

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Investigation into)	DOCKET NO. 920062-EI
earnings and return on equity)	ORDER NO. 25700
for Tampa Electric Company.)	ISSUED: 2-7-92
_____)		

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
 SUSAN F. CLARK
 J. TERRY DEASON
 BETTY EASLEY
 LUIS J. LAUREDO

ORDER INITIATING LIMITED PROCEEDING

BY THE COMMISSION:

In the past several years we have authorized Tampa Electric Company's (TECO's) use of different allowed returns on equity for specific purposes. TECO's currently authorized return on equity (ROE) of 14.5% was established in Order No. 15451 (Docket No. 850050) issued December 13, 1985. While the ROE used for AFUDC purposes is 12.5% per Order No. 23924 (Docket No. 900072) and rates were adjusted for tax savings (1986 reduction in federal tax rate) to reflect an ROE of 13.5% in Order No. 22217 (Docket No. 891140), TECO continues to use an authorized ROE of 14.5% for all other regulatory purposes. Because the use of different ROEs may result in regulatory confusion, and because capital costs are significantly lower now than they were at the time TECO's authorized ROE was last established, it would appear appropriate to conduct a limited proceeding to consider whether to update TECO's authorized return on equity for all regulatory purposes.

It is therefore,

ORDERED by the Florida Public Service Commission that a limited proceeding is hereby initiated to consider whether to update TECO's authorized return on equity for all regulatory purposes.

DOCUMENT NUMBER-DATE

01436 FEB -7 1992

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By ORDER of the Florida Public Service Commission, this
7th day of February, 1992.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

Thomas M. Beard, Chairman, dissented from the Commission's decision.

MAP:bmi
920062.bmi

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or 3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review

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of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.