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February 15, 2008

HAND DELIVERED



Ms. Ann Cole, Director Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Complaint No. 694187E by Cutrale Citrus Juices USA, Inc. against Tampa Electric Company for refusing to provide transformer ownership discount for electrical service provided through Minute Maid substation.

FPSC Docket No. 070733-EI

Dear Ms. Cole:

Enclosed for filing in the above-styled docket are the original and five (5) copies of Tampa Electric Company's Answers to the Florida Public Service Commission Staff's First Data Request Nos. 1-15), dated February 1, 2008.

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.

CMP	Sincerely,
COM	Am OBeca Com
CTR	James D. Beasley
(ECR)	James D. Beastey
GCL JDB/pp	
OPC Enclosures	
RCAcc: Lisa C. Bennett (w/enc.)	
SCR Robert P. Major, Esq. (w/enc.)	
SGA	BOCUMENT NUMPER-BATE
SEC	
OTH	01206 FEB 158
	FPSC-COMMISSION CLERK

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- 1. What costs, if any, were incurred by TECO to engineer and construct the Minute Maid Substation which is the subject of this complaint? In responding to this question, please give a detailed accounting of the costs.
- A. In 1984, the Minute Maid Substation was constructed at a cost of \$130,771.60 to Tampa Electric. The substation was originally designed with a 14 MVA substation transformer that was dedicated to the Coca Cola Foods/Minute Maid ("Coca Cola") plant. (See attached Page 2 of 3 for a detailed accounting of costs of the substation in 1984 based on Tampa Electric's continuing property records.)

In 1985, the 14 MVA transformer at the Minute Maid substation was replaced with a 22.4 MVA transformer in order to maintain reliability and provide additional capacity for the rapidly expanding Coca Cola facility. The transformer upgrade was completed at a cost of \$201,812.36. The original transformer was removed and returned to Tampa Electric's inventory as a spare transformer with a value of \$89,715.75. (See attached Page 3 of 3 for a detailed accounting of the costs associated with the substation transformer upgrade based on Tampa Electric's continuing property records.)

In 1987, modifications were made to the Minute Maid substation pursuant to an interconnection agreement between Tampa Electric Company and Coca Cola to accommodate the latter's new cogeneration operations for which the customer reimbursed the company. A breakdown of the costs associated with this interconnection is provided on Page 3 of 3. Please note that a large portion of the interconnection metering costs are associated with metering equipment installed at the customer's generator and not in the substation.

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1984 SUBSTATION CONSTRUCTION COST				
DESCRIPTION	QUANTITY	UNIT	INSTALLED COST	
POLE WOOD 30 FT	6	EA	\$2,668.74	
POLE WOOD 45 FT	2	EA	1,378.38	
SW AIR 15KV SPST	3	EA	2,027.61	
WIRE CU 4/0 1/C	432	LB	1,526.45	
WIRE CU 500M 1/C	310	FT	535.03	
CUTOUTS 100A 15KV	1	EA	145.63	
SUB-ARRESTER 12KV	3	EA	1,590.64	
CONDUIT PVC 1IN	30	FT	90.88	
CONDUIT PVC 1 1/2IN	20	FT	65.21	
CONDUIT PVC 2IN	30	FT	111.99	
TRANSF LINE 10KVA	1	EΑ	682.11	
FOUNDATIONS - CONCRETE 5 CY	1	CY	614.12	
GRADE ROCK & CLEARING - SUPERIOR PAVING	1	MS	3,875.68	
FENCE	50	FT	2,438.76	
WOOD STRUCTURE MISC SWITCH MATL - FUSE SMD-2B VERY	1	EA	658.52	
SLOW	3	EA	1,534.15	
SWITCH SPST - SW SPST 14.4 KV 1200A	3	EA	760.18	
RELAY AND CONTROL EQUIP AL JUNCTION	Ü		700.10	
вох	1	EΑ	150.80	
RELAY AND CONTROL EQUIP TRANSDUCER				
5A INPUT 1M	3	EA	486.58	
METERING EQUIP-METERS - AMMETER ADS-7				
2.5/5A	4	EA	1,665.06	
TELEMETERING - TRANSDUCER LATT/VAR #X	1	EA	1,254.80	
CONTROL CABLE	880	FT	621.34	
PANELS & CABINETS - BATTERY CABINET	1	EA	2,208.76	
BATTERY - BATT STA 50AH4	1	EA	2,801.00	
BATTERY CHRGER - C&D MOD. ARR48A/C6F3	1	EA	2,913.95	
MISC. BUS MATL - BUS CONN	20	EA	613.18	
MISC MATL SUBSTA - MISC LABOR AND OVHD	0	ML	4,229.05	
TRANSFORMER GE 14MVA	1	EA _	93,123.00	
		_	\$130,771.60	

