

**AUSLEY & McMULLEN**

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October 30, 1997

HAND DELIVERED


Mr. Timothy J. Devlin, Director  
Division of Auditing & Financial Analysis  
Florida Public Service Commission  
Room 215J - Gerald L. Gunter Building  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Investigation into Earnings for 1995 and 1996 of Tampa  
Electric Company; FPSC Docket No. ~~950379~~-EI

Dear Mr. Devlin:

This will confirm our delivery to you this date of Tampa  
Electric Company's answers to Staff's Informal Data Requests Nos.  
14-20 and Production of Documents Requests No. 5.

Sincerely,

  
James D. Beasley

ACK \_\_\_\_\_ JDB/pp

AFA \_\_\_\_\_

APP \_\_\_\_\_ cc: Roger Howe  
Vicki Gordon Kaufman  
Gordon L. Gillette

CMU \_\_\_\_\_

CTR \_\_\_\_\_

EAG \_\_\_\_\_

LEG \_\_\_\_\_

LIN \_\_\_\_\_

OPC \_\_\_\_\_

RCH \_\_\_\_\_

SEC \_\_\_\_\_

WAS \_\_\_\_\_

OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

11253 OCT 31 5

FPSC-RECORDS/REPORTING

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Investigation into earnings for    )  
1995 and 1996 of Tampa Electric        )  
Company                                        )  
\_\_\_\_\_                                      )**

**Docket No. 950379-EI  
Filed: October 30, 1997**

**TAMPA ELECTRIC COMPANY'S  
ANSWERS TO  
DATA REQUESTS (NOS.14-20) OF THE  
FLORIDA PUBLIC SERVICE COMMISSION STAFF**

Tampa Electric files this its Answers to Informal Data Requests (Nos.14-20) propounded and served by U.S. Mail on October 20, 1997, by the Florida Public Service Commission Staff.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 14  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 2**

14. Please update the schedule provided in response to Data Request No. 1 (See Informal Data Request dated September 9, 1997 ) to include the effects of the FMPA and Lakeland sales separations as set forth in Order No. PSC-97-1273-FOF-EU, issues October 15, 1997, in Docket No, 970171-EU.
- A. Please see attachment.

TAMPA ELECTRIC COMPANY  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS

DECEMBER 1996 (Filename - PSRD9614)

AVERAGE	System Per Books	Retail Per Books	Adjustments		Adjusted Retail	Ratio (%)	Low Point		MidPoint		High Point	
			Specific	Pro Rata			Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)
Long Term Debt	\$ 582,708,744	\$ 582,708,744	\$ (7,886,641)	\$ (114,286,461)	\$ 460,535,642	25.17 %	6.74	1.70	6.74	1.70	6.74	1.70
Short Term Debt	130,437,308	130,437,308	(380)	(25,933,545)	104,503,383	5.71	5.47	0.31	5.47	0.31	5.47	0.31
Deferred Revenue	77,870,075	77,870,075	0	(16,442,409)	62,227,666	3.40	5.46	0.19	5.46	0.19	5.46	0.19
Preferred Stock	30,728,000	30,728,000	(416,176)	(6,026,614)	24,285,210	1.33	5.75	0.08	5.75	0.08	5.75	0.08
Customer Deposits	52,390,453	52,390,453	0	(10,416,300)	41,974,153	2.29	5.85	0.13	5.85	0.13	5.85	0.13
Common Equity	1,085,501,475	1,085,501,475	(4,306,847)	(214,963,738)	866,230,890	47.33	10.75	5.09	11.75	5.56	12.75	6.03
Deferred Income Taxes	279,332,463	279,332,463	1,830,118	(55,900,906)	225,261,675	12.31	-	-	-	-	-	-
Deferred Tax - FAS 109	0	0	0	0	0	0.00	-	-	-	-	-	-
Tax Credits - Zero Cost	38,290	38,290	0	(7,613)	30,677	0.00	-	-	-	-	-	-
Tax Credits - Weighted Cost	56,126,574	56,126,574	(13,922)	(11,156,350)	44,956,302	2.46	9.29	0.23	9.93	0.24	10.57	0.26
<b>Total</b>	<b>\$ 2,294,933,382</b>	<b>\$ 2,294,933,382</b>	<b>\$ (10,793,848)</b>	<b>\$ (454,133,937)</b>	<b>\$ 1,830,005,597</b>	<b>100.00 %</b>		<b>7.73</b>		<b>8.21</b>		<b>8.70</b>

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 15  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 4**

15. Please update the schedule provided in response to Data Request No. 8 (See informal Data Request dated September 9, 1997) to include the effects of the FMPA and Lakeland sales separations as set forth in Order No, PSC-97-1273-FOF-EU, issued October 15, 1997, in Docket No. 970171-EU.
  - A. Please see attached.

TAMPA ELECTRIC COMPANY  
AVERAGE RATE OF RETURN  
RATE BASE  
DECEMBER 1996

	(1) Plant In Service	(2) Accumulated Depreciation & Amortization	(3) Net Plant In Service	(4) Property Held For Future Use	(5) Construction Work In Progress	(6) Nuclear Fuel (Net)	(7) Net Utility Plant	(8) Working Capital	(9) Total Rate Base
System Per Books	\$ 3,134,478,969	\$ (1,248,307,342)	\$ 1,886,171,627	\$ 51,395,487	\$ 312,101,388	\$ 0	\$ 2,249,688,502	\$ (16,492,049)	\$ 2,233,176,453
Less: Fuel and ECCR								(30,045,081)	(30,045,081)
Other								71,510,856	71,510,856
ECRC	(8,513,921)	418,812	(8,095,109)				(8,095,109)	(183,894)	(8,279,003)
Regulatory Base - System	3,125,965,048	(1,247,888,530)	1,878,076,518	51,395,487	312,101,388	0	2,241,573,393	24,789,832	2,266,363,225
Regulatory Base - Retail	2,892,183,395	(1,159,896,589)	1,732,286,806	48,445,959	309,424,971	0	2,090,157,736	23,513,310	2,113,671,046
FPSC Adjustments									
Fuel Inventory								(135,679)	(135,679)
CWIP					(309,424,971)		(309,424,971)		(309,424,971)
CWIP In Rate Base					34,092,292		34,092,292		34,092,292
Job Order Receivables								(1,476,005)	(1,476,005)
OUC Acquisition Book Value	(1,512,829)		(1,512,829)				(1,512,829)		(1,512,829)
OUC Acquisition Accumulated Amortization		373,766	373,766				373,766		373,766
OUC Acquisition Adjustment - Net	(5,582,023)		(5,582,023)				(5,582,023)		(5,582,023)
Total FPSC Adjustments	(7,094,852)	373,766	(6,721,086)	0	(275,332,679)	0	(282,053,765)	(1,611,684)	(283,665,449)
FPSC Adjusted	2,885,088,543	(1,159,522,823)	1,725,565,720	48,445,959	34,092,292	0	1,808,103,971	21,901,626	1,830,005,597
Pro Forma Revenue Increase and Annualization Adjustments:									
Total Pro Forma Adjustments	0	0	0	0	0	0	0	0	0
Pro Forma Adjusted	\$ 2,885,088,543	\$ (1,159,522,823)	\$ 1,725,565,720	\$ 48,445,959	\$ 34,092,292	\$ 0	\$ 1,808,103,971	\$ 21,901,626	\$ 1,830,005,597

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI by the Florida Public Service Commission staff and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.

