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August 11, 2009

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

Re: Petition for approval of solar energy power purchase agreement between Tampa Electric Company and Energy 5.0 LLC; FPSC Docket No. 090109-EI

Dear Ms. Cole:

This letter is furnished to supplement Tampa Electric Company's March 9, 2009 Petition in this docket. As part of the Federal Energy Regulatory Commission ("FERC") defined interconnection process and in response to a request for interconnection received from Energy 5.0 LLC, Tampa Electric recently completed an interconnection system impact study. This study was undertaken to confirm the feasibility of interconnection of the proposed 25 megawatt solar energy project and to identify what facilities are required and if any modifications or additions to the company's current transmission facilities are needed to accomplish network interconnection. The results of this study only recently became available.

The study confirmed the suitability of interconnection at the location and with the equipment proposed by the applicant but identified the need to upgrade a short (less than one mile) portion of the company's 69 kV network to achieve compliance with the reliability criteria. A preliminary estimate of the cost of the necessary upgrades could be as much as \$750,000. Under FERC guidelines these network upgrades would be the property of Tampa Electric. The expense associated with network upgrades was not considered in the economic evaluation which accompanied Tampa Electric's March 9 Petition. We have therefore revised certain of the economic evaluation portions of the exhibit submitted earlier.

Enclosed are the original and fifteen (15) copies each of Bates stamp pages 11, 12, 13 and 15 of Exhibit 1 to the company's Petition, each marked "Revised 8/11/2009." We would appreciate your circulating these revised pages to the recipients of the initial filing so that they may be substituted in place of the corresponding pages of that initial filing.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

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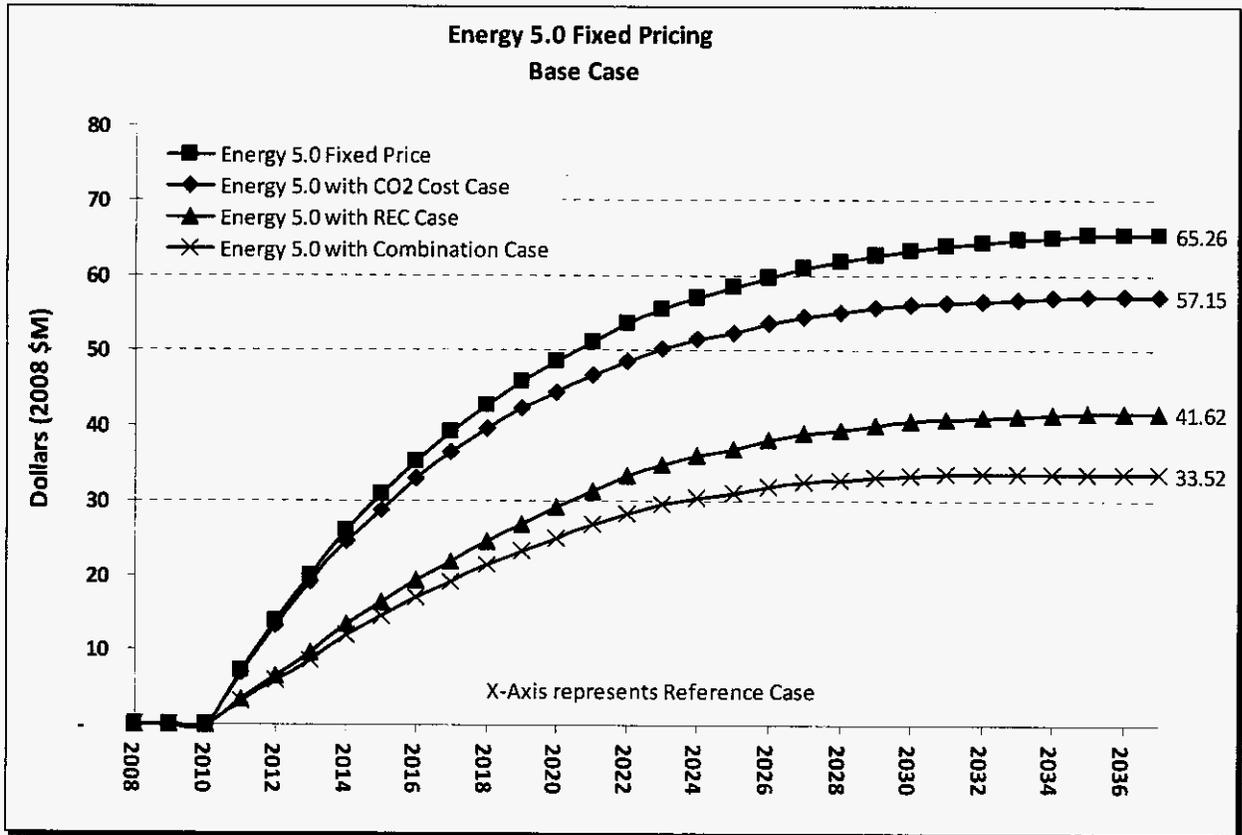
Thank you for your assistance in connection with this matter.