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1985 SUBSTATION TRANSFORMER UPGRADE					
DESCRIPTION	QUANTITY	UNIT	INSTALLED COST		
TRANSFORMER GE 22.4MVA	1	EA	\$153,813.56		
TRANSFORMER (LABOR)	0	EΑ	21,109.78		
WIRE CU 2 1/C	137	FT	206.03		
WIRE CU 350M 1/C	55	FT	148.00		
WIRE CU 750M 1/C CIR BRKER 15 KV 1200 A - GE VACUUM	175	FT	769.40		
BRKER CIR BRKER 15 KV 1200 A - GE VACUUM	1	EA	14,700.00		
BRKER	0	EA	4,829.04		
SWITCH SPST	3	EA	1,440.11		
MISC. BUS MATL	22	EΑ	284.28		
CABLE 6 1/C DB	25	FT	174.24		
CONDUIT PVC 2IN	20	FT	150.15		
TELEMETERING	1	EA	4,190.77		
		=	\$201,815.36		
Returned to Inventory as Spare		_			
TRANSFORMER GE 14MVA	1	EA _	\$(89,715.75)		

1987 INTERCONNECTION WORK				
DESCRIPTION	INSTALLED COST			
Engineering and installation of substation facility addition and upgrading				
of 13 kV metering equipment	\$22,940.00			
Metering and Recording Equipment	32,954.00			
Relay and Control Work	16,275.00			
Communications - Telemetering and Supervisory Work	7,070.00			
	\$79,239.00			

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- 2. Were there any costs incurred by TECO for facilities related to the Minute Maid substation? If so, please provide a detailed accounting of the costs.
- A. Based on Tampa Electric's work order ledger, the following costs associated with the Minute Maid Substation were incurred by Tampa Electric: \$112,923.07 for construction of transmission lines to the Minute Maid Substation; \$17,833.45 for related distribution work; \$14,808.30 for communication back to the Tampa Electric's system operations center in Hillsborough County, \$12,370.37 for relay and controls work and \$4,304.05 for supervisory controls outside of the substation. A breakdown of these costs based on the work order ledger is provided on Page 2 of 4.

The ownership line between the Tampa Electric's Minute Maid Substation and the customer's facility is at the connectors on the dead-end structure in the substation on the load side of the substation breaker. The conductor connecting this point to the first customer pole outside of the substation is the customer's property; however, based on file notes found from the time period, Tampa Electric supplied the conductor (795 MCM) to the customer's pole as well as the insulators, cross-arm and connections. It is not clear - no records found - as to the cost of these facilities or whether Tampa Electric was reimbursed by the customer. See attached documentation on Pages 3 of 4 and 4 of 4.