TAMPA ELECTRIC COMPANY  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
DECEMBER 1996

	(1) Operating Revenues	(2) O & M Fuel & Net Interchange	(3) O & M Other	(4) Depreciation & Amortization	(5) Taxes Other Than Income	(6) Income Taxes Current	(7) Deferred Income Taxes (Net)	(8) Investment Tax Credit (Net)	(9) Gain/Loss On Disposition	(10) Total Operating Expenses	(11) Net Operating Income
System Per Books	\$ 1,112,885,383	\$ 432,125,530	\$ 229,695,245	\$ 120,151,958	\$ 86,966,265	\$ 68,422,614	\$ 7,600,426	\$ (4,661,248)	\$ (44,070)	\$ 940,256,720	\$ 172,628,663
Less: Recoverable Fuel	(427,007,845)	(421,453,231)			(298,533)	(2,138,928)				(423,890,682)	(3,117,153)
GPIF Revenues/Penalties	(88,619)				(74)	(34,156)				(34,230)	(54,389)
Recoverable ECCR	(19,189,468)		(19,176,275)		(11,996)	7,253				(19,181,018)	11,550
Recoverable ECCR - ROI	(210,141)				(136)	(81,009)				(81,145)	(128,996)
Recoverable ECRC	34,621		217,440	(229,839)	24	4,275				(8,100)	42,721
Recoverable ECRC ROI	(850,577)				38	(328,125)				(328,087)	(522,490)
Regulatory Base - System	665,593,354	10,672,299	210,736,410	119,922,119	86,855,588	65,851,924	7,600,426	(4,661,248)	(44,070)	496,733,448	168,859,906 (a)
Regulatory Base - Retail	634,190,536	10,081,605	202,981,978	112,495,816	83,946,625	62,604,808	7,130,068	(4,372,783)	(41,065)	474,807,052	159,383,484 (a)
FPSC Adjustments											
Industry Association Dues			(125,319)			48,342				(76,977)	76,977
Solaris and Waterfall			(11,223)			4,329				(6,894)	6,894
Stockholder Relations			(278,387)			106,809				(169,758)	169,758
Civic Club Meals			(3,512)			1,355				(2,157)	2,157
Franchise Fee Revenue and Expense	(20,573,750)				(20,643,108)	26,755				(20,816,353)	42,603
Gross Receipts Tax	(24,968,249)				(24,968,249)	0				(24,968,249)	0
Income Tax True-up						60,556				60,556	(60,556)
OpI Prov Revenue and Third Party Purcha	(856,111)	(856,111)				0				(856,111)	0
Job Order Revenues	(502,371)					(193,790)				(193,790)	(308,581)
Economic Development			(5,023)			1,938				(3,085)	3,085
OUC Acquisition Amortization				(242,293)		93,465				(148,828)	148,828
Total FPSC Adjustments	(46,900,481)	(856,111)	(421,444)	(242,293)	(45,811,357)	149,559	0	0	0	(46,981,646)	81,165
FPSC Adjusted	587,290,055	9,225,494	202,540,534	112,253,523	38,335,268	62,754,367	7,130,068	(4,372,783)	(41,065)	427,825,406	159,464,649
Pro Forma Revenue Increase and Annualization Adjustments:											
Total Pro Forma Adjustments	0	0	0	0	0	0	0	0	0	0	0
Pro Forma Adjusted	\$ 587,290,055	\$ 9,225,494	\$ 202,540,534	\$ 112,253,523	\$ 38,335,268	\$ 62,754,367	\$ 7,130,068	\$ (4,372,783)	\$ (41,065)	\$ 427,825,406	\$ 159,464,649

(a) The addition of earnings from AFUDC would increase the System NOI by \$22,869,033 and Jurisdictional NOI by \$22,672,921

Current Month Amount:											
System Per Books	\$ 87,620,920	\$ 33,050,376	20,150,012	\$ 9,375,707	\$ 6,573,086	\$ 2,284,669	\$ 3,090,833	\$ (388,441)	\$ (3,672)	\$ 74,132,370	\$ 13,488,550
Jurisdictional Per Books	\$ 50,988,093	1,277,782	17,573,492	8,806,733	6,352,835	2,041,973	2,877,723	(361,882)	(3,393)	\$ 38,585,263	\$ 12,422,830

The amount of the 1996 revenue refund as per FPSC Order No. PSC-96-0670-S-EI was \$1,898,590 for December 1996.

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI by the Florida Public Service Commission staff and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.

TAMPA ELECTRIC COMPANY  
AVERAGE RATE OF RETURN

SYSTEM ADJUSTMENTS  
DECEMBER 1996

Working Capital Adjustments	System
Fuel and ECCR	\$ (30,045,081)
Other	
Other Return Provided	58,008,798
Non Utility	3,118,599
Investor Funds	10,383,459
	\$ 71,510,856
	\$
ECRC	\$ (183,894)

Other Rate Base Adjustments	System	Retail
Fuel Inventory	\$ (144,270)	\$ (135,679)
CWIP	(312,101,388)	(309,424,971)
CWIP in Rate Base	34,170,578	34,092,292
Job Order Receivables	(1,476,005)	(1,476,005)
OUC Acquisition Book Value	(1,635,114)	(1,512,829)
OUC Acquisition Accumulated Amortization	402,121	373,766
OUC Acquisition Adjustment - Net	(8,033,230)	(5,582,023)
Total Adjustments	\$ (286,817,308)	\$ (283,665,449)

Income Statement Adjustments	System					Retail				
	Operating Revenue	Fuel and O & M	Taxes Other Than Income	Income Tax Effect	Gain/Loss on Disposition	Operating Revenue	Fuel and O & M	Taxes Other Than Income	Income Tax Effect	Gain/Loss on Disposition
<b>FPSC Adjustments</b>										
Industry Association Dues		(130,119)		50,193			(125,319)		48,342	
Solaris and Waterfall		(11,653)		4,495			(11,223)		4,329	
Stockholder Relations		(286,953)		110,692			(276,367)		106,609	
Civic Club Meals		(3,646)		1,407			(3,512)		1,355	
Franchise Fee Revenue and Expense	(20,573,750)		(20,643,108)	26,755		(20,573,750)		(20,643,108)	26,755	
Gross Receipts Tax	(24,968,249)		(24,968,249)	0		(24,968,249)		(24,968,249)	0	
Income Tax True-up				65,503					60,556	
Opt Prov Revenue and 3rd Party Purchase	(856,111)	(856,111)		0		(856,111)	(856,111)		0	
Job Order Revenues	(502,371)			(193,790)		(502,371)			(193,790)	
OUC Acquisition Amortization		(258,288)		99,635			(242,293)		93,465	
Economic Development		(5,215)		2,012			(5,023)		1,938	
<b>Total FPSC Adjustments</b>	<b>(46,900,481)</b>	<b>(1,551,985)</b>	<b>(45,611,357)</b>	<b>166,902</b>	<b>0</b>	<b>(46,900,481)</b>	<b>(1,519,848)</b>	<b>(45,611,357)</b>	<b>149,559</b>	<b>0</b>
<b>Pro Forma Revenue Increase and Annualization Adjustments:</b>										
<b>Total Pro Forma Adjustments</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI by the Florida Public Service Commission staff and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.



**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 16  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 6**

16. Please update the schedule provided in response to Data Request No.10 (See informal Data Request dated September 9, 1997) to include the effects of the FMPA and Lakeland sales separations as set forth in Order No, PSC-97-1273-FOF-EU, issued October 15, 1997, in Docket No. 970171-EU.
- A. Please see attached.