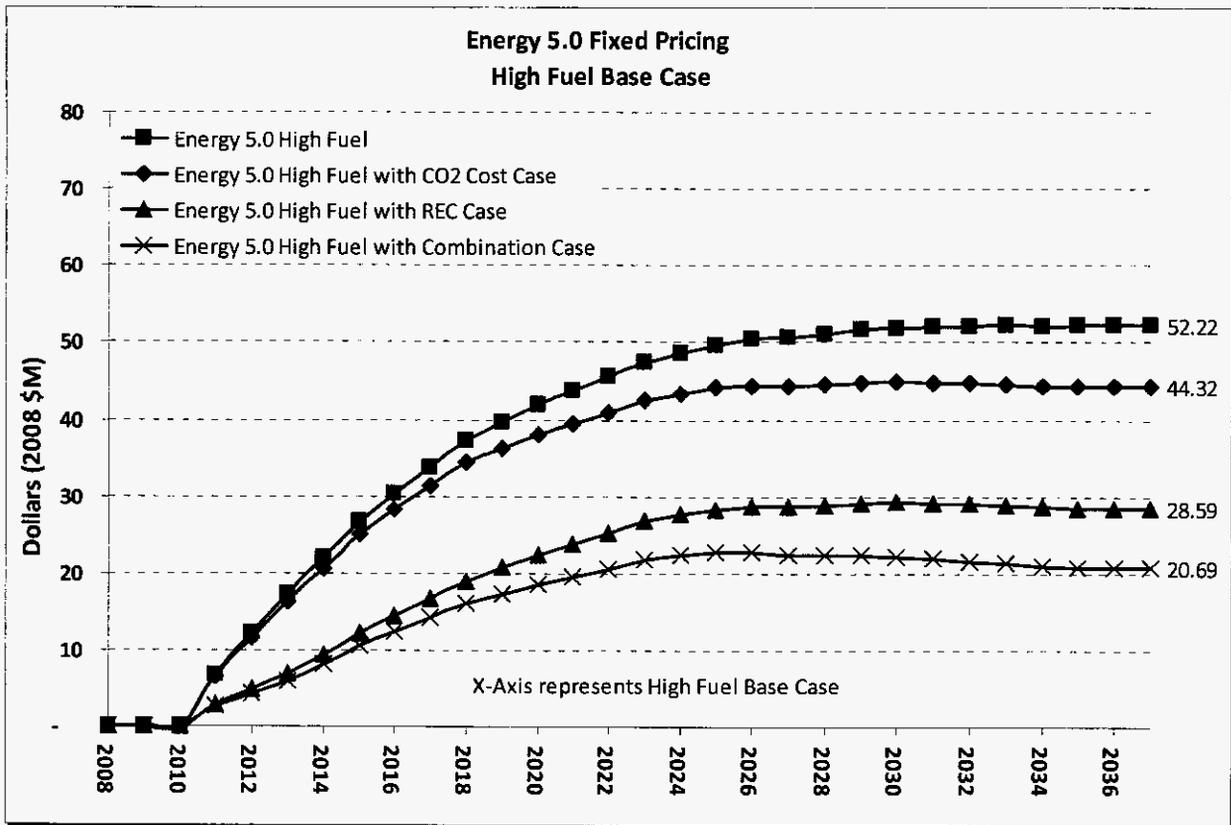
Sincerely,


James D. Beasley

JDB/pp
Enclosure

cc: Jean Hartman (w/enc.)
Paula K. Brown (w/enc.)





