismantlement provisions based upon the January 1, 2003 investment will remain pursuant to Order No. PSC-03-0736-PCO-EI. (Gardner)

STAFF ANALYSIS: Rule 25-6.0436, F.A.C., requires that data submitted in a depreciation study, including plant and reserve balances or company estimates, must be brought to the effective date of the proposed rates. In this regard, Tampa Electric's supporting data and calculations for revised depreciation rates, amortizations, recovery schedules, and dismantlement provisions have been provided matching a January 1, 2004, implementation date.

ISSUE 3: Should any corrective reserve allocations be made?

RECOMMENDATION: Yes. Staff recommends the corrective reserve allocations for the major imbalances that affect Tampa Electric's investment and reserves as shown in the table below. Also, staff recommends that the company make the necessary corrections to the reserve position for the remaining affected plant accounts, and provide a report to staff within 6 months from the date of the order consummating the proposed agency action order. (Gardner)

STAFF ANALYSIS: Staff's recommended reserve allocations address the major imbalances that affect the company's investments and reserves between accounts of a given unit or function or between accounts and units of the same site. The allocations bring each affected account's reserve more in line with its theoretical correct position. Also, this corrective action is necessary to eliminate the accruing of depreciation expense that may continue beyond the account's current investment.

Tampa Electric has responded to data requests of this and previous depreciation studies, stating that there are instances where no reserve was transferred with the transfer of investments, as they considered it to be immaterial. The company fails to realize that as long as the investment dollars are in a given account, those dollars are accruing depreciation, and the accumulated amount should be transferred with the associated plant amount. As previously stated in prior studies, the practice imposed by the company assumes that the investment transferred is new plant without any reserve. As the plant is transferred without the reserve, it will cause an overstatement of the account from which the transfer originated, and will understate the reserve for the receiving account. In previous studies, staff completed all the company's reserve transfers to bring the accounts in balance, with an agreement from Tampa Electric to continue to transfer the accumulated reserve when property is transferred from one plant account to another, regardless of materiality. Apparently, the company continues as in previous studies to transfer plant without the accumulated reserve. Therefore, staff recommends that the company make the necessary corrections to the reserve position for the remaining affected plant accounts, and provide a report to staff within 6 months from the date of the order consummating the proposed agency order.

RESERVE ALLOCATIONS				
Account	Description	1/1/04 Reserve	Reserve Transfer	Restated Reserve
		(\$)	(\$)	(\$)
Bayside Station				
312350	Bayside Unit No. 5	27,200	(314)	26,886
314350	Bayside Unit No. 5	5,508,381	314	5,508,695
Total Bayside		5,535,581	0	5,535,591
Other Production				
346420	Big Bend CT 2 & 3	28,400	(682)	27,718
342420	Big Bend CT 2 & 3	1,263,247	682	1,263,929
Total Big Bend CT 2&3		1,291,647	0	1,291,647

ISSUE 4: Should the depreciation rates, amortization, and recovery schedules be changed?

RECOMMENDATION: Yes. Staff recommends the Commission approve the lives, net salvages, reserves, and resultant depreciation rates shown on Attachments A and B. (GARDNER)

STAFF ANALYSIS: Staff's analysis represents an overall review of the company's proposed life, salvage and reserve factors, as well as, the establishment of a fixed levelized annual accrual for dismantlement of fossil plants in accordance with Order No. 24741, issued July 1, 1991, in Docket No. 890186-EI, In re: Investigation of the rate making and accounting treatment for the dismantlement of fossil-fueled generating stations. The analysis of the company's data and resulting expenses reflect the impact of its current planning to ensure that assets are fully amortized at the time of retirement as reflected on Attachments A and B. Attachment A shows the comparison of rate components (lives, salvages, and reserves) and Attachment B shows the comparison of expenses approved pursuant to Order No. PSC-03-0736-PCO-EI compared to staff's recommended 2004 expenses. Staff's recommendation reflects an approximate \$3.3 million decrease in annual accruals on a going forward basis beginning January 1, 2004. The major changes occurred with the December 31, 2003 retirement of Gannon Station coal related assets and Bayside Units 1 and 2 turbine related plant totaling approximately \$49 million.

As a result of the review and analytical process, Tampa Electric and Staff have reached a basic agreement on lives and net salvage parameters recommended in this docket.

A summary of the changes to the annual accrual based on a January 1, 2004 estimate of investments resulting from the recommended rates, general plant amortizations, recovery schedules, and provision for dismantlement which are shown on Attachments B and C are as follows:

Functional Accounts	(\$000)
Production	(1,907)
Transmission	937
Distribution	1,551
General Plant/Amortizations	193
Subtotal	774
Fossil Dismantlement	(4,113)
Total Change	(3,339)

ISSUE 5: Should the preliminary approved annual provision for fossil dismantlement be changed?

RECOMMENDATION: Yes. Staff recommends an annual provision for fossil dismantlement of \$3,874,572 million beginning January 1, 2004, as shown on Attachment C. This represents a decrease of approximate \$4.1 million that was approved pursuant to Order No. PSC-03-0736-PCO-EI. (Gardner, Lester)

STAFF ANALYSIS: By Order No. 24741, the Commission established the methodology for accruing the costs of fossil dismantlement. The methodology depends on three factors: estimated base costs of dismantling the fossil-fueled plants, projected inflation, and a contingency factor. The fixed annual amount is based on a four year average of the accruals related to the years between depreciation study reviews. The purpose of these studies is to reflect changes in estimates, inflation, regulatory, or environmental requirements, and any newly discovered public health and safety issues.

Attachment C shows a comparison of the preliminarily approved dismantlement accruals to Tampa Electric's revised proposed accruals. The current/preliminarily approved annual dismantlement accrual is \$7,987,246; this includes \$7,359,321 associated with the dismantlement provision for the Gannon coal related assets which were retired at the end of 2003. Tampa Electric's 2003 annual accruals decreased by \$4.1 million due to changes in the company's estimate of \$3.8 million, and the use of lower escalation indices. The company provided to staff updated fossil dismantlement data to support the changes to its dismantlement proposal. Staff completed its review and agrees with Tampa Electric. Therefore, the recommended accrual for fossil dismantlement for 2004 and going forward until the next depreciation study is \$3,874,572, as shown on Attachment C.