**TAMPA ELECTRIC COMPANY**  
**CALCULATION OF DEFERRED REVENUES PER STIPULATION**  
**DECEMBER 1996 - Revised for September Decision**

<b>LINE NO.</b>	<b>DESCRIPTION / REFERENCE</b>	<b>AMOUNT (\$000)</b>
1	FPSC ADJUSTED RATE BASE (ATTACHMENT 4)	\$1,830,007
2	ACHIEVED AVERAGE RATE OF RETURN (ATTACHMENT 4)	8.71%
3	REQUIRED AVERAGE RATE OF RETURN (ATTACHMENT 3)	<u>8.68%</u>
4	EXCESS/ (DEFICIENCY) IN RETURN	<u>0.03%</u>
5	NET OPERATING INCOME EXCESS/ (DEFICIENCY)	\$484
6	TAX RECIPROCAL (1-.38575)	<u>0.61425</u>
7	REVENUE EXCESS/ (DEFICIENCY)	789
8	1996 ACCRUED DEFERRED REVENUE (ATTACHMENT 2)	<u>34,200</u>
9	DEFERRED REVENUE TO EARN REQUIRED ROE	<u>\$34,989</u>

**TAMPA ELECTRIC COMPANY**  
**CALCULATION OF COST OF CAPITAL PER STIPULATION**  
**DECEMBER 1996 - Revised for September Decision**

LINE NO.	DESCRIPTION	REFERENCE	AMOUNT (\$000)	COST RATE	WEIGHTED COST RATES
Attachment 4					
1	LONG TERM DEBT		\$460,536	6.74%	1.70%
1a	DEFERRED REVENUE		62,228	5.46%	0.19%
2	SHORT TERM DEBT		104,504	5.47%	0.31%
3	PREFERRED STOCK		24,285	5.75%	0.08%
4	CUSTOMER DEPOSITS		41,974	5.85%	0.13%
5	COMMON EQUITY		866,231	12.69%	6.01%
6	DEFERRED INCOME TAXES		225,292	0.00%	0.00%
7	TAX CREDITS - ZERO COST		0	0.00%	0.00%
8	TAX CREDITS - WEIGHTED COST		44,956	10.54%	0.26%
9	TOTAL CAPITAL STRUCTURE		<u>\$1,830,007</u>		<u>8.68%</u>

TAMPA ELECTRIC COMPANY  
CALCULATION OF 1996 DEFERRED REVENUE  
Revised for September 23, 1997 Agenda Decision

(In Thousands)

	(1) Total Jurisdictional Adjusted	(2) Separation of Lakeland/ FMPA	(3) Removal of OUC Transmission	(4) Income Tax True Up Adjustment	(5) Total Adjusted	(6) W/ Adjustment to Deferred Revenue
<b>Income Statement:</b>						
Operating Revenues	\$587,441	(\$151)	\$0	\$0	\$587,290	\$587,290
Adjustment to Deferred Revenue						(789)
Total Operating Revenues						586,501
<b>Operating Expenses:</b>						
Fuel & Net Interchange	9,225	0			9,225	9,225
O&M - Other	202,667	(126)			202,541	202,541
Depreciation	112,561	(65)	(242)		112,253	112,253
Taxes Other Than Income	38,359	(24)			38,335	38,335
Income Taxes - Current	63,402	(25)	94	(581)	62,890	62,586
Deferred Income Taxes (Net)	7,138	(8)			7,130	7,130
ITC (Net)	(4,377)	4			(4,373)	(4,373)
Gain/Loss on Disposal	(41)	0			(41)	(41)
Total Operating Expenses	428,934	(243)	(149)	(581)	427,961	427,657
Net Operating Income	\$158,506	\$93	\$149	\$581	\$159,329	\$158,845
<b>Rate Base:</b>						
Plant in Service	\$2,894,245	(\$2,062)	(\$7,095)		\$2,885,089	\$2,885,089
Accumulated Depreciation	(1,160,672)	775	374		(1,159,523)	(1,159,523)
Net Plant in Service	1,733,573	(1,286)	(6,721)	0	1,725,566	1,725,566
Property Held for Future Use	48,472	(26)			48,446	48,446
Construction Work in Progress	34,093	0			34,093	34,093
Net Utility Plant	1,816,138	(1,312)	(6,721)	0	1,808,105	1,808,105
Working Capital	21,913	(11)	0	0	21,902	21,902
Total Rate Base	\$1,838,051	(\$1,323)	(\$6,721)	\$0	\$1,830,007	\$1,830,007
Achieved NOI	\$158,506				\$159,329	\$158,845
Rate Base	\$1,838,051				\$1,830,007	\$1,830,007
Rate of Return	8.62%				8.71%	8.68%
<b>Weighted Cost Rates</b>						
Long Term Debt	1.76%				1.70%	1.70%
Deferred Revenue Refund	0.00%				0.19%	0.19%
Short Term Debt	0.32%				0.31%	0.31%
Preferred Stock	0.08%				0.08%	0.08%
Customer Deposits	0.14%				0.13%	0.13%
Tax Credits	0.25%				0.26%	0.26%
Subtotal	2.55%				2.67%	2.67%
Total	6.07%				6.04%	6.01%
Divided By Common Equity Ratio	49.00%				47.33%	47.33%
Jurisdictional Return on Equity	12.39%				12.75%	12.69%

TAMPA ELECTRIC COMPANY  
CALCULATION OF 1996 DEFERRED REVENUE  
Revised for September 23, 1997 Agenda Decision

(In Thousands)

	(1) Total Jurisdictional Adjusted (1)	(2) Separation of Lakeland/ FMPA	(3) Deferred Revenues	(4) Prorata	(5) Adjusted Balances
<b>Capital Structure:</b>					
<b>Balances:</b>					
Long Term Debt	\$574,822	\$0	\$0	(\$114,286)	\$460,536
Deferred Revenue	0	0	77,670	(15,442)	62,228
Short Term Debt	130,438	0	0	(25,934)	104,504
Preferred Stock	30,312	0	0	(6,027)	24,285
Customer Deposits	52,390	0	0	(10,416)	41,974
Common Equity	1,081,195	0	0	(214,963)	866,231
Def Tax - FAS 109	38	0	0	(8)	31
Tax Credits	56,113	0	0	(11,156)	44,956
Deferred Taxes	281,163	0	0	(55,901)	225,262
<b>Total Cost of Capital</b>	<b>\$2,206,470</b>	<b>\$0</b>	<b>\$77,670</b>	<b>(\$454,133)</b>	<b>\$1,830,007</b>

(1) Amounts per December 1996 Surveillance Report, Schedule 4 - FPSC Adjusted excluding Prorata.

**Ratios:**

Long Term Debt	26.05%	25.17%
Deferred Revenue	0.00%	3.40%
Short Term Debt	5.91%	5.71%
Preferred Stock	1.37%	1.33%
Customer Deposits	2.37%	2.29%
Common Equity	49.00%	47.33%
Def Tax - FAS 109	0.00%	0.00%
Tax Credits	2.54%	2.46%
Deferred Taxes	12.74%	12.31%

**Total Cost of Capital**

**100%**

**100%**

**Cost Rates:**

Long Term Debt	6.74%	6.74%
Deferred Revenue	0.00%	5.46%
Short Term Debt	5.47%	5.47%
Preferred Stock	5.75%	5.75%
Customer Deposits	5.85%	5.85%
Common Equity	11.75%	12.69%
Def Tax - FAS 109	0.00%	0.00%
Tax Credits	9.93%	10.54%
Deferred Taxes	0.00%	0.00%

**Wtd Cost Rates:**

Long Term Debt	1.76%	1.70%
Deferred Revenue	0.00%	0.19%
Short Term Debt	0.32%	0.31%
Preferred Stock	0.08%	0.08%
Customer Deposits	0.14%	0.13%
Common Equity	5.76%	6.01%
Def Tax - FAS 109	0.00%	0.00%
Tax Credits	0.25%	0.26%
Deferred Taxes	0.00%	0.00%

**Total Cost of Capital**

**8.31%**

**8.68%**

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 17  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 1**

17. Please explain how the Company accounts for the O&M expenses and property taxes associated with the Lake Agnes-Cane Island Transmission line. If these expenses are included in the retail jurisdiction, please provide the amounts for 1996.
  - A. The O&M expenses and property taxes associated with the Company's share of the Lake Agnes-Cane Island transmission line are included in the retail jurisdiction. The property taxes recorded in 1996 were \$47,167. The 1996 O&M of \$13,731 was billed and recorded on the Company's books in January 1997.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 18  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 2**

18. Please explain each of the adjustments listed under the Specific Adjustments column on Schedule 4 filed in response to Data Request No. 1.
  - A. Please see attached.

