

MACFARLANE AUSLEY FERGUSON & McMULLEN

ATTORNEYS AT LAW

May 6, 1996

HAND DELIVERY

Tallahassee

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

960566-EI

Re: Petition for a New Customer Charge for Qualifying
Facilities not Directly Interconnected with Tampa
Electric Company.

Dear Ms. Bayo:

Enclosed for filing are fifteen (15) copies of Tampa Electric
Company's Petition for Approval of a New Customer Charge for
Qualifying Facilities not Directly Interconnected with Tampa
Electric Company.

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

JDB/pp
Enclosures

cc: Connie Kummer (w/enc. and Legislative Format
Copy of Proposed Tariff Changes)
Angela Llewellyn (w/enc.)

max

BOOK ROOM - TALLAHASSEE

5085 MAY-6 1996

DIVISION OF RECORDS AND REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for New Customer)
Charge for Qualifying Facilities)
Not Directly Interconnected with)
Tampa Electric Company.)

DOCKET NO. _____

FILED: May 6, 1996

ORIGINAL
FILE COPY

PETITION

Tampa Electric Company ("Tampa Electric" or "the company") files this its Petition for Approval of New Customer Charge for Qualifying Facilities Not Directly Interconnected with Tampa Electric Company, and in support thereof, says:

1. Tampa Electric is an investor-owned electric utility operating under the jurisdiction of this Commission and serving retail customers in Hillsborough and portions of Polk, Pinellas and Pasco Counties. The company's principal offices are located at 702 North Franklin Street, Tampa, Florida 33602.

2. The persons to whom all notices and other documents should be sent in connection with this docket are:

Mr. Lee L. Willis
Mr. James D. Beasley
Macfarlane Ausley
Ferguson & McMullen
Post Office Box 391
Tallahassee, FL 32302

Ms. Angela Llewellyn
Regulatory Specialist
Tampa Electric Company
Post Office Box 111
Tampa, FL 33601

3. In this petition, Tampa Electric seeks approval of certain Revised Tariff Sheets, which are listed in Exhibit "A" attached, and which provide for new customer charges for cogeneration transactions with Qualifying Facilities not directly interconnected to the company.

DOCUMENT CONTROL UNIT

05085 MAY-6 1996

FPSC-REGULATORY REPORTING

4. "Qualifying Facilities not directly interconnected to the company" refers to Qualifying Facilities that are engaged in cogeneration related transactions with Tampa Electric and are not located in the retail service area of the company.

5. Tampa Electric has recently reviewed its costs for administration and other associated activities required for cogeneration related transactions between the company and Qualifying Facilities. The company has determined that the costs incurred by Tampa Electric vary depending on whether or not the Qualifying Facility making sales to Tampa Electric is directly interconnected to the company.

6. Exhibit "B", "COG Customer Charge Calculation", shows the results of the above mentioned cost analyses. The system operations, meter operations, customer information & accounting, and plant additions expenditures are shown for non-interconnected Qualifying Facility customers. The analysis computed a customer charge of \$582.15. This value is the basis for the \$580 customer charge to Qualifying Facility not directly interconnected to the company and is included in the revision of tariff sheet 8.070.

7. Further cost analysis shows that the cost to administer Qualifying Facility activities not directly interconnected with the company does not vary significantly whether the Qualifying Facility transactions are on an As-Available or on a Firm basis.

8. A paragraph has also been added as a revision to tariff sheet 8.050 under "Delivery Voltage Adjustment." It states that purchases from Qualifying Facilities not directly interconnected to


Tampa Electric will be adjusted based on the company's current annual system average transmission loss factor.

9. The paragraph that addresses billing and payment procedures has been moved from tariff sheet 8.061 to tariff sheet 8.070 under the customer charges section for clarification purposes.

WHEREFORE, Tampa Electric requests that this Commission approve the revisions to the tariff sheets as set forth in Exhibit "A".

DATED this 6th day of May, 1996.

Respectfully submitted,



LEE L. WILLIS
JAMES D. BEASLEY
Macfarlane Ausley Ferguson & McMullen
Post Office Box 391
Tallahassee, FL 32302
(904) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

TEC\CUSTOMRCG.PET

EXHIBIT "A"

Twenty-Sixth Revised Sheet No. 8.030
Fifth Revised Sheet No. 8.050
First Revised Sheet No. 8.061
Fourth Revised Sheet No. 8.070
Original Sheet No. 8.071

RATES FOR PURCHASES BY THE COMPANY**A. Capacity Rates**

Capacity payments to Qualifying Facilities will not be paid under this schedule. Capacity payments to small Qualifying Facilities of less than 75 MWs or Solid Waste Facilities may be obtained under either a Standard Offer Contract as described in Schedule COG-2, Firm Capacity and Energy or a negotiated contract.