Since the preliminary order, Tampa Electric's base cost estimates for the various dismantlement activities have changed as shown below:

	Preliminary Approval	2003 Study
	(\\$)	(\\$)
Big Bend	44,327,000	45,830,749
Gannon/Bayside	40,657,999	44,429,690
Hookers Point	6,770,000	10,520,694
Dinner Lake	576,000	775,118
Big Bend CTs	622,000	638,483
Gannon CT	0	0
Bayside	8,418,800	8,783,627
Phillips Station	1,262,000	1,345,737
Polk	10,705,000	11,052,843
City of Tampa	210,501	224,473
Total	113,549,300	123,601,416

The preliminary approved estimates and the current study cost estimates include a 15% contingency factor.

For its study, Tampa Electric used escalation factors from the Winter 2004 issue of The U.S. Economy: The 25 Year Focus, which is published by Global Insight. The escalation factors are for compensation per hour, metal and metal products, intermediate materials, and the GDP deflator. The factors are projections of annual rates of change and are used to calculate the inflation compounded multiplier.

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ISSUE 6: Should this docket be closed?

RECOMMENDATION: Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon issuance of a consummating order. (Jaeger)

STAFF ANALYSIS: If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

TAMPA ELECTRIC COMPANY								
COMPARISON OF RATES AND COMPONENTS								
		2003 Preliminary Approved			2004 Company Proposed/Staff Recommends			
		Average	Future	Remaining	Average		Future	Remaining
Account		Remaining	Net	Life	Remaining	Reserve	Net	Life
Number	Account Title	Life	Salvage	Rate	Life	1/1/04	Salvage	Rate
		(yrs)	(%)	(%)	(yrs)	(%)	(%)	(%)
STEAM PRODUCTION								
	BIG BEND STATION							
311400	COMMON	28.0	(2)	2.4	28.0	36.58	(2)	2.3
312400	COMMON	25.0	(8)	2.7	25.0	42.75	(8)	2.6
314400	COMMON	29.0	(3)	1.8	29.0	51.92	(3)	1.8
315400	COMMON	13.6	(7)	3.4	13.6	55.91	(7)	3.8
316400	COMMON	15.6	(7)	2.9	15.6	68.24	(7)	2.5
311410	UNIT No. 1	17.0	(1)	2.3	17.0	63.64	(1)	2.2
312410	UNIT No. 1	15.4	(3)	4.0	15.4	44.25	(3)	3.8
314410	UNIT No. 1	14.7	(4)	3.0	14.7	62.88	(4)	2.8
315410	UNIT No. 1	13.2	(6)	3.6	13.2	62.08	(6)	3.3
316410	UNIT No. 1	16.7	(1)	2.4	16.7	63.49	(1)	2.2
311420	UNIT No. 2	20.0	(1)	2.6	20.0	52.97	(1)	2.4
312420	UNIT No. 2	17.6	(5)	3.8	17.6	33.12	(5)	4.1
314420	UNIT No. 2	17.3	(5)	3.1	17.3	51.93	(5)	3.1
315420	UNIT No. 2	16.5	(6)	3.4	16.5	53.17	(6)	3.2
316420	UNIT No. 2	18.8	(5)	4.6	18.8	18.80	(5)	4.6
311430	UNIT No. 3	23.0	(1)	1.9	23.0	57.86	(1)	1.9
312430	UNIT No. 3	18.8	(5)	3.2	18.8	45.96	(5)	3.1
314430	UNIT No. 3	16.2	(9)	2.5	16.2	70.87	(9)	2.4
315430	UNIT No. 3	14.6	(7)	3.1	14.6	62.39	(7)	3.1
316430	UNIT No. 3	22.0	(2)	2.3	22.0	47.37	(2)	2.5
311440	UNIT No. 4	31.0	(1)	1.9	31.0	42.69	(1)	1.9
312440	UNIT No. 4	24.0	(9)	2.6	24.0	47.79	(9)	2.6
314440	UNIT No. 4	26.0	(8)	2.4	26.0	48.30	(8)	2.3
315440	UNIT No. 4	21.0	(6)	2.7	21.0	50.31	(6)	2.7
316440	UNIT No. 4	22.0	(4)	2.3	22.0	56.24	(4)	2.2
311450	UNIT No. 4 FGD System	29.0	(1)	2.1	29.0	41.65	(1)	2.0
312450	UNIT No. 4 FGD System	25.0	(7)	2.8	25.0	37.23	(7)	2.8
315450	UNIT No. 4 FGD System	23.0	(6)	2.7	23.0	47.11	(6)	2.6
316450	UNIT No. 4 FGD System	28.0	(5)	2.5	28.0	37.95	(5)	2.4
311460	UNIT No. 1 & 2 FGD System	24.0	(3)	3.8	24.0	19.21	(3)	3.5
312460	UNIT No. 1 & 2 FGD System	21.0	(2)	4.2	21.0	16.47	(2)	4.1
315460	UNIT No. 1 & 2 FGD System	19.0	(2)	4.6	19.0	19.64	(2)	4.3
316460	UNIT No. 1 & 2 FGD System	19.8	(1)	4.5	19.8	19.58	(1)	4.1

TAMPA ELECTRIC COMPANY								
COMPARISON OF RATES AND COMPONENTS								
		2003 Preliminary Approved			2004 Company Proposed/Staff Recommends			
		Average	Future	Remaining	Average		Future	Remaining
Account		Remaining	Net	Life	Remaining	Reserve	Net	Life
Number	Account Title	Life	Salvage	Rate	Life	1/1/04	Salvage	Rate
		(yrs)	(%)	(%)	(yrs)	(%)	(%)	(%)
316470	Big Bend Amortizable Tools	7 Year Amortization			7 Year Amortization			
	BAYSIDE POWER STATION							
311300	COMMON	36.0	(4)	2.1	36.0	30.34	(4)	2.0
311750	COMMON	NA			NA			
312300	COMMON	39.0	(3)	1.8	39.0	36.28	(3)	1.7
312750	COMMON	NA			NA			
314300	COMMON	38.0	(4	2.1	38.0	25.05	(4)	2.1
315300	COMMON	19.1	(14	3.2	19.1	40.64	(14)	3.8
316300	COMMON	11.7	(10)	3.3	11.7	74.75	(10)	3.0
311310	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
311760	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
312310	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
312760	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
314310	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
314760	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
315310	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
315760	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
316310	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
316760	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
311320	UNIT No. 2	4 Year Recovery Schedule			4 Year Recovery Schedule			
311770	UNIT No. 2	4 Year Recovery Schedule			4 Year Recovery Schedule			
312320	UNIT No. 2	4 Year Recovery Schedule			4 Year Recovery Schedule			
312770	UNIT No. 2	4 Year Recovery Schedule			4 Year Recovery Schedule			
314320	UNIT No. 2	4 Year Recovery Schedule			4 Year Recovery Schedule			
314770	UNIT No. 2	4 Year Recovery Schedule			4 Year Recovery Schedule			
315320	UNIT No. 2	4 Year Recovery Schedule			4 Year Recovery Schedule			
315770	UNIT No. 2	4 Year Recovery Schedule			4 Year Recovery Schedule			
316320	UNIT No. 2	4 Year Recovery Schedule			4 Year Recovery Schedule			
316770	UNIT No. 2	4 Year Recovery Schedule			4 Year Recovery Schedule			
311330	UNIT No. 3	7.4	(1)	5.8	7.4	64.13	(1)	5.0
311780	UNIT No. 3	NA			NA			
314330	UNIT No. 3	7.3	(2)	4.8	7.3	72.48	(2)	4.0
315330	UNIT No. 3	7.4	(4)	4.0	7.4	79.68	(4)	3.3
316330	UNIT No. 3	6.0	(2)	4.2	6.0	81.03	(2)	3.5