Specific adjustments for Schedule 4 on the Tampa Electric Company December 1996 Surveillance Report.

	<u>Dividends Declared</u>	<u>Coal Contract Buy-out</u>	<u>Employee Receivables</u>	<u>Non-Utility</u>	<u>Net Adjustment</u>
Long Term Debt	-	\$ (7,884,942)	\$ (1,699)	\$ -	\$ (7,886,641)
Short Term Debt	-	-	(380)	-	(380)
Preferred Stock	-	(416,086)	(90)	-	(416,176)
Common Equity	10,383,459	(14,687,141)	(3,165)	-	(4,306,847)
Deferred Income Taxes	-	-	-	1,830,118	1,830,118
Tax Credits - Weighted Average	-	-	-	(13,922)	(13,922)
<b>Totals</b>	<u>\$ 10,383,459</u>	<u>\$ (22,988,169)</u>	<u>\$ (5,334)</u>	<u>\$ 1,816,196</u>	<u>\$ (10,793,848)</u>



**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 19  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 2**

19. Please explain the difference between the balance of customer deposits shown on Schedule 4 filed in response to Data Request No. 1 and the balance of customer deposits shown on the Average Capital Structure of Schedule 4 of the December 1996 earnings Surveillance Report Summary Filed on February 17, 1997.
  - A. The balance of \$104,780,906 shown Data Request No. 1 should have been \$52,390,453 as shown on the Average Capital structure of Schedule 4 of the December 1996 Earnings Surveillance Report Summary filed on February 17, 1997. A revised copy of Data Request No. 1 reflecting this correction has been provided. Please note that the adjusted retail amount on the original schedule was correct.

Data Request No. 1  
Revised 10/24/97

TAMPA ELECTRIC COMPANY  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS

SCHEDULE 4

DECEMBER 1996 (Filename - PSRDC96Y)

AVERAGE	System Per Books	Retail Per Books	Adjustments		Adjusted Retail	Ratio (%)	Low Point		MidPoint		High Point	
			Specific	Pro Rate			Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)
Long Term Debt	\$ 582,708,744	\$ 582,708,744	\$ (7,886,641)	\$ (113,954,637)	\$ 460,867,466	25.17 %	6.74	1.70	6.74	1.70	6.74	1.70
Short Term Debt	130,437,308	130,437,308	(380)	(25,858,248)	104,578,680	5.71	5.47	0.31	5.47	0.31	5.47	0.31
Deferred Revenue	77,670,075	77,670,075	0	(15,397,573)	62,272,502	3.40	5.46	0.19	5.46	0.19	5.46	0.19
Preferred Stock	30,728,000	30,728,000	(416,176)	(6,009,116)	24,302,708	1.33	5.75	0.08	5.75	0.08	5.75	0.08
Customer Deposits	52,390,453	52,390,453	0	(10,386,057)	42,004,396	2.29	5.85	0.13	5.85	0.13	5.85	0.13
Common Equity	1,085,501,475	1,085,501,475	(4,306,847)	(214,339,603)	866,855,025	47.33	10.75	5.09	11.75	5.56	12.75	6.03
Deferred Income Taxes	279,332,463	279,332,463	1,830,118	(55,738,601)	225,423,980	12.31	-	-	-	-	-	-
Deferred Tax - FAS 109	0	0	0	0	0	0.00	-	-	-	-	-	-
Tax Credits - Zero Cost	38,290	38,290	0	(7,591)	30,699	0.00	-	-	-	-	-	-
Tax Credits - Weighted Cost	56,126,574	56,126,574	(13,922)	(11,123,958)	44,988,694	2.46	9.29	0.23	9.93	0.24	10.57	0.26
<b>Total</b>	<b>\$ 2,294,933,382</b>	<b>\$ 2,294,933,382</b>	<b>\$ (10,793,848)</b>	<b>\$ (452,815,384)</b>	<b>\$ 1,831,324,150</b>	<b>100.00 %</b>		<b>7.73</b>		<b>8.21</b>		<b>8.70</b>

PAGE 2 OF 2

20. Please explain the pro rata adjustment over deferred revenues in Schedule 4 filed in response to Data Request No. 1.

A. By including deferred revenues in the capital structure, the Commission has determined that deferred revenues represent a source of capital for the company. A pro rata adjustment to a company's capital structure is designed to reconcile the capital structure to the rate base over all sources of funds.

Because funds are fungible, i.e., interchangeable, Tampa Electric can identify how funds were used but cannot identify which source of capital funded each particular asset. The amount that is being adjusted to reconcile Tampa Electric's capital structure to its rate base was supported by all of the company's capital, which includes funds from sources such as the company's commercial paper program, earnings that were retained, tax payments that have been deferred, a \$75 million tax-exempt long-term debt issue and the dollars that have been accounted for as deferred revenues.

Tampa Electric's adjustment to its capital structure over all sources of capital, including deferred revenues, is consistent with the pro rata methodology of reconciling the capital structure to rate base.

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Investigation into earnings for )  
1995 and 1996 of Tampa Electric )  
Company )**

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**Docket No. 950379-EI  
Filed: October 30, 1997**

**TAMPA ELECTRIC COMPANY'S  
ANSWERS TO  
DATA REQUESTS (NOS.14-20) OF THE  
FLORIDA PUBLIC SERVICE COMMISSION STAFF**

Tampa Electric files this its Answers to Informal Data Requests (Nos.14-20) propounded and served by U.S. Mail on October 20, 1997, by the Florida Public Service Commission Staff.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 14  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 2**

14. Please update the schedule provided in response to Data Request No. 1 (See Informal Data Request dated September 9, 1997 ) to include the effects of the FMPA and Lakeland sales separations as set forth in Order No. PSC-97-1273-FOF-EU, issues October 15, 1997, in Docket No, 970171-EU.
  - A. Please see attachment.

Data Request No. 14  
(SECOND REQUEST)

TAMPA ELECTRIC COMPANY  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS

SCHEDULE 4

DECEMBER 1996 (Filename - PSRD9614)

AVERAGE	System Per Books	Retail Per Books	Adjustments		Adjusted Retail	Ratio (%)	Low Point		MidPoint		High Point	
			Specific	Pro Rata			Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)
Long Term Debt	\$ 582,708,744	\$ 582,708,744	\$ (7,886,641)	\$ (114,286,461)	\$ 460,535,642	25.17 %	6.74	1.70	6.74	1.70	6.74	1.70
Short Term Debt	130,437,308	130,437,308	(380)	(25,933,545)	104,503,383	5.71	5.47	0.31	5.47	0.31	5.47	0.31
Deferred Revenue	77,670,075	77,670,075	0	(15,442,409)	62,227,666	3.40	5.46	0.19	5.46	0.19	5.46	0.19
Preferred Stock	30,728,000	30,728,000	(416,176)	(6,026,614)	24,285,210	1.33	5.75	0.08	5.75	0.08	5.75	0.08
Customer Deposits	52,390,453	52,390,453	0	(10,416,300)	41,974,153	2.29	5.85	0.13	5.85	0.13	5.85	0.13
Common Equity	1,085,501,475	1,085,501,475	(4,306,847)	(214,963,738)	866,230,890	47.33	10.75	5.09	11.75	5.56	12.75	6.03
Deferred Income Taxes	279,332,463	279,332,463	1,830,118	(55,900,906)	225,261,675	12.31	-	-	-	-	-	-
Deferred Tax - FAS 109	0	0	0	0	0	0.00	-	-	-	-	-	-
Tax Credits - Zero Cost	38,290	38,290	0	(7,613)	30,677	0.00	-	-	-	-	-	-
Tax Credits - Weighted Cost	56,126,574	56,126,574	(13,922)	(11,156,350)	44,956,302	2.46	9.29	0.23	9.93	0.24	10.57	0.26
<b>Total</b>	<b>\$ 2,294,933,362</b>	<b>\$ 2,294,933,362</b>	<b>\$ (10,793,848)</b>	<b>\$ (454,133,937)</b>	<b>\$ 1,830,005,597</b>	<b>100.00 %</b>		<b>7.73</b>		<b>8.21</b>		<b>8.70</b>

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 15  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 4**

15. Please update the schedule provided in response to Data Request No. 8 (See informal Data Request dated September 9, 1997) to include the effects of the FMPA and Lakeland sales separations as set forth in Order No, PSC-97-1273-FOF-EU, issued October 15, 1997, in Docket No. 970171-EU.
  - A. Please see attached.

