

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Tampa Electric Company.

DOCKET NO. 080317-EI

FILED: August 25, 2008

**THE FLORIDA INDUSTRIAL POWER USERS GROUP'S
PETITION TO INTERVENE**

Pursuant to sections 120.569, .57, Florida Statutes, and rules 25-22.039, 28-106.201 and 28-106.205, Florida Administrative Code, the Florida Industrial Power Users Group (FIPUG), through its undersigned counsel, files its Petition to Intervene. In support thereof, FIPUG states

1. Name and address of agency. The affected agency is the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.

2. Name and address of Petitioner. The name and address of the Petitioner is:

Florida Industrial Power Users Group
c/o Anchors Smith Grimsley
118 North Gadsden Street
Tallahassee, Florida 32301
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3. Petitioner's representatives. Copies of all pleadings, notices, and orders in this docket should be provided to:

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4. Notice of docket. Petitioner received notice of this docket by a review of the Commission's website.

5. Statement of Substantial Interests. FIPUG is an ad hoc association consisting of industrial users of electricity in Florida. The cost of electricity constitutes a significant portion of FIPUG members' overall costs of production. FIPUG members require adequate, reasonably-priced electricity in order to compete in their respective markets.

6. In this case, the Commission will consider Tampa Electric Company's (TECo) requests for: a rate increase in excess of \$228 million increase, significant changes to a well-established cost of service methodology, changes to and elimination of rate classes, a return on equity in the double digits as well as a myriad of other issues related to TECo's earnings, rates and service offerings. The amount of the increase approved, if any, as well as cost of service methodology and rate class issues will affect FIPUG members' substantial interests by increasing their costs of electricity, thus affecting their production costs, their competitive posture, and their levels of employment. Thus, as customers of TECo, FIPUG's members' substantial interests will be affected in this docket.

7. FIPUG's interests are of the type that this proceeding is designed to protect. *See, Agrico Chemical Company v. Department of Environmental Regulation*, 406 So.2d 478 (Fla. 2nd DCA 1981). The purpose of the proceeding is to evaluate TECo's requests and

determine if any of the requests have merit. Thus, the purpose of the proceeding coincides with FIPUG's substantial interests, which is to ensure that the rates it pays to TECo are just and reasonable.

8. Disputed Issues of Material Fact. Disputed issues of material fact include, but are not limited to,¹ the following:

- a. Is TECo's requested rate increase just and reasonable?
- b. Is TECo's proposed return on equity reasonable, particularly in light of current economic conditions?
- c. What is the appropriate return on equity for TECo?
- d. Should TECo's request to eliminate the interruptible rate schedule be approved?
- e. Should the Commission continue to use the approved 12CP and 1/13 AD cost of service methodology?
- f. Is it appropriate to have one rate schedule for all demand billed customers?
- g. Is it appropriate for all customers to be on a firm rate?
- h. Does TECo's rate design proposal correctly assess the value of interruptible service?
- i. Has TECo properly valued the GSLM-1 and GSLM-2 credit?
- j. Should the Commission approve TECo's request for a Transmission Base Rate Adjustment (TBRA)?
- k. Should items currently recovered through adjustment clauses be moved to base rates?

9. Disputed Legal Issues. Disputed legal issues include, but are not limited to, the following:

¹ In a rate case, issues are generally delineated and refined in a number of issue identification meetings. Further, FIPUG is still in the process of receiving and reviewing appropriate documentation regarding TECo's filing and anticipates that there will be additional numerous disputed issues of material fact which the Commission will be required to resolve.

- a. Has TECo carried its burden of proof as to the return on equity it has requested?
- b. Has TECo carried its burden of proof to justify a change from the Commission's approved cost of service methodology?
- c. Has TECo carried its burden of proof regarding its request to eliminate the interruptible class of service?

10. Statement of Ultimate Facts Alleged. Ultimate facts include, but are not limited to, the following:

- a. The rate increase TECo seeks is unreasonable and should not be approved.
- b. The interruptible class of service should not be eliminated.
- c. All demand customers should not be included in one rate class.
- d. The appropriate cost of service methodology for TECo is the 12 CP and 1/13th methodology.

11. Rules and statutes justifying relief. The rules and statutes that entitle FIPUG to intervene and participate in this case include, but are not limited to:

- a. Section 120.569, Florida Statutes;
- b. Section 120.57, Florida Statutes;
- c. Section 366.041, Florida Statutes;
- d. Section 366.06, Florida Statutes;
- e. Rule 25-22.039, Florida Administrative Code;
- f. Rule 28-106.201, Florida Administrative Code;
- g. Rule 28-106.205, Florida Administrative Code.

12. Relief. FIPUG requests that it be permitted to intervene as a full party in this docket.

WHEREFORE, FIPUG requests that the Commission enter an order allowing it to intervene and participate as a full party in this docket.

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CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing The Florida Industrial Power Users Group's Petition to Intervene has been furnished by electronic mail and U.S. Mail this 26th day of August, 2008, to the following:

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