TAMPA ELECTRIC COMPANY								
COMPARISON OF RATES AND COMPONENTS								
		2003 Preliminary Approved			2004 Company Proposed/Staff Recommends			
		Average	Future	Remaining	Average		Future	Remaining
Account		Remaining	Net	Life	Remaining	Reserve	Net	Life
Number	Account Title	Life	Salvage	Rate	Life	1/1/04	Salvage	Rate
		(yrs)	(%)	(%)	(yrs)	(%)	(%)	(%)
311340	UNIT No. 4	10.1	(1)	4.8	10.1	57.85	(1)	4.3
311790	UNIT No. 4	NA			NA			
314340	UNIT No. 4	8.1	(2)	4.5	8.1	71.98	(2)	3.7
315340	UNIT No. 4	6.2	(2)	5.6	6.2	73.92	(2)	4.5
316340	UNIT No. 4	10.2	(1)	6.0	10.2	46.03	(1)	5.4
311350	UNIT No. 5	36.0	(6)	2.3	36.0	26.78	(6)	2.2
312350	UNIT No. 5	8.8	(19)	2.3	8.8	101.17	(19)	2.0
314350	UNIT No. 5	30.0	(12)	3.1	30.0	22.92	(12)	3.0
315350	UNIT No. 5	23.0	(10)	3.3	23.0	34.45	(10)	3.3
316350	UNIT No. 5	27.0	(10)	2.4	27.0	46.92	(10)	2.3
311360	UNIT No. 6	38.0	(2)	1.7	38.0	40.13	(2)	1.6
312360	UNIT No. 6	37.0	(4)	1.1	37.0	63.35	(4)	1.1
314360	UNIT No. 6	30.0	(11)	2.7	30.0	27.57	(11)	2.8
315360	UNIT No. 6	33.0	(6)	2.2	33.0	36.61	(6)	2.1
316360	UNIT No. 6	24.0	(11)	2.1	24.0	63.73	(11)	2.0
343300	BAYSIDE COMMON	26.0	(11)	4.3	26.0	0.00	(11)	4.3
343310	BAYSIDE UNIT No. 1	26.0	(11)	4.3	26.0	0.00	(11)	4.3
343320	BAYSIDE UNIT No. 2	26.0	(11)	4.3	26.0	0.00	(11)	4.3
GANNON STATION								
311500	COMMON	4 Year Recovery Schedule			4 Year Recovery Schedule			
311700	COMMON	4 Year Recovery Schedule			4 Year Recovery Schedule			
312500	COMMON	4 Year Recovery Schedule			4 Year Recovery Schedule			
312700	COMMON	4 Year Recovery Schedule			4 Year Recovery Schedule			
314500	COMMON	4 Year Recovery Schedule			4 Year Recovery Schedule			
314700	COMMON	4 Year Recovery Schedule			4 Year Recovery Schedule			
315500	COMMON	4 Year Recovery Schedule			4 Year Recovery Schedule			
315700	COMMON	4 Year Recovery Schedule			4 Year Recovery Schedule			
316500	COMMON	4 Year Recovery Schedule			4 Year Recovery Schedule			
316700	COMMON	4 Year Recovery Schedule			4 Year Recovery Schedule			
311510	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
311710	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
312510	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
312710	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
314510	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
314710	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			
315510	UNIT No. 1	4 Year Recovery Schedule			4 Year Recovery Schedule			

TAMPA ELECTRIC COMPANY								
COMPARISON OF RATES AND COMPONENTS								
		2003 Preliminary Approved			2004 Company Proposed/Staff Recommends			
		Average	Future	Remaining	Average		Future	Remaining
Account		Remaining	Net	Life	Remaining	Reserve	Net	Life
Number	Account Title	Life	Salvage	Rate	Life	1/1/04	Salvage	Rate
		(yrs)	(%)	(%)	(yrs)	(%)	(%)	(%)
315710	UNIT No. 1		4 Year Recovery Schedule			4 Year Recovery Schedule		
316510	UNIT No. 1		4 Year Recovery Schedule			4 Year Recovery Schedule		
316710	UNIT No. 1		4 Year Recovery Schedule			4 Year Recovery Schedule		
311520	UNIT No. 2		4 Year Recovery Schedule			4 Year Recovery Schedule		
311720	UNIT No. 2		4 Year Recovery Schedule			4 Year Recovery Schedule		
312520	UNIT No. 2		4 Year Recovery Schedule			4 Year Recovery Schedule		
312720	UNIT No. 2		4 Year Recovery Schedule			4 Year Recovery Schedule		
314520	UNIT No. 2		4 Year Recovery Schedule			4 Year Recovery Schedule		
314720	UNIT No. 2		4 Year Recovery Schedule			4 Year Recovery Schedule		
315520	UNIT No. 2		4 Year Recovery Schedule			4 Year Recovery Schedule		
315720	UNIT No. 2		4 Year Recovery Schedule			4 Year Recovery Schedule		
316520	UNIT No. 2		4 Year Recovery Schedule			4 Year Recovery Schedule		
316720	UNIT No. 2		4 Year Recovery Schedule			4 Year Recovery Schedule		
311530	UNIT No. 3		4 Year Recovery Schedule			4 Year Recovery Schedule		
311730	UNIT No. 3		4 Year Recovery Schedule			4 Year Recovery Schedule		
312530	UNIT No. 3		4 Year Recovery Schedule			4 Year Recovery Schedule		
312730	UNIT No. 3		4 Year Recovery Schedule			4 Year Recovery Schedule		
314530	UNIT No. 3		4 Year Recovery Schedule			4 Year Recovery Schedule		
314730	UNIT No. 3		4 Year Recovery Schedule			4 Year Recovery Schedule		
315530	UNIT No. 3		4 Year Recovery Schedule			4 Year Recovery Schedule		
315730	UNIT No. 3		4 Year Recovery Schedule			4 Year Recovery Schedule		
316530	UNIT No. 3		4 Year Recovery Schedule			4 Year Recovery Schedule		
316730	UNIT No. 3		4 Year Recovery Schedule			4 Year Recovery Schedule		
311540	UNIT No. 4		4 Year Recovery Schedule			4 Year Recovery Schedule		
311740	UNIT No. 4		4 Year Recovery Schedule			4 Year Recovery Schedule		
312540	UNIT No. 4		4 Year Recovery Schedule			4 Year Recovery Schedule		
312740	UNIT No. 4		4 Year Recovery Schedule			4 Year Recovery Schedule		
314540	UNIT No. 4		4 Year Recovery Schedule			4 Year Recovery Schedule		
314740	UNIT No. 4		4 Year Recovery Schedule			4 Year Recovery Schedule		
315540	UNIT No. 4		4 Year Recovery Schedule			4 Year Recovery Schedule		
315740	UNIT No. 4		4 Year Recovery Schedule			4 Year Recovery Schedule		
316540	UNIT No. 4		4 Year Recovery Schedule			4 Year Recovery Schedule		
316740	UNIT No. 4		4 Year Recovery Schedule			4 Year Recovery Schedule		
311550	UNIT No. 5		4 Year Recovery Schedule			4 Year Recovery Schedule		
312550	UNIT No. 5		4 Year Recovery Schedule			4 Year Recovery Schedule		
314550	UNIT No. 5		4 Year Recovery Schedule			4 Year Recovery Schedule		
315550	UNIT No. 5		4 Year Recovery Schedule			4 Year Recovery Schedule		