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	Transmission	Distribution	Communications	Relay and Controls	Supervisory Controls
Operations Pay	\$23,776.96	\$5,741.75	\$4,214.31	\$3,413.33	\$355.00
Office Pay	2,817.08	151.61	6.19	179.02	84.35
Supervisor Pay	7,393.07	1,126.81	1,694.26	1,739.00	551.94
Ins and Pens	2,001.46	405.20	338.22	311.39	176.21
Paroll Taxes	2,381.06	479.16	410.24	382.44	207.55
Vehicles	12,402.22	3,047.04	2,097.03	669.09	327.17
Meals Major/ Minor	68.38	-	16.00	110.75	
Materials Materials	44,738.67	3,359.81	4,383.73	4,213.40	35.32
Adjustment	8,377.54	_	-		
Stores Clearance	2,434.82	379.75	627.79	274.80	2.17
Small Tools	862.70	210.26	110.20	130.59	80.34
A&G	5,251.86	1,239.32	838.33	789.20	465.55
AFUDC	417.25	69.36	72.00	157.36	18.45
Transformers	-	1623.38	-		
	\$112,923.07	\$17,833.45	\$14,808.30	\$12,370.37	\$2,304.05

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March 2, 1984

Mr. Harold R. Heath Coca-Cola Company P. O. Box 3216 Forest City, Florida 32751

Dear Harold,

I've enclosed 2 copies of the prints you requested. Everything is progressing well towards construction of the substation. As we discussed on the telephone, the ownership line between our equipment and the Coca-Cola equipment will be the connectors on the dead-end structure in the station on the load side of the station breaker (see cross-section D-D on the plan view of drawing H-609 sheet 1). The conductor (shown as 500 MCM copper) that connects section D-D to the first Coca-Cola pole outside the station will be the property of Coca-Cola. You should have this conductor made up on your pole and TECO will make the necessary connections on the station dead-end structure.

Also, as we discussed, the 13KV primary line belonging to Coca-Cola, which now crosses the substation boundary, should be relocated as soon as possible. Our substation crews will be starting structural construction in the next week or two.

Contact me if you have any conflicts or problems which might affect the progress of this project. We thank you for your cooperation.

Division Engineer Polk County District

GJL/mis

Enclosures-Prints

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3. Did TECO require Contribution In Aid of Construction (CIAC) for the construction of the Minute Maid (69/13.8 kV) Substation and any related facilities?

Α. No. Tampa Electric did not require CIAC for the original construction of the Minute Maid Substation or the subsequent substation transformer upgrade.

Tampa Electric did charge Coca Cola for the overtime labor costs that it incurred in order to meet the customer's aggressive timetable for completing the transformer upgrade during the customer's annual maintenance period and the "up and down" costs for the temporary power that was required to keep a portion of the Coca Cola facilities in-service during the upgrade. The overtime charges were estimated to be between \$3,000 and \$4,000. The total cost of the temporary metering and temporary distribution line was \$5,094.

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4. If the answer to question three (3) is yes, then who contributed and in what amounts? If the answer to question 2 is no, explain why CIAC was not charged?

A. Prior to building the substation in 1984, Tampa Electric was experiencing reliability issues related to the increasing load of the Coca Cola's facility. The plant had expanded to the point that its load exceeded Tampa Electric's planning criteria for a distribution circuit (i.e., 8 MVA). A dedicated substation was the best option for both the company, in terms of balancing load on its distribution system, and the customer in terms of service quality and reliability.

In 1985, Coca Cola revealed a two-year expansion plan in which the plant was expected to nearly double its connected load by the end of 1987. Tampa Electric chose to install a larger substation transformer to maintain reliability and provide additional capacity for the projected load growth at the facility. Although there are no records to confirm it, it is assumed that the projected revenue from the facility over four years would have been more than adequate to cover the costs of the upgrade and a CIAC was not required.

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5. What did TECO project to be its four years of annual revenues from Coca-Cola Foods/Minute Maid of the interconnection with the Minute Maid (69/13.8 kV) Substation?

A. Records from 1987 are no longer available to answer this question.

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What were the actual four years of annual revenues that TECO collected 6. from Coca-Cola Foods/Minute Maid?

Records from this period are no longer available to answer this question. Α.

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7. What would TECO's annual revenues have been over the first four years of operation if Coca-Cola Foods/Minute Maid had been given a discount of \$0.36 per kW of Supplemental Demand and \$0.32 per kW of Standby Demand?