TAMPA ELECTRIC COMPANY  
AVERAGE RATE OF RETURN  
RATE BASE  
DECEMBER 1996

	(1) Plant In Service	(2) Accumulated Depreciation & Amortization	(3) Net Plant In Service	(4) Property Held For Future Use	(5) Construction Work In Progress	(6) Nuclear Fuel (Net)	(7) Net Utility Plant	(8) Working Capital	(9) Total Rate Base
System Per Books	\$ 3,134,478,969	\$ (1,248,307,342)	\$ 1,886,171,627	\$ 51,395,487	\$ 312,101,388	\$ 0	\$ 2,249,668,502	\$ (18,492,049)	\$ 2,233,176,453
Less: Fuel and ECCR								(30,045,081)	(30,045,081)
Other								71,510,858	71,510,858
ECRC	(8,513,921)	418,812	(8,095,109)				(8,095,109)	(183,884)	(8,279,003)
Regulatory Base - System	3,125,965,048	(1,247,888,530)	1,878,076,518	51,395,487	312,101,388	0	2,241,573,393	24,789,832	2,266,363,225
Regulatory Base - Retail	2,892,183,395	(1,159,896,589)	1,732,286,806	48,445,959	309,424,971	0	2,090,157,736	23,513,310	2,113,671,046
FPSC Adjustments									
Fuel Inventory								(135,679)	(135,679)
CWIP					(309,424,971)		(309,424,971)		(309,424,971)
CWIP in Rate Base					34,092,292		34,092,292		34,092,292
Job Order Receivables								(1,476,005)	(1,476,005)
OUC Acquisition Book Value	(1,512,829)		(1,512,829)				(1,512,829)		(1,512,829)
OUC Acquisition Accumulated Amortization		373,766	373,766				373,766		373,766
OUC Acquisition Adjustment - Net	(5,582,023)		(5,582,023)				(5,582,023)		(5,582,023)
Total FPSC Adjustments	(7,094,852)	373,766	(6,721,086)	0	(275,332,679)	0	(282,053,785)	(1,611,884)	(283,665,449)
FPSC Adjusted	2,885,088,543	(1,159,522,823)	1,725,565,720	48,445,959	34,092,292	0	1,808,103,971	21,901,826	1,830,005,597
Pro Forma Revenue Increase and Annualization Adjustments:									
Total Pro Forma Adjustments	0	0	0	0	0	0	0	0	0
Pro Forma Adjusted	\$ 2,885,088,543	\$ (1,159,522,823)	\$ 1,725,565,720	\$ 48,445,959	\$ 34,092,292	\$ 0	\$ 1,808,103,971	\$ 21,901,826	\$ 1,830,005,597

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0185-FOF-EI by the Florida Public Service Commission staff and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.



TAMPA ELECTRIC COMPANY  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
DECEMBER 1996

	(1) Operating Revenues	(2) O & M Fuel & Net Interchange	(3) O & M Other	(4) Depreciation & Amortization	(5) Taxes Other Than Income	(6) Income Taxes Current	(7) Deferred Income Taxes (Net)	(8) Investment Tax Credit (Net)	(9) Gain/Loss On Disposition	(10) Total Operating Expenses	(11) Net Operating Income
System Per Books	\$ 1,112,885,383	\$ 432,125,530	\$ 229,695,245	\$ 120,151,958	\$ 86,966,265	\$ 68,422,814	\$ 7,800,426	\$ (4,661,248)	\$ (44,070)	\$ 940,256,720	\$ 172,628,663
Less: Recoverable Fuel	(427,007,845)	(421,453,231)			(298,533)	(2,138,928)				(423,890,692)	(3,117,153)
GPIF Revenues/Penalties	(88,619)				(74)	(34,156)				(34,230)	(54,389)
Recoverable ECCR	(19,169,468)		(19,176,275)		(11,996)	7,253				(19,181,018)	11,550
Recoverable ECCR - ROI	(210,141)				(136)	(81,009)				(81,145)	(128,996)
Recoverable ECRC	34,621		217,440	(229,839)	24	4,275				(8,100)	42,721
Recoverable ECRC ROI	(850,577)				38	(328,125)				(328,087)	(522,490)
Regulatory Base - System	665,593,354	10,672,299	210,736,410	119,922,119	86,655,588	65,851,924	7,600,426	(4,661,248)	(44,070)	496,733,448	168,859,906 (a)
Regulatory Base - Retail	634,180,538	10,081,805	202,961,978	112,495,816	83,946,625	62,604,808	7,130,068	(4,372,783)	(41,065)	474,807,052	159,383,484 (a)
FPSC Adjustments											
Industry Association Dues			(125,318)			48,342				(76,977)	76,977
Solaris and Waterfall			(11,223)			4,329				(6,894)	6,894
Stockholder Relations			(276,367)			106,609				(169,758)	169,758
Civic Club Meals			(3,512)			1,355				(2,157)	2,157
Franchise Fee Revenue and Expense	(20,573,750)				(20,643,106)	28,755				(20,816,353)	42,603
Gross Receipts Tax	(24,968,249)				(24,968,249)	0				(24,968,249)	0
Income Tax True-up						60,556				60,556	(60,556)
Opt Prov Revenue and Third Party Purcha	(856,111)	(856,111)				0				(856,111)	0
Job Order Revenues	(502,371)					(193,790)				(193,790)	(308,581)
Economic Development			(5,023)			1,938				(3,085)	3,085
OUC Acquisition Amortization				(242,293)		93,465				(148,828)	148,828
Total FPSC Adjustments	(46,900,481)	(856,111)	(421,444)	(242,293)	(45,611,357)	149,559	0	0	0	(46,981,646)	81,165
FPSC Adjusted	587,290,055	9,225,494	202,540,534	112,253,523	38,335,268	62,754,367	7,130,068	(4,372,783)	(41,065)	427,825,406	159,464,649
Pro Forma Revenue Increase and Annualization Adjustments:											
Total Pro Forma Adjustments	0	0	0	0	0	0	0	0	0	0	0
Pro Forma Adjusted	\$ 587,290,055	\$ 9,225,494	\$ 202,540,534	\$ 112,253,523	\$ 38,335,268	\$ 62,754,367	\$ 7,130,068	\$ (4,372,783)	\$ (41,065)	\$ 427,825,406	\$ 159,464,649

(a) The addition of earnings from AFUDC would increase the System NOI by \$22,869,033 and Jurisdictional NOI by \$22,672,921

Current Month Amount:											
System Per Books	\$ 87,620,920	\$ 33,050,376	20,150,012	\$ 9,375,707	\$ 6,573,086	\$ 2,284,669	\$ 3,060,633	\$ (388,441)	\$ (3,672)	\$ 74,132,370	\$ 13,488,550
Jurisdictional Per Books	\$ 50,988,093	1,277,782	17,573,492	8,806,733	6,352,635	2,041,973	2,877,723	(381,682)	(3,393)	\$ 38,565,263	\$ 12,422,830

The amount of the 1996 revenue refund as per FPSC Order No. PSC-96-0670-S-EI was \$1,898,590 for December 1996.

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI by the Florida Public Service Commission staff and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.

