## **AUSLEY & MCMULLEN**

ATTORNEYS AND COUNSELORS AT LAW

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OCCUPANA 3: 0

October 21, 2002

#### HAND DELIVERED

Ms. Blanca S. Bayo, Director Division of Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

> Fuel and Purchased Power Cost Recovery Clause with Generating Performance Re:

Incentive Factor; FPSC Docket No. 020001-EI

Dear Ms. Bayo:

Enclosed for filing in the above docket is the original and ten (10) copies of Tampa Electric Company's Request for Confidential Classification regarding answers to Staff's First Set of Interrogatories Nos. 6 and 25.

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.

Sincerely,

JDB/pp Enclosure

CMP COM

AUS

CAF

All Parties of Record (w/enc.)

MMS

DOCUMENT NUMBER - DATE

11430 OCT 218

FPSC-COMMISSION CLERK

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost Recovery	)	
Clause with Generating Performance Incentive	)	DOCKET NO. 020001-EI
Factor.	)	FILED: October 21, 2002
	)	

#### REQUEST FOR CONFIDENTIAL CLASSIFICATION

Tampa Electric Company ("Tampa Electric" or "the company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, hereby requests confidential classification of the highlighted information contained in Tampa Electric Company's answers to Staff's First Set of Interrogatories Nos. 6 and 25 (the "Confidential Information") which were filed on a confidential basis in the above docket on September 30, 2002, pursuant to a Notice of Intent to Seek Confidential Classification. Two public copies of the company's answers to Interrogatories Nos. 6 and 25 with the Confidential Information redacted are also enclosed with this request. In support of its request, Tampa Electric states as follows:

1. Subsection 366.093(1) provides that any records "found by the Commission to be propriety confidential business information shall be kept confidential and shall be exempt from s. 119.07(1) [requiring disclosure under the Public Records Act]." Proprietary confidential business information includes, but is not limited to "[i]nformation concerning . . . contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Subsection 366.093(3)(d). Proprietary confidential business information also includes "[i]nformation relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the

information." Section 366.093(3)(e). The Confidential Information falls within these statutory categories and, thus, constitutes propriety confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

- 2. Attached hereto as Exhibit "A" is a detailed justification for designating the Confidential Information proprietary confidential business information under the above-referenced statute and rule.
- 3. The material for which confidential classification is sought is intended to be and is treated by Tampa Electric as private and has not been disclosed.

WHEREFORE, Tampa Electric Company respectfully requests that the highlighted Confidential Information set forth in the company's answers to Interrogatories Nos. 6 and 25 be accorded confidential classifications for the reasons set forth above.

DATED this 21 31 day of October 2002.

Respectfully submitted,

LEE L. WILLIS

JAMES D. BEASLEY

Ausley & McMullen

Post Office Box 391

Tallahassee, Florida 32302

(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

#### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Request for Confidential

Classification has been furnished by U. S. Mail or hand delivery (\*) on this 21 day of October

2002 to the following:

Mr. Wm. Cochran Keating, IV\* Senior Attorney Division of Legal Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee,FL32399-0863

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ATTORNEY -

## JUSTIFICATION FOR CONFIDENTIAL TREATMENT OF HIGHLIGHTED PORTIONS OF TAMPA ELECTRIC COMPANY'S ANSWERS TO STAFF'S FIRST SET OF INTERROGATORIES NOS. 6 AND 25

### Interrogatory No. 6

The highlighted portions of Tampa Electric's answer to Interrogatory No. 6 disclose the marginal cost of the various system resources Tampa Electric relies on in meeting its total load, as well as the extent to which Tampa Electric relies on each resource. Public disclosure of this information would arm present and potential energy suppliers of Tampa Electric with information useful in negotiating a higher price for power supplied to Tampa Electric than might otherwise be the case. It would also disclose to Tampa Electric's wholesale competitors information with which to model Tampa Electric's system operations and thereby gain a competitive advantage over Tampa Electric with respect to potential wholesale sales opportunities. These results would harm the financial interests of Tampa Electric and drive up the cost of power to the retail customers served by Tampa Electric. As a consequence, the highlighted information in question is entitled to confidential treatment pursuant to Section 366.093, Florida Statutes. That Statute defines proprietary confidential business information to include, but be limited to:

- (d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.
- (e) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.