A. Records from 1987 are no longer available to answer this question. However, in the Tariff Agreement for the Purchase of Firm Standby and Supplemental Service that the Coca Cola Foods entered into with Tampa Electric in 1987, the agreed upon normal supplemental demand was 6,000 kW and the appropriate backup amount for standby was 8,000 kW. Assuming that these demands had been achieved every month, annual revenues over four years would have been approximately \$226,560 less if the discounts had been applied.

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8. Has TECO provided service to other customers in its service area by constructing a dedicated substation, such that the input to the substation is 69kV or above and the output is 13.8kV or below?

A. Yes. Tampa Electric has provided service to five other customers in its service area by constructing dedicated substations, such that the input to the substation is 69kV or above and the output is 13.8kV.

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- 9. If the answer to question eight (8) is yes, then identify which tariff TECO applied to each customer and explain what, if any, amounts were charged for CIAC?
- A. Four of the customers are served under interruptible Rate Schedules IS-1 (1 customer), IST-1 (2 customers), and IS-3 (1 customer). Per Tampa Electric's interruptible tariffs, the transformer ownership discount is only applied to customers who furnish and install all subtransmission or higher voltage to utilization voltage substation transformation.

The fifth customer is served under Rate Schedule GSLDT and does not receive a transformer ownership discount because Tampa Electric did not avoid transformation costs associated with service to the customer.

Tampa Electric has found no records of CIAC charges to or payments from these customers related to the dedicated substations that serve them.

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10. Is it TECO's contention that TECO incurred 100 per cent of the transformation cost when it engineered and constructed the Minute Maid Substation?

A. Yes.

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If Cutrale purchased the Minute Maid (69/13.8 kV) Substation and related 11. facilities currently owned by TECO, would Cutrale be eligible for the transformer ownership discount?

If Cutrale purchased the Minute Maid (69/13.8 kV) Substation Α. Yes. currently owned by TECO, Cutrale would be eligible for the subtransmission voltage discount of 59¢ per kW for supplemental demand and 52¢ per kW for standby demand.

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TECO stated that Cutrale is also being served from TECO's Ariana 12. Substation, circuit 13279, is that correct? What is the transformation makeup of this substation and how many customers are being served off of circuit 13279?

Yes. Cutrale has facilities that are served from Tampa Electric's Ariana Α. Substation. The Ariana Substation contains two 69/13.8 kV transformers. The capacities of the east and west substation transformers are 20 MVA and 22.4 MVA, respectively. Ariana Circuit 13279, which originates from the west substation transformer, serves 513 customers.

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- **13.** What voltage level (s) is Cutrale being supplied from circuit 13279?
- A. Cutrale is served from Circuit 13279 at a delivery voltage of 13.2kV.

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Does TECO provide the transformation voltage to Cutrale from circuit 14. 13279? Explain.

No. For these specific primary-metered facilities, the customer-requested delivery voltage of 13.2 kV is provided directly from the distribution circuit, Ariana 13279. Tampa Electric did not need to install additional Α. transformation to serve these facilities.

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15. What were the reason (s) that TECO could not use the Ariana substation and (or) circuit 13279 in Coca-Cola Foods/Minute Maid's interconnection agreement?

A. The dedicated Minute Maid Substation had already been in service for over three years prior to Coca Cola Foods/Minute Maid ("Coca Cola") entering into the interconnection agreement with Tampa Electric in 1987. The substation was located on Coca Cola property in close proximity to the Coca Cola cogeneration facilities; had adequate capacity to provide standby service for Coca Cola's 8,000 kW generator; and was conveniently connected to the transmission grid should the customer become an exporter of energy in the future. Ariana Circuit 13279 was serving other customers in 1987 and would not have had adequate capacity for Coca Cola's 8.000 kW standby requirement since the additional load requirement would have exceeded Tampa Electric's distribution circuit planning criteria of 8 MVA. Interconnecting through the Ariana Substation would have been more costly if Tampa Electric had to increase substation capacity and/or build a dedicated circuit feeder to the Coca Cola plant.