TAMPA ELECTRIC COMPANY								
COMPARISON OF RATES AND COMPONENTS								
		2003 Preliminary Approved			2004 Company Proposed/Staff Recommends			
		Average	Future	Remaining	Average		Future	Remaining
Account		Remaining	Net	Life	Remaining	Reserve	Net	Life
Number	Account Title	Life	Salvage	Rate	Life	1/1/04	Salvage	Rate
		(yrs)	(%)	(%)	(yrs)	(%)	(%)	(%)
316550	UNIT No. 5		4 Year Recovery Schedule			4 Year Recovery Schedule		
311560	UNIT No. 6		4 Year Recovery Schedule			4 Year Recovery Schedule		
312560	UNIT No. 6		4 Year Recovery Schedule			4 Year Recovery Schedule		
314560	UNIT No. 6		4 Year Recovery Schedule			4 Year Recovery Schedule		
315560	UNIT No. 6		4 Year Recovery Schedule			4 Year Recovery Schedule		
316560	UNIT No. 6		4 Year Recovery Schedule			4 Year Recovery Schedule		
MISCELLANEOUS PRODUCTION								
311010	Structures & Improvements	11.4	(3)	3.8	11.4	63.00	(3)	3.5
316170	Misc. Production Plant	7 Year Amortization			7 Year Amortization			
OTHER PRODUCTION								
BIG BEND STATION								
341410	COMBUSTION TURBINE No. 1	6.5	(0)	5.2	6.5	71.41	0	4.4
342410	COMBUSTION TURBINE No. 1	6.4	(0)	1.2	6.4	93.48	0	1.0
344410	COMBUSTION TURBINE No. 1	3.1	(1)	2.0	3.1	96.93	(1)	1.3
345410	COMBUSTION TURBINE No. 1	2.7	(2)	4.7	2.7	94.14	(2)	2.9
346410	COMBUSTION TURBINE No. 1	6.4	(0)	2.2	6.4	87.99	0	1.9
341420	COMBUSTION TURBINE No. 2 & 3	2 Year Recovery Schedule			2 Year Recovery Schedule			
342420	COMBUSTION TURBINE No. 2 & 3	2 Year Recovery Schedule			2 Year Recovery Schedule			
344420	COMBUSTION TURBINE No. 2 & 3	2 Year Recovery Schedule			2 Year Recovery Schedule			
345420	COMBUSTION TURBINE No. 2 & 3	2 Year Recovery Schedule			2 Year Recovery Schedule			
346420	COMBUSTION TURBINE No. 2 & 3	2 Year Recovery Schedule			2 Year Recovery Schedule			
PHILLIPS STATION								
341280	PHILLIPS STATION	8.2	(7)	4.2	8.2	76.70	(7)	3.7
342280	PHILLIPS STATION	8.2	(7)	3.8	8.2	79.97	(7)	3.3
343280	PHILLIPS STATION	9.0	(5)	3.4	9.0	77.43	(5)	3.1
345280	PHILLIPS STATION	7.7	(7)	4.6	7.7	76.45	(7)	4.0
346280	PHILLIPS STATION	8.2	(7)	4.3	8.2	75.32	(7)	3.9
POLK POWER STATION								
341800	COMMON	39.0	(2)	2.1	39.0	20.03	(2)	2.1
342800	COMMON	29.0	(3)	2.6	29.0	36.37	(3)	2.3
343800	COMMON	31.0	(2)	2.5	31.0	26.90	(2)	2.4
345800	COMMON	31.0	(5)	2.6	31.0	26.53	(5)	2.5
346800	COMMON	33.0	(3)	2.3	33.0	30.31	(3)	2.2
341810	UNIT No. 1	32.0	(1)	2.8	32.0	12.83	(1)	2.8