TAMPA ELECTRIC COMPANY  
AVERAGE RATE OF RETURN

SYSTEM ADJUSTMENTS  
DECEMBER 1996

Working Capital Adjustments	System
Fuel and ECCR	\$ (30,045,081)
Other	
Other Return Provided	58,008,798
Non Utility	3,118,599
Investor Funds	10,383,459
	\$ 71,510,856
	\$ (183,894)

Other Rate Base Adjustments	System	Retail
Fuel Inventory	\$ (144,270)	\$ (135,679)
CWIP	(312,101,388)	(309,424,871)
CWIP in Rate Base	34,170,578	34,092,292
Job Order Receivables	(1,476,005)	(1,476,005)
OUC Acquisition Book Value	(1,635,114)	(1,512,829)
OUC Acquisition Accumulated Amortization	402,121	373,766
OUC Acquisition Adjustment - Net	(6,033,230)	(5,662,023)
Total Adjustments	\$ (286,817,308)	\$ (283,665,449)

Income Statement Adjustments	System					Retail				
	Operating Revenue	Fuel and O & M	Taxes Other Than Income	Income Tax Effect	Gain/Loss on Disposition	Operating Revenue	Fuel and O & M	Taxes Other Than Income	Income Tax Effect	Gain/Loss on Disposition
<b>FPSC Adjustments</b>										
Industry Association Dues		(130,119)		50,193			(125,319)			48,342
Solaris and Waterfall		(11,653)		4,495			(11,223)			4,329
Stockholder Relations		(286,953)		110,692			(276,367)			106,609
Civic Club Meals		(3,646)		1,407			(3,512)			1,355
Franchise Fee Revenue and Expense	(20,573,750)		(20,643,108)	26,755		(20,573,750)		(20,643,108)		26,755
Gross Receipts Tax	(24,968,249)		(24,968,249)	0		(24,968,249)		(24,968,249)		0
Income Tax True-up				65,503						60,556
Opt Prov Revenue and 3rd Party Purchase	(856,111)	(856,111)		0		(856,111)	(856,111)			0
Job Order Revenues	(502,371)			(193,790)		(502,371)				(193,790)
OUC Acquisition Amortization		(258,288)		99,635			(242,293)			93,465
Economic Development		(5,215)		2,012			(5,023)			1,938
<b>Total FPSC Adjustments</b>	<b>(46,900,481)</b>	<b>(1,551,985)</b>	<b>(45,611,357)</b>	<b>166,902</b>	<b>0</b>	<b>(46,900,481)</b>	<b>(1,519,848)</b>	<b>(45,611,357)</b>	<b>149,559</b>	<b>0</b>
<b>Pro Forma Revenue Increase and Annualization Adjustments:</b>										
<b>Total Pro Forma Adjustments</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI by the Florida Public Service Commission staff and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 16  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 6**

16. Please update the schedule provided in response to Data Request No.10 (See informal Data Request dated September 9, 1997) to include the effects of the FMPA and Lakeland sales separations as set forth in Order No, PSC-97-1273-FOF-EU, issued October 15, 1997, in Docket No. 970171-EU.
  - A. Please see attached.

**TAMPA ELECTRIC COMPANY  
CALCULATION OF DEFERRED REVENUES PER STIPULATION  
DECEMBER 1996 - Revised for September Decision**

<u>LINE NO.</u>	<u>DESCRIPTION / REFERENCE</u>	<u>AMOUNT (\$000)</u>
1	FPSC ADJUSTED RATE BASE (ATTACHMENT 4)	\$1,830,007
2	ACHIEVED AVERAGE RATE OF RETURN (ATTACHMENT 4)	8.71%
3	REQUIRED AVERAGE RATE OF RETURN (ATTACHMENT 3)	<u>8.68%</u>
4	EXCESS/ (DEFICIENCY) IN RETURN	<u>0.03%</u>
5	NET OPERATING INCOME EXCESS/ (DEFICIENCY)	\$484
6	TAX RECIPROCAL (1-.38575)	<u>0.61425</u>
7	REVENUE EXCESS/ (DEFICIENCY)	789
8	1996 ACCRUED DEFERRED REVENUE (ATTACHMENT 2)	<u>34,200</u>
9	DEFERRED REVENUE TO EARN REQUIRED ROE	<u>\$34,989</u>

**TAMPA ELECTRIC COMPANY**  
**CALCULATION OF COST OF CAPITAL PER STIPULATION**  
**DECEMBER 1996 - Revised for September Decision**

LINE NO.	DESCRIPTION	REFERENCE	AMOUNT (\$000)	COST RATE	WEIGHTED COST RATES
Attachment 4					
1	LONG TERM DEBT		\$460,536	6.74%	1.70%
1a	DEFERRED REVENUE		62,228	5.46%	0.19%
2	SHORT TERM DEBT		104,504	5.47%	0.31%
3	PREFERRED STOCK		24,285	5.75%	0.08%
4	CUSTOMER DEPOSITS		41,974	5.85%	0.13%
5	COMMON EQUITY		866,231	12.69%	6.01%
6	DEFERRED INCOME TAXES		225,292	0.00%	0.00%
7	TAX CREDITS - ZERO COST		0	0.00%	0.00%
8	TAX CREDITS - WEIGHTED COST		44,956	10.54%	0.26%
9	TOTAL CAPITAL STRUCTURE		<u>\$1,830,007</u>		<u>8.68%</u>

TAMPA ELECTRIC COMPANY  
CALCULATION OF 1996 DEFERRED REVENUE  
Revised for September 23, 1997 Agenda Decision

PAGE 5 of 6

(In Thousands)

	(1) Total Jurisdictional Adjusted	(2) Separation of Lakeland/ FMPA	(3) Removal of OUC Transmission	(4) Income Tax True Up Adjustment	(5) Total Adjusted	(6) W/ Adjustment to Deferred Revenue
<b>Income Statement:</b>						
Operating Revenues	\$587,441	(\$151)	\$0	\$0	\$587,290	\$587,290
Adjustment to Deferred Revenue						(789)
Total Operating Revenues						586,501
<b>Operating Expenses:</b>						
Fuel & Net Interchange	9,225	0			9,225	9,225
O&M - Other	202,667	(126)			202,541	202,541
Depreciation	112,561	(65)	(242)		112,253	112,253
Taxes Other Than Income	38,359	(24)			38,335	38,335
Income Taxes - Current	63,402	(25)	94	(581)	62,890	62,586
Deferred Income Taxes (Net)	7,138	(8)			7,130	7,130
ITC (Net)	(4,377)	4			(4,373)	(4,373)
Gain/Loss on Disposal	(41)	0			(41)	(41)
Total Operating Expenses	428,934	(243)	(149)	(581)	427,961	427,657
Net Operating Income	\$158,506	\$93	\$149	\$581	\$159,329	\$158,845
<b>Rate Base:</b>						
Plant In Service	\$2,894,245	(\$2,062)	(\$7,095)		\$2,885,089	\$2,885,089
Accumulated Depreciation	(1,160,672)	775	374		(1,159,523)	(1,159,523)
Net Plant In Service	1,733,573	(1,286)	(6,721)	0	1,725,566	1,725,566
Property Held for Future Use	48,472	(26)			48,446	48,446
Construction Work In Progress	34,093	0			34,093	34,093
Net Utility Plant	1,816,138	(1,312)	(6,721)	0	1,808,105	1,808,105
Working Capital	21,913	(11)	0	0	21,902	21,902
Total Rate Base	\$1,838,051	(\$1,323)	(\$6,721)	\$0	\$1,830,007	\$1,830,007
Achieved NOI	\$158,506				\$159,329	\$158,845
Rate Base	\$1,838,051				\$1,830,007	\$1,830,007
Rate of Return	8.62%				8.71%	8.68%
<b>Weighted Cost Rates</b>						
Long Term Debt	1.76%				1.70%	1.70%
Deferred Revenue Refund	0.00%				0.19%	0.19%
Short Term Debt	0.32%				0.31%	0.31%
Preferred Stock	0.08%				0.08%	0.08%
Customer Deposits	0.14%				0.13%	0.13%
Tax Credits	0.25%				0.26%	0.26%
Subtotal	2.55%				2.67%	2.67%
Total	6.07%				6.04%	6.01%
Divided By Common Equity Ratio	49.00%				47.33%	47.33%
Jurisdictional Return on Equity	12.39%				12.75%	12.69%

