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RECORDS AND  
REPORTING

January 14, 1999

ORIGINAL

Ms. Blanca S. Bayó, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0870

RE: Docket No. 950379-EI

Dear Ms. Bayó:

Enclosed is an original and fifteen copies of the Post-Hearing Statement of the Office of Public Counsel for filing in the above referenced file.

Also enclosed is a 3.5 inch diskette containing the Post-Hearing Statement of the Office of Public Counsel in WordPerfect for Windows 6.1. Please indicate receipt of filing by date-stamping the attached copy of this letter and returning it to this office. Thank you for your assistance in this matter.

RECEIVED & FILED

FPSC BUREAU OF RECORDS

Sincerely,

*John Roger Howe*  
John Roger Howe  
Deputy Public Counsel

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG 2
- LEG 1
- LIN 5
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1
- WAS \_\_\_\_\_

JRH/dsb  
Enclosures

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DOCUMENT NUMBER-DATE

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FPSC RECORDS/REPORTING

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

**ORIGINAL**

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

Docket No. 950379-EI  
Filed: January 14, 1999

**POST-HEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL**

The Citizens of the State of Florida, through the Office of Public Counsel, file their post-hearing statement of issues and positions.

**ISSUES AND POSITIONS:**

**ISSUE 1:** What is the appropriate cost rate to apply to deferred revenues in the capital structure?

**OPC:** \*Deferred revenues plus interest should be assigned a zero cost rate. To do otherwise would cause less revenues to be deferred than if no interest were required. Order No. 95-0580, which governed 1995's deferred revenues, is not applicable to 1996, which is governed by the First Stipulation.\*

**ISSUE 2:** What is the effect of assigning a zero cost rate to deferred revenues in the capital structure?

**OPC:** \*It gives customers the benefit of the bargain reached in the First Stipulation. It allows for deferral of earnings above prescribed limits plus accrued interest. A cost rate, however, would allow less than if the customers were not entitled to any interest at all.\*

**ISSUE 3:** What is the appropriate method to calculate the separation of the FMPA and City of Lakeland wholesale contracts from the retail jurisdiction for 1996?

**OPC:** \*The company has agreed to make the appropriate adjustments to fully separate these sales for 1996.\*

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FPSC-RECORDS/REPORTING

**ISSUE 4:** Has TECO properly calculated the amount of deferred revenues for 1996?

**OPC:** \*No. Tampa Electric did not advocate its own calculation, but merely endorsed the Commission's PAA order, which was not substantiated at the hearing. Deferred revenues should be \$24,596,416 plus interest. \*

Respectfully submitted,

JACK SHREVE  
Public Counsel



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John Roger Howe  
Deputy Public Counsel

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Attorneys for the Citizens  
of the State of Florida

**CERTIFICATE OF SERVICE  
DOCKET NO. 950379-EI**

I HEREBY certify that a copy of the foregoing POST-HEARING STATEMENT OF THE OFFICE OF PUBLIC COUNSEL has been served by \*hand delivery or U.S. Mail to the following parties of record on this 14th day of January, 1999.

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