TAMPA ELECTRIC COMPANY								
COMPARISON OF RATES AND COMPONENTS								
		2003 Preliminary Approved			2004 Company Proposed/Staff Recommends			
		Average	Future	Remaining	Average		Future	Remaining
Account		Remaining	Net	Life	Remaining	Reserve	Net	Life
Number	Account Title	Life	Salvage	Rate	Life	1/1/04	Salvage	Rate
		(yrs)	(%)	(%)	(yrs)	(%)	(%)	(%)
342810	UNIT No. 1	25.0	(9)	3.4	25.0	27.13	(9)	3.3
343810	UNIT No. 1	14.6	(13)	6.2	14.6	26.76	(13)	5.9
345810	UNIT No. 1	24.0	(7)	3.5	24.0	26.58	(7)	3.4
346810	UNIT No. 1	28.0	(4)	3.2	28.0	11.43	(4)	3.3
343820	UNIT No. 2	23.5	(11)	4.3	23.5	14.62	(11)	4.1
343830	UNIT No. 3	25.2	(11)	4.3	25.2	7.28	(11)	4.1
346870	Polk Amortizable Tools	7 Year Amortization			7 Year Amortization			
343900	CITY OF TAMPA	26.0	(11)	4.3	26.0	0.00	(11)	4.3
TRANSMISSION PLANT								
350.01	Land Rights	28.3	0	2.4	27.0	30.77	0	2.6
352	Structures and Improvements	36.8	(3)	2.2	37.0	21.58	(3)	2.2
353	Station Equipment	32.9	(5)	2.3	32.0	25.42	(5)	2.5
354	Towers and Fixtures	15.7	(15)	2.6	15.5	75.38	(15)	2.6
355	Poles and Fixtures	23.6	(30)	3.6	23.0	42.15	(30)	3.8
356	Overhead Conductors and Devices	23.0	(20)	3.4	22.0	35.12	(20)	3.9
356.01	Clearing Rights-of-Way	24.9	0	2.1	24.0	51.32	0	2.0
357	Underground Conduit	35.7	0	1.8	35.0	40.82	0	1.7
358	Underground Conductors and Devices	28.9	0	2.8	28.0	25.98	0	2.6
359	Roads and Trails	36.7	0	2.1	37.0	23.56	0	2.1
DISTRIBUTION PLANT								
361	Structures and Improvements	29.2	(3)	2.4	28.0	31.42	(3)	2.6
362	Station Equipment	26.5	(10)	2.8	26.0	35.88	(10)	2.9
364	Poles, Towers and Fixtures	23.6	(35)	4.0	23.0	43.52	(35)	4.0
365	Overhead Conductors and Devices	21.3	(20)	3.2	20.0	51.84	(20)	3.4
366	Underground Conduit	38.5	0	2.0	38.5	23.95	0	2.0
367	Underground Conductors and Devices	23.9	0	3.1	23.0	26.14	0	3.2
368	Line Transformers	7.7	30	3.9	7.2	40.36	30	4.1
369.01	Overhead Services	25.2	(20)	3.2	25.0	40.83	(20)	3.2
369.02	Underground Services	24.8	(15)	3.3	25.0	34.11	(15)	3.2
370	Meters	15.8	0	4.1	14.2	33.12	0	4.7
373	Street Lighting and Signal Systems	11.9	0	5.2	11.4	40.09	0	5.3

TAMPA ELECTRIC COMPANY								
COMPARISON OF RATES AND COMPONENTS								
		2003 Preliminary Approved			2004 Company Proposed/Staff Recommends			
		Average	Future	Remaining	Average		Future	Remaining
Account		Remaining	Net	Life	Remaining	Reserve	Net	Life
Number	Account Title	Life	Salvage	Rate	Life	1/1/04	Salvage	Rate
		(yrs)	(%)	(%)	(yrs)	(%)	(%)	(%)
GENERAL PLANT								
	General Plant Depreciated							
390	Structures and Improvements	26.1	(20)	3.5	26.0	29.86	(20)	3.5
397.25	Communication Equipment-Fiber	10.3	(10)	5.8	10.6	53.33	(10)	5.8
	Transportation Equipment							
	Energy Delivery							
392.01	Automobiles							
392.02	Light Trucks	6.0	15	7.4	5.4	37.22	15	8.8
392.03	Heavy Trucks	8.0	12	6.3	7.2	38.89	12	6.8
392.04	Medium Trucks	10.4	15	0.2	9.7	88.10	10	0.2
	Energy Supply							
392.11	Automobiles							
392.12	Light Trucks	5.3	15	11.5	4.7	40.93	15	9.4
392.13	Heavy Trucks	8.0	12	5.0	7.8	50.66	12	4.8
392.14	Medium Trucks	9.2	15	6.6	8.5	24.52	15	7.1
	General Plant Amortized							
391.01	Office Furniture and Equipment	7 Year Amortization			7 Year Amortization			
391.02	Computer Equipment - Work Stations	4 Year Amortization			4 Year Amortization			
391.04	Computer Equipment-Mainframe	5 Year Amortization			5 Year Amortization			
393	Stores Equipment	7 Year Amortization			7 Year Amortization			
394	Tools, Shop and Garage Equipment	7 Year Amortization			7 Year Amortization			
395	Laboratory Equipment	7 Year Amortization			7 Year Amortization			
396	Power Operated Equipment	7 Year Amortization			7 Year Amortization			
397	Communication Equipment	7 Year Amortization			7 Year Amortization			
398	Miscellaneous Equipment	7 Year Amortization			7 Year Amortization			

TAMPA ELECTRIC COMPANY								
COMPARISON OF EXPENSES								
Account Number		1/1/2004		2003 Preliminary Approved Rates		2004 Staff Recommendation		Change
		Investment	Reserve	Rate	Expense	Rate	Expenses	In Expenses
		(\$)	(\$)	(%)	(\$)	(%)	(\$)	(\$)
STEAM PRODUCTION								
BIG BEND STATION								
311400	COMMON	56,566,248	20,689,347	2.4	1,357,590	2.3	1,301,024	(56,566)
312400	COMMON	69,741,861	29,815,311	2.7	1,883,030	2.6	1,813,288	(69,742)
314400	COMMON	3,727,003	1,934,971	1.8	67,086	1.8	67,086	0
315400	COMMON	15,485,157	8,655,493	3.4	526,495	3.8	588,436	61,941
316400	COMMON	4,066,653	2,774,959	2.9	117,933	2.5	101,666	(16,267)
311410	UNIT No. 1	7,328,878	4,664,095	2.3	168,564	2.2	161,235	(7,349)
312410	UNIT No. 1	64,085,009	28,357,023	4.0	2,563,400	3.8	2,435,230	(128,170)
314410	UNIT No. 1	24,359,238	15,317,161	3.0	730,777	2.8	682,059	(48,718)
315410	UNIT No. 1	8,662,754	5,377,555	3.6	311,857	3.3	285,869	(25,988)
316410	UNIT No. 1	645,754	410,012	2.4	15,498	2.2	14,207	(1,291)
311420	UNIT No. 2	7,062,717	3,741,257	2.6	183,631	2.4	169,505	(14,125)
312420	UNIT No. 2	65,062,666	21,551,716	3.8	2,472,381	4.1	2,667,569	195,188
314420	UNIT No. 2	26,715,599	13,873,191	3.1	828,184	3.1	828,184	0
315420	UNIT No. 2	8,728,186	4,640,482	3.4	296,758	3.2	279,302	(17,456)
316420	UNIT No. 2	539,942	308,984	4.6	24,837	4.6	24,837	0
311430	UNIT No. 3	15,198,031	8,793,152	1.9	288,763	1.9	288,763	0
312430	UNIT No. 3	94,856,830	43,591,759	3.2	3,035,419	3.1	2,940,562	(94,857)
314430	UNIT No. 3	30,148,686	21,365,259	2.5	753,717	2.4	723,568	(30,149)
315430	UNIT No. 3	18,544,897	11,569,783	3.1	574,892	3.1	574,892	0
316430	UNIT No. 3	1,003,484	475,321	2.7	27,094	2.5	25,087	(2,007)
311440	UNIT No. 4	60,886,642	25,991,761	1.9	1,156,846	1.9	1,156,846	0
312440	UNIT No. 4	200,614,192	95,864,445	2.6	5,215,969	2.6	5,215,969	0
314440	UNIT No. 4	81,765,246	39,489,421	2.4	1,962,366	2.3	1,880,601	(81,765)
315440	UNIT No. 4	36,840,235	18,532,507	2.7	994,686	2.7	994,686	0
316440	UNIT No. 4	5,348,954	3,008,328	2.3	123,026	2.2	117,677	(5,349)
311450	UNIT No. 4 FGD	21,578,509	8,986,672	2.1	453,149	2.0	431,570	(21,579)
312450	UNIT No. 4 FGD	155,965,536	58,058,262	2.8	4,367,035	2.8	4,367,035	0
315450	UNIT No. 4 FGD	18,830,615	8,871,764	2.7	508,427	2.6	489,596	(18,831)