TAMPA ELECTRIC COMPANY  
CALCULATION OF 1996 DEFERRED REVENUE  
Revised for September 23, 1997 Agenda Decision

PAGE 6 OF 6

(In Thousands)

	(1) Total Jurisdictional Adjusted (1)	(2) Separation of Lakeland/ FMPA	(3) Deferred Revenues	(4) Prorata	(5) Adjusted Balances
<b>Capital Structure:</b>					
<b>Balances:</b>					
Long Term Debt	\$574,822	\$0	\$0	(\$114,286)	\$460,536
Deferred Revenue	0	0	77,670	(15,442)	62,228
Short Term Debt	130,438	0	0	(25,934)	104,504
Preferred Stock	30,312	0	0	(6,027)	24,285
Customer Deposits	52,390	0	0	(10,416)	41,974
Common Equity	1,081,195	0	0	(214,963)	866,231
Def Tax - FAS 109	38	0	0	(8)	31
Tax Credits	56,113	0	0	(11,156)	44,956
Deferred Taxes	281,163	0	0	(55,901)	225,262
<b>Total Cost of Capital</b>	<b>\$2,206,470</b>	<b>\$0</b>	<b>\$77,670</b>	<b>(\$454,133)</b>	<b>\$1,830,007</b>

(1) Amounts per December 1996 Surveillance Report, Schedule 4 - FPSC Adjusted excluding Prorata.

**Ratios:**

Long Term Debt	26.05%	25.17%
Deferred Revenue	0.00%	3.40%
Short Term Debt	5.91%	5.71%
Preferred Stock	1.37%	1.33%
Customer Deposits	2.37%	2.29%
Common Equity	49.00%	47.33%
Def Tax - FAS 109	0.00%	0.00%
Tax Credits	2.54%	2.46%
Deferred Taxes	12.74%	12.31%

**Total Cost of Capital**

**100%**

**100%**

**Cost Rates:**

Long Term Debt	6.74%	6.74%
Deferred Revenue	0.00%	5.46%
Short Term Debt	5.47%	5.47%
Preferred Stock	5.75%	5.75%
Customer Deposits	5.85%	5.85%
Common Equity	11.75%	12.69%
Def Tax - FAS 109	0.00%	0.00%
Tax Credits	9.93%	10.54%
Deferred Taxes	0.00%	0.00%

**Wtd Cost Rates:**

Long Term Debt	1.76%	1.70%
Deferred Revenue	0.00%	0.19%
Short Term Debt	0.32%	0.31%
Preferred Stock	0.08%	0.08%
Customer Deposits	0.14%	0.13%
Common Equity	5.76%	6.01%
Def Tax - FAS 109	0.00%	0.00%
Tax Credits	0.25%	0.26%
Deferred Taxes	0.00%	0.00%

**Total Cost of Capital**

**8.31%**

**8.68%**

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 17  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 1**

17. Please explain how the Company accounts for the O&M expenses and property taxes associated with the Lake Agnes-Cane Island Transmission line. If these expenses are included in the retail jurisdiction, please provide the amounts for 1996.
  - A. The O&M expenses and property taxes associated with the Company's share of the Lake Agnes-Cane Island transmission line are included in the retail jurisdiction. The property taxes recorded in 1996 were \$47,167. The 1996 O&M of \$13,731 was billed and recorded on the Company's books in January 1997.



**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 18  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 2**

18. Please explain each of the adjustments listed under the Specific Adjustments column on Schedule 4 filed in response to Data Request No. 1.
  - A. Please see attached.

Specific adjustments for Schedule 4 on the Tampa Electric Company December 1996 Surveillance Report.

	<u>Dividends Declared</u>	<u>Coal Contract Buy-out</u>	<u>Employee Receivables</u>	<u>Non-Utility</u>	<u>Net Adjustment</u>
Long Term Debt	-	\$ (7,884,942)	\$ (1,699)	\$ -	\$ (7,886,641)
Short Term Debt	-	-	(380)	-	(380)
Preferred Stock	-	(416,086)	(90)	-	(416,176)
Common Equity	10,383,459	(14,687,141)	(3,165)	-	(4,306,847)
Deferred Income Taxes	-	-	-	1,830,118	1,830,118
Tax Credits - Weighted Average	-	-	-	(13,922)	(13,922)
Totals	<u>\$ 10,383,459</u>	<u>\$ (22,988,169)</u>	<u>\$ (5,334)</u>	<u>\$ 1,816,196</u>	<u>\$ (10,793,848)</u>

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
DATA REQUEST NO. 19  
FILED: OCTOBER 30, 1997  
PAGE 1 OF 2**

19. Please explain the difference between the balance of customer deposits shown on Schedule 4 filed in response to Data Request No. 1 and the balance of customer deposits shown on the Average Capital Structure of Schedule 4 of the December 1996 earnings Surveillance Report Summary Filed on February 17, 1997.
  - A. The balance of \$104,780,906 shown Data Request No. 1 should have been \$52,390,453 as shown on the Average Capital structure of Schedule 4 of the December 1996 Earnings Surveillance Report Summary filed on February 17, 1997. A revised copy of Data Request No. 1 reflecting this correction has been provided. Please note that the adjusted retail amount on the original schedule was correct.

Data Request No. 1  
Revised 10/24/97

TAMPA ELECTRIC COMPANY  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS

SCHEDULE 4

DECEMBER 1996 (Filename - PSRDC96Y)

AVERAGE	System Per Books	Retail Per Books	Adjustments		Adjusted Retail	Ratio (%)	Low Point		MidPoint		High Point	
			Specific	Pro Rata			Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)
Long Term Debt	\$ 582,708,744	\$ 582,708,744	\$ (7,886,641)	\$ (113,954,637)	\$ 460,867,466	25.17 %	6.74	1.70	6.74	1.70	6.74	1.70
Short Term Debt	130,437,308	130,437,308	(380)	(25,858,248)	104,578,680	5.71	5.47	0.31	5.47	0.31	5.47	0.31
Deferred Revenue	77,670,076	77,670,076	0	(15,397,573)	62,272,502	3.40	5.46	0.19	5.46	0.19	5.46	0.19
Preferred Stock	30,728,000	30,728,000	(416,176)	(6,009,116)	24,302,708	1.33	5.75	0.08	5.75	0.08	5.75	0.08
Customer Deposits	52,390,453	52,390,453	0	(10,366,057)	42,004,396	2.29	5.85	0.13	5.85	0.13	5.85	0.13
Common Equity	1,085,501,475	1,085,501,475	(4,306,847)	(214,339,603)	866,855,025	47.33	10.75	5.09	11.75	5.56	12.75	6.03
Deferred Income Taxes	279,332,463	279,332,463	1,830,118	(55,738,601)	225,423,980	12.31	-	-	-	-	-	-
Deferred Tax - FAS 109	0	0	0	0	0	0.00	-	-	-	-	-	-
Tax Credits - Zero Cost	38,290	38,290	0	(7,591)	30,699	0.00	-	-	-	-	-	-
Tax Credits - Weighted Cost	56,126,574	56,126,574	(13,922)	(11,123,958)	44,988,694	2.46	9.29	0.23	9.93	0.24	10.57	0.26
<b>Total</b>	<b>\$ 2,294,933,382</b>	<b>\$ 2,294,933,382</b>	<b>\$ (10,793,848)</b>	<b>\$ (452,815,384)</b>	<b>\$ 1,831,324,150</b>	<b>100.00 %</b>		<b>7.73</b>		<b>8.21</b>		<b>8.70</b>

20. Please explain the pro rata adjustment over deferred revenues in Schedule 4 filed in response to Data Request No. 1.
- A. By including deferred revenues in the capital structure, the Commission has determined that deferred revenues represent a source of capital for the company. A pro rata adjustment to a company's capital structure is designed to reconcile the capital structure to the rate base over all sources of funds.