Public disclosure of the highlighted portions of Tampa Electric's answer to Interrogatory No. 6 would harm the competitive interests of Tampa Electric and impair the efforts of the company to

contract for goods and services on favorable terms. As such, the information is entitled to confidential protection.

### Interrogatory No. 25

If made public, the highlighted data set forth in lines 1 and 3 (all columns) in Tampa Electric's answer to Staff Interrogatory No. 25 would enable competitors and existing and potential customers of Tampa Electric's transportation affiliates to approximate the affiliates' transportation rates using other publicly available information. This would provide them with a competitive advantage (in the case of competitors) or, in the case of present and potential transportation customers, a lower price than the customer might otherwise be willing to pay. This would harm the competitive and economic interests of Tampa Electric's affiliates and ultimately Tampa Electric's retail customers. Consequently, the information in question is entitled to confidential treatment pursuant to Section 366.093 which provides that proprietary confidential business information includes, but is not limited to:

- (d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.
- (e) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.

The remaining highlighted information in Tampa Electric's answer to Staff Interrogatory No. 25 discloses Tampa Electric's costs in detailed categories of the type Tampa Electric does not make public and which Tampa Electric believes would harm its competitive interests and ultimately disadvantage its retail ratepayers. Tampa Electric's competitors in the wholesale power market and its present and potential customers in that market could utilize this degree of detail together with other publicly filed information to more effectively compete against Tampa

Electric for wholesale sales or, in the case of present and potential customers, to negotiate a better price than they might otherwise be willing to pay. As such, the detailed information contained in Tampa Electric's answer to Interrogatory No. 25 is entitled to protection pursuant to Section 366.093 which provides that proprietary confidential business information includes, with is not limited to:

- (d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.
- (e) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.

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- 6. For each hour referenced in response to Staff's Interrogatory No. 3, provide the following information for each resource in ascending order of marginal cost that Tampa Electric dispatched to meet its total load.
  - a. Name of system resource
  - b. Output of system resource; and
  - c. Marginal cost of system resource

For purposes of this Interrogatory, a system resource can include, but is not limited to Tampa Electric's generating units; a wholesale energy purchase; interruptible or curtailable load; and dispatchable load management.

A. In 2001, Tampa Electric Company replaced its Energy Management System, the company's primary source of data for generator MWH output on an hourly basis. Many of the database values were compromised in the transition to the new system. Therefore, the attached tables contain Tampa Electric's best estimates of the hourly unit output and the marginal costs associated with the estimated output values.

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01/05/2001 HE 7:00 Output Marginal MWH Cost **Generating Unit** BB 1 BB 2 BB3 BB 4 BBP1 **BBP2** BBP3 GA 1 GA 2 GA3 GA 4 GA 5 GA 6 HCC1 HCC2 HDCT 2B HP 1 HP 2 HP3 HP 4 HP 5 PH 1 PH 2 **PKCT POLK PSCOT** Wholesale Energy Purchases Sell Co. **FPL FPL** PLK **KET** FPL OKE Cogen As-available Firm Orange Co Wheeled Interruptible DSM

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01/05/2001 HE 8:00 Output Marginal MWH Cost **Generating Unit** BB 1 BB 2 **BB 3 BB 4** BBP1 BBP2 BBP3 GA 1 GA 2 GA 3 GA4 GA 5 GA 6 HCC1 HCC2 HDCT 2B HP 1 HP<sub>2</sub> HP<sub>3</sub> HP 4 HP 5 PH 1 PH 2 **PKCT** POLK **PSCOT** Wholesale Energy Purchases Sell Co. **KET PLK FPL** OKE PLK OKE Cogen As-Available Firm Orange Co Wheeled Interruptible DSM