Capacity payments to Qualifying Facilities of 75 MWs or greater may only be obtained under a negotiated contract as described in FPSC Rule 25-17.0832.

B. Energy Rates

As-Available Energy is purchased at a unit cost, in cents per kilowatt-hour (¢/KWH), based on the Company's actual hourly avoided energy costs which are calculated by the Company in accordance with FPSC Rule 25-17.0825, F.A.C.

Avoided energy costs include incremental fuel, identifiable variable operation and maintenance expenses, and an adjustment for line losses reflecting delivery voltage. The calculation of payments to the Qualifying Facility shall be based on the energy deliveries from the Qualifying Facility to the Company and the applicable avoided energy rate, in accordance with FPSC Rule 25-17.082, F.A.C. All sales shall be adjusted for losses from the point of metering to the point of interconnection.

The methodology to be used in the calculation of the avoided energy cost is described in Appendix A.

C. Negotiated Rates

Upon agreement by both the Company and the Qualifying Facility, an alternate contract rate for the purchase of As-Available Energy may be separately negotiated.

ESTIMATED AS-AVAILABLE AVOIDED ENERGY COST

Upon request by a qualifying facility or any interested person, the Company shall provide within 30 days its most current projections of its generation mix, fuel price by type of fuel, and at least a five year projection of fuel forecasts to estimate future as-available energy prices as well as any other information reasonably required by the qualifying facility to project future avoided cost prices including, but not limited to, a 24 hour advance forecast of hour-by-hour avoided energy costs. The Company may charge an appropriate fee, not to exceed the actual cost of production and copying, for providing such information.

DELIVERY VOLTAGE ADJUSTMENT

For purchases from Qualifying Facilities directly interconnected to the Company, the Company's actual hourly avoided energy costs shall be adjusted according to the delivery voltage by the following multipliers:

Rate Schedule	Adjustment Factor
RS, GS	1.0616
GSD, GSLD, SBF	1.0561
IS-1, IS-3	1.0254
SBI-1, SBI-3	1.0254

For purchases from Qualifying Facilities not directly interconnected to the Company, any adjustments to the Company's actual hourly avoided energy costs for delivery voltage will be determined based on the Company's current annual system average transmission loss factor.

METERING REQUIREMENTS

The Qualifying Facility within the territory served by the Company shall be required to purchase from the Company the metering equipment necessary to measure its energy deliveries to the Company. Energy purchased from Qualifying Facilities outside the territory served by the Company shall be measured as the quantities scheduled for interchange to the Company by the entity delivering As-Available Energy to the Company. Unless special circumstances warrant, meters shall be read at monthly intervals on the approximate corresponding day of each meter reading period.

Hourly recording meters shall be required for Qualifying Facilities with an installed capacity of 100 kilowatts or more. Where the installed capacity is less than 100 kilowatts, the Qualifying Facility may select any one of the following options: (a) an hourly recording meter, (b) a dual kilowatt-hour register time-of-day meter, or (c) a standard kilowatt-hour meter.

For Qualifying Facilities with hourly recording meters, monthly payments for As Available Energy shall be calculated based on the product of (1) the Company's actual As Available Energy Payment Rate for each hour during the month, and (2) the quantity of energy sold by the Qualifying Facility during that hour.

For Qualifying Facilities with dual kilowatt-hour register time-of-day meters, monthly payments for As Available Energy shall be calculated based on the product of: (1) the average of the Company's actual hourly As-Available Energy Payment Rates for the on-peak and off-peak periods during the month; and (2) the quantity of energy sold by the Qualifying Facility during that period.

TAMPA ELECTRIC COMPANY

FIRST REVISED SHEET NO 8.061
CANCELS ORIGINAL SHEET NO 8.061

3. upon completion and approval by Tampa Electric Company of any alterations to the interconnection reasonably required to effect the change in billing and upon payment by the Qualifying Facility for such alterations.

Should a Qualifying Facility elect to make simultaneous purchases and sales, purchases of electric service by the Qualifying Facility from the interconnecting utility shall be billed at the retail rate schedule under which the Qualifying Facility load would receive service as a non-generating customer of the utility; sales of electricity delivered by the Qualifying Facility to the purchasing utility shall be purchased at the utility's avoided capacity and energy rates, where applicable, in accordance with Rules 25-17.0825 and 25-17.0832.

Should a Qualifying Facility elect a net billing arrangement, the hourly net energy sales delivered to the purchasing utility shall be purchased at the utilities avoided capacity and energy rates, where applicable, in accordance with Rules 25-17.0825 and 25-17.0832, purchases from the interconnecting utility shall be billed pursuant to the utility's applicable standby and supplemental service rate schedule.