Because funds are fungible, i.e., interchangeable, Tampa Electric can identify how funds were used but cannot identify which source of capital funded each particular asset. The amount that is being adjusted to reconcile Tampa Electric's capital structure to its rate base was supported by all of the company's capital, which includes funds from sources such as the company's commercial paper program, earnings that were retained, tax payments that have been deferred, a \$75 million tax-exempt long-term debt issue and the dollars that have been accounted for as deferred revenues.

Tampa Electric's adjustment to its capital structure over all sources of capital, including deferred revenues, is consistent with the pro rata methodology of reconciling the capital structure to rate base.

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Investigation into earnings for )  
1995 and 1996 of Tampa Electric )  
Company )**  
\_\_\_\_\_ )

**Docket No. 950379-EI  
Filed: October 30, 1997**

**TAMPA ELECTRIC COMPANY'S  
ANSWERS TO  
STAFF'S SECOND INFORMAL REQUEST  
FOR PRODUCTION OF DOCUMENTS (NOS. 5)  
IN DOCKET NO. 950379-EI**

Tampa Electric files this its Answers to Informal Production of Documents  
(Nos. 5 ) propounded and served by U.S. Mail on October 20, 1997, by the Florida  
Public Service Commission Staff.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
POD NO. 5  
FILED: OCTOBER 30, 1997**

5. In response to informal Production of Documents Request No. 4, the Company provided a schedule entitled "1995 Electric Utility Capital Structures". Please provide this same schedule updated for 1996.
- A. Please see attached.

1996 Electric Utility Capital Structures

Standard & Poors' Bond Rating	Electric Company	Debt	Preferred Stock	Common Equity	Common Equity Average Per Bond Rating
AA+	Wisconsin Electric Power	47.5%	0.9%	51.6%	52.2%
	Wisconsin Public Service	41.2%	6.0%	52.8%	
AA	NSP - Wisconsin	45.0%	0.0%	55.0%	53.5%
	Southern Indiana G&E	50.3%	3.1%	46.6%	
	Tampa Electric Company	39.9%	1.1%	59.0%	
AA-	Dayton Power & Light	44.1%	1.0%	54.9%	51.0%
	Duke Power	40.9%	7.3%	51.8%	
	Florida Power	41.6%	1.1%	57.3%	
	1, 2 Florida Power & Light	37.3%	4.2%	58.5%	
	Indianapolis P&L	44.7%	3.4%	51.9%	
	Kentucky Utilities	48.6%	3.2%	48.2%	
	3 Louisville G&E	47.0%	6.9%	46.1%	
	Northern States Power	48.3%	5.2%	46.5%	
	Otter Tail Power	49.6%	8.4%	42.0%	
	Union Electric Company	42.1%	4.9%	53.0%	
	A+	Baltimore G&E	51.3%	5.2%	
2 Alabama Power Company		45.7%	9.0%	45.3%	
1 Consolidated Edison		42.0%	3.1%	54.9%	
Georgia Power Company		42.5%	9.7%	47.8%	
Gulf Power Company		43.1%	9.7%	47.2%	
Massachusetts Electric		46.7%	5.6%	47.7%	
Mississippi Power		41.6%	9.5%	48.9%	
Narragansett Electric		44.0%	7.0%	49.0%	
1, 2 Pacific Gas & Electric		48.5%	4.7%	46.8%	
PS of Oklahoma		47.9%	2.1%	50.0%	
Southern California Ed.		49.6%	5.0%	45.4%	
3 SWEPCO	46.7%	3.4%	49.9%		
A	Carolina P&L	48.7%	2.6%	48.7%	45.5%
	Central P&L	48.2%	7.7%	44.1%	
	Delmarva Power & Light	50.2%	7.3%	42.5%	
	MDU Resources	49.7%	2.3%	48.0%	
	3 New England Power	46.7%	2.2%	51.1%	
	Northern Indiana PS	53.4%	5.7%	40.9%	
	PacificCorp	57.9%	4.8%	37.3%	
	Potomac Electric Power	50.9%	6.1%	43.0%	
	South Carolina E&G	48.7%	2.5%	48.8%	
	3 Southwestern Public Service	49.0%	0.0%	51.0%	
	Virginia Electric Power	46.2%	9.1%	44.7%	
	Washington Water Power	48.1%	7.2%	44.7%	
	3 West Texas Utilities	51.9%	1.1%	47.0%	
A-	Appalachian Power	53.0%	8.2%	38.8%	45.8%
	Central Hudson G&E	41.8%	6.2%	52.0%	
	Cincinnati G&E	52.4%	0.6%	47.0%	
	2 Columbus Southern Power	54.6%	4.3%	41.1%	
	Empire District	48.0%	7.0%	45.0%	
	3 Houston Lighting & Power	44.1%	1.9%	54.0%	
	Ohio Power	42.8%	5.6%	51.6%	
	Orange and Rockland	50.6%	5.1%	44.3%	
	Pennsylvania Electric	47.9%	7.2%	44.9%	
	1, 2 Pennsylvania P&L	50.1%	7.6%	42.3%	
	PSI Energy	48.7%	7.4%	43.9%	
	Public Service E&G	50.1%	6.5%	43.4%	
SCANA Corporation	50.3%	2.0%	47.7%		

1) Equity Ratio = Common Equity / (Long-Term Debt + Short-Term Debt + Capital Leases + Common Equity + Pfd./Pfc. Stock + Minority Interest)

2) Source: May 1997 Duff & Phelps Credit Rating Co. Comparative Statistics for Utilities

3) The following companies were in the prior report, but do not appear in the May 1997 Duff & Phelps report or October 1997 S&P report:  
IES Utilities, Kansas City P&L, Minnesota P&L, Sierra Pacific Power

4) Footnotes:

1 - From the October 1997 Standard & Poor's Global Utilities Credit Review

2 - Companies not included on prior report

3 - Companies that have been downgraded since prior report



**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Investigation into earnings for     )  
1995 and 1996 of Tampa Electric        )  
Company                                        )  
\_\_\_\_\_  )**

**Docket No. 950379-EI  
Filed: October 30, 1997**

**TAMPA ELECTRIC COMPANY'S  
ANSWERS TO  
STAFF'S SECOND INFORMAL REQUEST  
FOR PRODUCTION OF DOCUMENTS (NOS. 5)  
IN DOCKET NO. 950379-EI**

Tampa Electric files this its Answers to Informal Production of Documents  
(Nos. 5 ) propounded and served by U.S. Mail on October 20, 1997, by the Florida  
Public Service Commission Staff.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI  
POD NO. 5  
FILED: OCTOBER 30, 1997**

5. In response to informal Production of Documents Request No. 4, the Company provided a schedule entitled "1995 Electric Utility Capital Structures". Please provide this same schedule updated for 1996.
  - A. Please see attached.

46 Electric Utility Capital Structures

Standard & Poors' Bond Rating	Electric Company	Debt	Preferred Stock	Common Equity	Common Equity Average Per Bond Rating
AA+	Wisconsin Electric Power	47.5%	0.9%	51.6%	52.2%
	Wisconsin Public Service	41.2%	6.0%	52.8%	
AA	NSP - Wisconsin	45.0%	0.0%	55.0%	53.5%
	Southern Indiana G&E	50.3%	3.1%	46.6%	
	Tampa Electric Company	39.9%	1.1%	59.0%	
AA-	Dayton Power & Light	44.1%	1.0%	54.9%	51.0%
	Duke Power	40.9%	7.3%	51.8%	
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2) Source: May 1997 Duff & Phelps Credit Rating Co. Comparative Statistics for Utilities

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