TAMPA ELECTRIC COMPANY								
COMPARISON OF EXPENSES								
Account Number		1/1/2004		2003 Preliminary Approved Rates		2004 Staff Recommendation		Change
		Investment	Reserve	Rate	Expense	Rate	Expenses	In Expenses
		(\$)	(\$)	(%)	(\$)	(%)	(\$)	(\$)
316450	UNIT No. 4 FGD	747,751	283,799	2.5	18,694	2.4	17,946	(748)
311460	UNIT No. 1 & 2 FGD	12,700,377	2,439,195	3.8	482,614	3.5	444,513	(38,101)
312460	UNIT No. 1 & 2 FGD	60,394,263	9,947,183	4.2	2,536,559	4.1	2,476,165	(60,394)
315460	UNIT No. 1 & 2 FGD	8,536,263	1,676,439	4.6	392,668	4.3	367,059	(25,609)
316460	UNIT No. 1 & 2 FGD	1,779,904	348,592	4.5	80,096	4.1	72,976	(7,120)
316470	Big Bend Amort. Tools	1,787,685	971,040	14.3	255,639	14.3	255,639	0
TOTAL BIG BEND		1,190,305,710	522,376,245		34,775,680		34,260,648	(515,032)
BAYSIDE POWER STATION								
311300	COMMON	27,437,550	8,143,837	2.1	576,189	2.0	548,751	(27,438)
311750	COMMON	3,239,837	1,163,156	NA	0	NA	0	0
312300	COMMON	2,495,887	922,054	1.8	44,926	1.7	42,430	(2,496)
312750	COMMON	588,209	196,792	NA	0	NA	0	
314300	COMMON	1,883,089	471,682	2.1	39,545	2.1	39,545	0
315300	COMMON	2,651,021	1,077,291	3.2	84,833	3.8	100,739	15,906
316300	COMMON	3,049,083	2,279,188	3.3	100,620	3.0	91,472	(9,147)
311330	UNIT No. 3	777,295	532,386	5.8	45,083	5.0	38,865	(6,218)
311780	UNIT No. 3	279,846	145,415	NA	0	--	0	
314330	UNIT No. 3	12,066,195	8,746,145	4.8	579,177	4.0	482,648	(96,529)
315330	UNIT No. 3	1,123,838	895,518	4.0	44,954	3.3	37,087	(7,867)
316330	UNIT No. 3	40,883	33,127	4.2	1,717	3.5	1,431	(286)
311340	UNIT No. 4	495,430	320,102	4.8	23,781	4.3	21,303	(2,478)
311790	UNIT No. 4	369,131	180,071		0	--	0	0
314340	UNIT No. 4	8,939,771	6,435,122	4.5	402,290	3.7	330,772	(71,518)
315340	UNIT No. 4	986,581	729,302	5.6	55,249	4.5	44,396	(10,853)
316340	UNIT No. 4	54,245	24,970	6.0	3,255	5.4	2,929	(325)
311350	UNIT No. 5	2,953,285	791,023	2.3	67,926	2.2	64,972	(2,953)
312350	UNIT No. 5	26,886	26,886	2.3	618	2.0	0	(618)0
314350	UNIT No. 5	24,036,344	5,508,695	3.1	745,127	3.0	721,090	(24,036)
315350	UNIT No. 5	3,465,700	1,193,940	3.3	114,368	3.3	114,368	0

TAMPA ELECTRIC COMPANY								
COMPARISON OF EXPENSES								
Account Number		1/1/2004		2003 Preliminary Approved Rates		2004 Staff Recommendation		Change
		Investment	Reserve	Rate	Expense	Rate	Expenses	In Expenses
		(\$)	(\$)	(%)	(\$)	(%)	(\$)	(\$)
316350	UNIT No. 5	182,812	85,774	2.4	4,387	2.3	4,205	(183)
311360	UNIT No. 6	1,341,732	538,461	1.7	22,809	1.6	21,468	(1,342)
312360	UNIT No. 6	502,748	318,495	1.1	5,530	1.1	5,530	0
314360	UNIT No. 6	35,152,855	9,693,360	2.7	949,127	2.8	984,280	35,153
315360	UNIT No. 6	2,169,853	794,330	2.2	47,737	2.1	45,567	(2,170)
316360	UNIT No. 6	167,144	106,517	2.1	3,510	2.0	3,343	(167)
343300	BAYSIDE COMM.	122,591,294	1,730,859	4.3	5,271,426	4.3	5,271,426	0
343310	BAYSIDE UNIT 1	247,958,629	7,980,655	4.3	10,662,221	4.3	10,662,221	0
343320	BAYSIDE UNIT 2	332,712,959	0	4.3	14,306,657	4.3	14,306,657	0
TOTAL BAYSIDE		839,740,132	61,065,153		34,203,062		33,987,495	(215,567)
GANNON AMORTIZABLE TOOLS								
316570	GANNON AMORT.	1,163,263	523,932	14.3	166,347	14.3	166,347	0
TOTAL STEAM PRODUCTION		2,031,209,105	583,965,329		69,145,089		68,414,488	(730,601)
MISCELANEOUS PRODUCTION								
311010	Structures & Improvmnts	6,952,130	4,379,885	3.8	264,181	3.5	243,325	(20,856)
316170	Misc. Production Plant	839,002	304,308	14.3	119,977	14.3	119,977	0
TOTAL MISC. PRODUCTION		7,791,132	4,684,193		384,158		363,302	(20,856)
OTHER PRODUCTION								
BIG BEND STATION								
341410	COMBUST.TURB. 1	144,026	81,430	5.2	5,929	4.4	5,017	(912)
342410	COMBUST.TURB. 1	113,663	106,251	1.2	1,364	1.0	1,137	(227)
344410	COMBUST.TURB. 1	1,274,824	1,235,831	2.0	25,498	1.3	16,574	(8,924)
345410	COMBUST. TURB.1	249,583	234,950	4.7	11,730	2.9	7,238	(4,492)
346410	COMBUST. TURB. 1	2,642	2,325	2.2	58	2.2	58	0
341420	CT 2 & 3	1,611,601	1,592,347	2 Yr. Amort.	19,254	2 Yr. Amort	19,254	0
342420	CT 2 & 3	1,814,488	1,263,929	2 Yr. Amort.	551,242	2 Yr. Amort.	550,559	(683)