CHARGES/CREDITS TO QUALIFYING FACILITY

A. Customer Charges

A monthly Customer Charge will be rendered for maintaining an account for a Qualifying Facility engaged in either an *As-Available Energy* or *Firm Capacity* and Energy transaction and for other applicable administrative costs. Actual charges will depend on how the QF is interconnected to the Company.

QFs not directly interconnected to the Company, will be billed \$580 monthly as a Customer Charge.

Monthly customer charges, applicable to QFs directly interconnected to the Company, by Rate Schedule are:

Rate Schedule	Customer Charge	Rate Schedule	Customer Charge
RS	\$ 8.50	RST	\$ 11.50
GS	8.50	GST	11.50
GSD	42.00	GSDT	49.00
GSLD	255.00	GSLDT	255.00
SBF	280.00	SBFT	280.00
IS-1	1,000.00	IST-1	1,000.00
IS-3	1,000.00	IST-3	1,000.00
SBI-1	1,025.00	SBIT-1	1,025.00
SBI-2	1,025.00	SBIT-3	1,025.00

When appropriate, the Customer Charge will be deducted from the Qualifying Facility's monthly payment. A statement of the charges or payments due the Qualifying Facility will be rendered monthly. Payment normally will be made by the twentieth business day following the end of the billing period.

B. Interconnection Charge for Non-Variable Utility Expenses:

The Qualifying Facility shall bear the cost required for interconnection including the metering. The Qualifying Facility shall have the option of payment in full for interconnection or making equal monthly installment payments over a thirty-six (36) month period together with interest at the rate then prevailing for thirty (30) days highest grade commercial paper; such rate to be determined by the Company thirty (30) days prior to the date of each payment.

C. Interconnection Charge for Variable Utility Expenses

The Qualifying Facility shall be billed monthly for the cost of variable utility expenses associated with the operation and maintenance of the interconnection. These include: (a) the Company's inspections of the interconnection and (b) maintenance of any equipment beyond that which would be required to provide normal electric service to the Qualifying Facility if no sales to the Company are involved.

COG Customer Charge Calculation
for Qualifying Facilities not directly interconnected to TEC

1	System Operations:	
2	Clerk (\$/year) =	\$863.37
3	Dispatcher (\$/year) =	<u>\$4,949.86</u>
4		\$5,813.23
5	Meter Operations:	
6	Data Processing Time (\$/year) =	\$87.33
7		
8	Customer Info. & Accounting	
9	Data Processing & Billing (\$/year) =	\$900.06
10		-----
11		\$6,800.62
12		
13	Comm Eq., Transp Eq., General &	
14	Intangible Plant	
15	(1994 Approved Retail COS Study)	\$185.17
16		=====
17	TOTAL CUSTOMER ANNUAL COSTS =	\$6,985.79
18		
19	Divided by 12 months	12
20		
21	Equals COG Customer Charge	\$582.15
22	 (\$/month)	

State of Florida

Commissioners:
SUSAN F. CLARK, CHAIRMAN
J. TERRY DEASON
JULIA L. JOHNSON
DIANE K. KIESLING
JOE GARCIA



DIVISION OF RECORDS &
REPORTING
BLANCA S BAYÓ
DIRECTOR
(904) 413-6770

Public Service Commission

May 7, 1996

James D. Beasley, Esquire
c/o Tampa Electric Company
Macfarlane Ausley Ferguson & McMullen
Post Office Box 391
Tallahassee, Florida 32302

Docket No. 960566-EI

Dear Mr. Beasley:

This will acknowledge receipt of a petition for approval of a new customer charge for qualifying facilities not directly interconnected with Tampa Electric Company, which was filed in this office on May 6, 1996 and assigned the above-referenced docket number. Appropriate staff members will be advised.

A tentative schedule of events in your docket (referred to as a Case Assignment and Scheduling Record or CASR) should be available, upon request, ten (10) working days after establishment of the docket. You may contact the Records Section at (904) 413-6770 or by fax at (904) 413-7118 to request that a copy of the case schedule be faxed or mailed to you. The schedule of events provides you with an opportunity to anticipate completion stages of work in the docket. These dates are subject to change; therefore, you may wish to call the Records Section periodically to obtain revised schedules for your docket. For firm dates of hearings or other activities, please look to the Commission's official notices and orders. You can also obtain information on your docket by accessing the PSC HomePage on the Internet, at <http://www.state.fl.us/psc/>.

Sincerely,

A handwritten signature in dark ink, appearing to read "MS".

Matilda A. Sanders
Commission Deputy Clerk