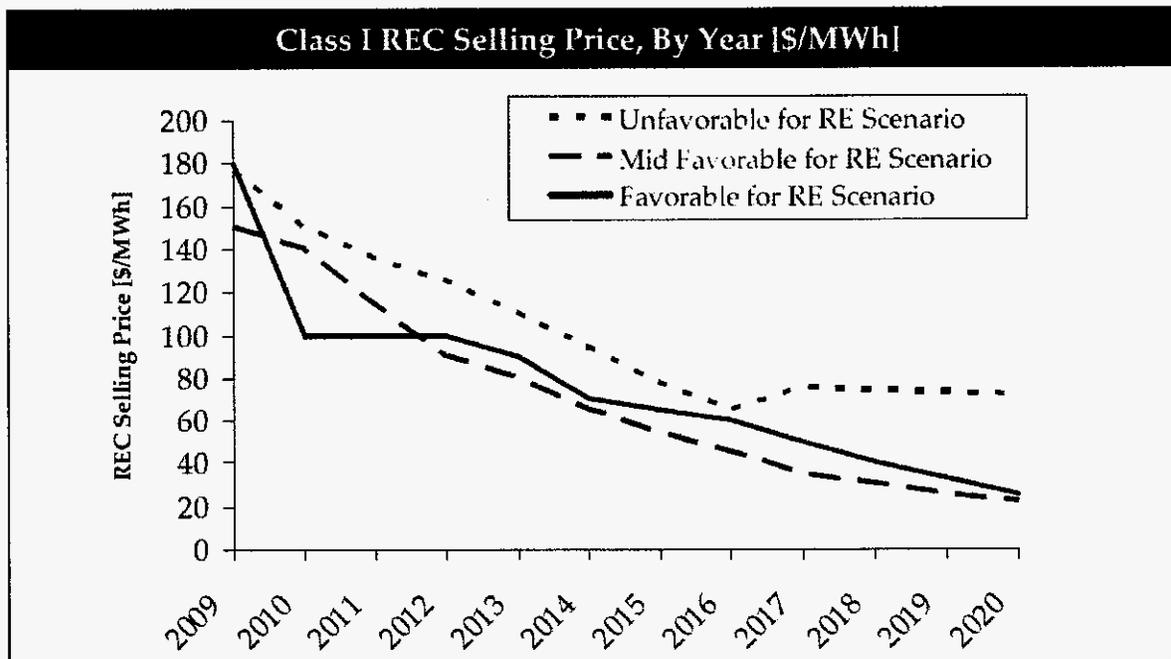
CO₂ Cost Case

For the CO₂ Cost Case, the only change was the addition of a CO₂ emissions penalty. Tampa Electric used the CO₂ pricing forecast from the Navigant Report, which states that a Greenhouse Gas Policy (“GHG”) that is favorable for Renewable Energy has CO₂ pricing initially at \$2/ton, scaling up to \$50/ton by 2020. Those costs were held constant at \$50/ton for all years beyond 2020.

In the analysis, the CO₂ emissions were calculated and penalized for the base case emissions as well as the change case emissions. The Energy 5.0 case offsets some generation, therefore reducing overall emissions and incurring less of a penalty. The savings equates to around \$8 million, which reduces the costs of the project to \$57 million and \$44 million, for the regular base and high fuel base cases, respectively.

REC Case

For the REC Case, the selling price for RECs was obtained from the Navigant Report, which has a REC value at \$100/MWh in 2009, de-escalating to \$25/MWh in 2020, and was held constant for the remaining years. When this value savings was applied to the Energy 5.0 case, it amounted to a savings of almost \$24 million over the base case. The total net present worth revenue requirements or "NPWRR" cost to customers decreased to \$42 million for the regular base case and \$29 million for the high fuel base case.



CO₂ Cost and REC Combination Case

This is a cumulative total of the two previous scenarios, and it shows the total NPWRR costs dropping to \$34 million and \$21 million for the two cases. This is the lowest cost scenario, assuming the Navigant values for REC and CO₂ Pricing.

New Jersey REC Case

An additional economic analysis was performed utilizing the Renewable Portfolio Standard ("RPS") that exists in east coast markets. New Jersey's RPS requires

The graph below depicts the results of the regular base case economic analysis with the various scenarios.