TAMPA ELECTRIC COMPANY								
COMPARISON OF EXPENSES								
Account Number		1/1/2004		2003 Preliminary Approved Rates		2004 Staff Recommendation		Change
		Investment	Reserve	Rate	Expense	Rate	Expenses	In Expenses
		(\$)	(\$)	(%)	(\$)	(%)	(\$)	(\$)
344420	CT 2 & 3	16,399,383	15,417,991	2 Yr. Amort.	981,392	2 Yr. Amort.	981,392	0
345420	CT 2 & 3	2,584,913	2,513,610	2 Yr. Amort.	71,303	2 Yr. Amort.	71,303	0
346420	CT 2 & 3	27,718	27,718	2 Yr. Amort.	(682)	2 Yr. Amort.	0	682
TOTAL BIG BEND STATION		24,192,942	22,476,382		1,667,089		1,652,532	(14,557)
PHILLIPS STATION								
341280	PHILLIPS STATION	9,367,603	7,219,185	4.2	393,439	3.7	346,601	(46,838)
342280	PHILLIPS STATION	25,340,100	20,264,264	3.8	962,924	3.3	836,223	(126,700)
343280	PHILLIPS STATION	20,544,569	15,907,704	3.4	698,515	3.1	636,882	(61,633)
345280	PHILLIPS STATION	5,855,134	4,476,266	4.6	269,336	4.0	234,205	(35,131)
346280	PHILLIPS STATION	591,451	445,484	4.3	25,432	3.9	23,067	(2,366)
TOTAL PHILLIPS STATION		61,698,857	48,278,938		2,349,646		2,076,978	(272,668)
POLK POWER STATION								
341800	COMMON	64,150,925	12,850,448	2.1	1,347,169	2.1	1,347,169	0
342800	COMMON	1,528,015	555,691	2.6	39,728	2.3	35,144	(4,584)
343800	COMMON	2,545,801	684,941	2.5	63,645	2.4	61,099	(2,546)
345800	COMMON	1,649,541	437,623	2.6	42,888	2.5	41,239	(1,650)
346800	COMMON	804,767	243,925	2.3	18,510	2.2	17,705	(805)
341810	UNIT No. 1	46,152,756	5,922,214	2.8	1,292,277	2.8	1,292,277	0
342810	UNIT No. 1	221,019,093	59,961,503	3.4	7,514,649	3.3	7,293,630	(221,019)
343810	UNIT No. 1	126,570,509	33,868,352	6.2	7,847,372	5.9	7,467,660	(379,712)
345810	UNIT No. 1	57,529,281	15,291,361	3.5	2,013,525	3.4	1,955,996	(57,529)
346810	UNIT No. 1	4,735,488	541,388	3.2	151,536	3.3	156,271	4,735
343820	UNIT No. 2	50,110,186	7,324,155	4.3	2,154,738	4.1	2,054,518	(100,220)
343830	UNIT No. 3	52,724,073	3,835,736	4.3	2,267,135	4.1	2,161,687	(105,448)
346870	Polk Amort.Tools	534,229	124,656	14.3	76,395	14.3	76,395	0
TOTAL POLK STATION		630,054,664	141,641,992		24,829,567		23,960,790	(868,778)

TAMPA ELECTRIC COMPANY								
COMPARISON OF EXPENSES								
Account Number		1/1/2004		2003 Preliminary Approved Rates		2004 Staff Recommendation		Change
		Investment	Reserve	Rate	Expense	Rate	Expenses	In Expenses
		(\$)	(\$)	(%)	(\$)	(%)	(\$)	(\$)
343900	CITY OF TAMPA	6,458,664	783,324	4.3	277,723	4.3	277,723	0
TOTAL OTHER PRODUCTION		722,405,126	213,180,636		29,124,025		27,968,023	(1,156,002)
TOTAL PRODUCTION		2,761,405,363	801,830,158		98,653,272		96,745,813	(1,907,459)
TRANSMISSION PLANT								
350.01	Land Rights	7,422,473	2,284,009	2.4	178,139	2.6	192,984	14,845
352.00	Struct. & Impro.	2,773,511	598,583	2.2	61,017	2.2	61,017	0
353.00	Station Equipmt.	156,411,376	39,756,049	2.3	3,597,462	2.5	3,910,284	312,822
354.00	Towers and Fix.	4,724,628	3,222,110	2.6	111,140	2.6	111,140	0
355.00	Poles and Fix.	84,852,164	35,762,127	3.6	3,054,678	3.8	3,224,382	169,704
356.00	OH. Cond. & Dev.	91,830,993	32,252,524	3.4	3,122,254	3.9	3,581,409	459,155
356.01	Clear. Rights-of-Way	2,133,240	1,094,811	2.1	44,798	2.0	42,665	(2,133)
357.00	Undergrd Conduit	3,540,428	1,445,232	1.8	63,728	1.7	60,187	(3,540)
358.00	Undg. Cond. & Dev.	7,044,036	1,830,312	2.8	197,233	2.6	183,145	(14,088)
359.00	Roads and Trails	3,799,882	895,316	2.1	79,798	2.1	79,798	0
TOTAL TRANSMISSION PLANT		364,082,731	119,141,073		10,510,247		11,447,011	936,764
DISTRIBUTION PLANT								
361	Struct. & Impro.	1,139,215	357,962	2.4	27,341	2.6	29,620	2,279
362	Station Equip.	129,635,285	46,518,175	2.8	3,629,788	2.9	3,759,423	129,635
364	Poles, Tow. & Fixt.	157,518,937	68,551,714	4.0	6,300,757	4.0	6,300,757	0
365	OH. Cond. & Dev.	176,648,693	91,576,641	3.2	5,652,758	3.4	6,006,056	353,297
366	Undg. Conduit	107,534,026	25,751,912	2.0	2,150,681	2.0	2,150,681	0
367	Undg. Cond. & Dev.	141,596,438	37,015,346	3.1	4,389,490	3.2	4,531,086	141,596
368.00	Line Transf.	302,196,777	121,972,076	3.9	11,785,674	4.1	12,390,068	604,394
369.01	OH Services	59,516,827	24,301,258	3.2	1,904,538	3.2	1,904,538	0
369.02	Undg. Serv.	73,690,179	25,137,563	3.3	2,431,776	3.2	2,358,086	(73,690)
370.00	Meters	46,817,074	15,505,433	4.1	1,919,500	4.7	2,200,402	280,902
373	St. Lighting & Sig	112,607,124	45,138,750	5.2	5,855,570	5.3	5,968,178	112,607
TOTAL DISTRIBUTION PLANT		1,308,900,575	501,826,830		46,047,873		47,598,895	1,551,022

GENERAL PLANT								
	General Plant Depreciated							
390	Struct. & Impro.	71,464,952	21,340,085	3.5	2,501,273	3.5	2,501,273	0
397.25	Comm. Eqpt.-Fiber	13,541,623	7,221,108	5.8	785,414	5.3	785,414	0
	Transportation Equipment							
	Energy Delivery							
392.01	Automobiles			4.3	0	NA	0	
392.02	Light Trucks	7,057,274	2,626,986	7.4	522,238	8.8	621,040	98,802
392.03	Heavy Trucks	21,821,438	8,486,371	6.3	1,374,751	6.8	1,483,858	109,107
392.04	Med. Trucks	975,628	859,523	0.2	1,951	0.2	1,951	0
	Energy Supplyx							
392.11	Automobiles			4.3	0	NA	0	
392.12	Light Trucks	783,393	320,679	11.5	90,090	9.4	73,639	(16,451)
392.13	Heavy Trucks	699,588	354,415	5.0	34,979	4.8	33,580	(1,399)
392.14	Med. Trucks	534,441	131,049	6.6	35,273	7.1	37,945	2,672
	Total General Plant	116,878,337	41,340,216		5,345,969		5,538,700	192,731
	General Plant Amortized							
391.01	Office Furn. & Equip.	8,335,950	4,762,650	7yr Amort.	1,190,850	7yr Amort.	1,190,850	0
391.02	Comp. Eqpt.-Work Stat.	23,149,680	13,710,890	4yr Amort	5,787,420	4 yr Amort	5,787,420	0
391.04	Comp. Eqpt.-Mainframe	2,980,541	1,050,166	5yr Amort	596,108	5yr Amort	596,108	0
393	Stores Equip.	200,653	107,515	7yr Amort	28,665	7yr Amort	28,665	0
394	Tools, Shop, & Gar. Eqpt.	5,268,155	1,843,646	7yr Amort	752,594	7yr Amort	752,594	0
395	Laborat. Equip.	751,731	347,115	7yr Amort	107,390	7yr Amort	107,390	0
396	Power Oper. Equip.	491,908	251,709	7yr Amort	70,273	7yr Amort	70,273	0
397	Comm. Equip.	35,488,505	14,687,645	7yr Amort	5,069,786	7yr Amort	5,069,786	0
398	Miscellan. Equip.	142,170	91,465	7yr Amort	20,310	7yr Amort	20,310	0
	General Plant Amort	76,809,293	36,852,801		13,623,396		13,623,396	0
	TOTAL GENERAL PLANT	193,687,630	78,193,017		18,969,365		19,162,096	192,731
	TOTAL T, D, and G PLANT	4,628,076,299	1,500,991,077		174,180,757		174,953,815	773,058
	FOSSIL DISMANTLEMENT				7,987,246		3,874,572	(4,112,674)
	TOTAL Depreciable PLANT	4,628,076,299	1,500,991,077		<u>182,168,003</u>		<u>178,828,387</u>	<u>(3,339,616)</u>

TAMPA ELECTRIC COMPANY			
COMPARISON OF CURRENT AND PROPOSED DISMANTLEMENT ACCRUALS			
	Preliminary	Company	Change
	Approved	Revised	In
	Accrual	Accrual	Accrual
	(\$)	(\$)	(\$)
Big Bend Common	73,821	396,163	322,342
Big Bend Unit 1	(40,472)	247,815	288,287
Big Bend Unit 2	98,743	391,667	292,924
Big Bend Unit 3	119,027	444,968	325,941
Big Bend Unit 4	(168,185)	387,538	555,723
Big Bend Unit 4 FGD	45,914	45,914	0
Big Bend Unit 1&2 Scrubber	N/A	N/A	N/A
Retiring Coal Related Assets			
Gannon Common	3,688,028	0	(3,688,028)
Gannon Unit 1	(1,343,882)	0	1,343,882
Gannon Unit 2	(101,038)	0	101,038
Gannon Unit 3	567,820	0	(567,820)
Gannon Unit 4	1,463,847	0	(1,463,847)
Gannon Unit 5	2,157,925	0	(2,157,925)
Gannon Unit 6	926,621	0	(926,621)
Surviving Turbine Assets			
Gannon Common	20,466	71,854	51,388
Gannon Unit 1	0	0	0
Gannon Unit 2	0	0	0
Gannon Unit 3	23,263	25,844	2,581
Gannon Unit 4	30,208	40,723	10,515
Gannon Unit 5	41,283	172,992	131,709
Gannon Unit 6	14,341	97,196	82,855
Bayside Common	39,542	103,920	64,378
Bayside Unit 1	78,890	199,295	120,405
Bayside Unit 2	104,124	273,648	169,524
Hookers Point	0	0	0
Dinner Lake	0	0	0
Big Bend CT 1,2 & 3	5,094	10,123	5,029
Gannon CT 1	0	0	0
Phillips Station	24,625	74,865	50,240
Polk Common & Gasifier	129,064	532,151	403,087
Polk Unit 1	(23,203)	62,584	85,787
Polk Unit 2	(295)	9,881	10,176
Polk Unit 3	2,997	10,721	7,724
City of Tampa	8,678	20,666	11,988
Total Dismantlement Accrual	7,987,246	3,874,572	(4,112,674)
Note: The Gannon coal-related assets ended in 2003, in concert with the planned retirement date of December 31, 2003.			