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01/05/2001 HE 9:00 Output Marginal MWH Cost **Generating Unit** BB 1 BB 2 BB3 BB 4 BBP1 BBP2 BBP3 GA 1 GA2 GA3 GA 4 GA 5 GA 6 HCC1 HCC2 HDCT 2B HP 1 HP 2 HP3 HP 4 HP 5 PH 1 PH 2 **PKCT** POLK **PSCOT** Wholesale Energy Purchases Sell Co. **KET** PLK CRGL FPL OKE PLK FPL Cogen As-available Firm Orange Co Wheeled Interruptible **DSM** 

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01/10/2001 HE 7:00	Output MWH	Marginal Cost
Generating Unit BB 1 BB 2 BB 3 BB 4 BBP1 BBP2 BBP3 GA 1 GA 2 GA 3 GA 4 GA 5 GA 6 HCC1 HCC2 HDCT 2B HP 1 HP 2 HP 3 HP 4 HP 5 PH 1 PH 2 PKCT POLK PSCOT		
Wholesale Energy Sell Co.	/ Purchases	
CRGL FPL KET PLK KET KET APC FPL OKE		

Note: Tampa Electric does not have a marginal cost estimate associated with interruptible and DSM.

Cogen As-available Firm Orange Co Wheeled

Interruptible DSM

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01/10/2001 HE 8:00 Output Marginal **MWH** Cost **Generating Unit** BB 1 BB 2 BB 3 BB 4 BBP1 BBP2 BBP3 GA 1 GA 2 GA 3 GA 4 GA 5 GA 6 HCC1 HCC2 HDCT 2B HP 1 HP 2 HP3 HP 4 HP 5 PH 1 PH 2 **PKCT** POLK **PSCOT** Wholesale Energy Purchases Sell Co. APC CRGL **FPL** KET PLK KET **KET** APC FPL OKE OKE Cogen As-available Firm Orange Co Wheeled Interruptible **DSM** 

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HE 15:00 Output Marginal MWH Cost **Generating Unit** BB 1 BB 2 BB3 BB 4 BBP1 BBP2 BBP3 GA 1 GA2 GA3 GA 4 GA 5 GA 6 HCC1 HCC2 HDCT 2B HP DG HP 1 HP 2 HP 3 HP 4 HP 5 PH 1 PH 2 **PKCT POLK PSCT** Wholesale Energy Purchases Sell Co. POU DETM EKT PLK TEA **DETM** TEA APC POU Cogen As-available Orange Co

08/17/2001

Note: Tampa Electric does not have a marginal cost estimate associated with interruptible and DSM.

Wheeled

Interruptible DSM

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08/28/2001 16:00 Output Marginal **MWH** Cost **Generating Unit** BB 1 BB 2 **BB** 3 BB 4 BBP1 BBP2 BBP3 GA 1 GA 2 GA<sub>3</sub> GA4 GA 5 GA 6 HCC1 HCC2 HDCT 2B HP DG HP 1 HP 2 HP 3 HP 4 HP 5 PH 1 PH 2 **PKCT POLK PSCT** Wholesale Energy Purchases Sell Co. FPL APC COR **EKT** FPL COR **EKT** TEA APC COR FPL POU Cogen As-available Firm Orange Co Wheeled Interruptible DSM

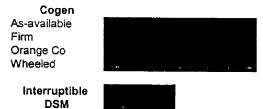
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08/28/2001 17:00 Output Marginal MWH Cost **Generating Unit BB 1** BB 2 BB 3 BB 4 BBP1 BBP1 BBP3 GA 1 GA2 GA 3 GA 4 GA 5 GA 6 HCC1 HCC2 HDCT 2B HP DG HP 1 HP 2 HP 3 HP 4 HP 5 PH 1 PH 2 **PKCT** POLK **PSCT** 

# Wholesale Energy Purchases Sell Co.

FPL
APC
COR
EKT
FPL
COR
EKT
TEA
APC
COR
FPL
POU



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08/29/2001		
15:00	Output MWH	Marginal Cost
Generating Unit		
BB 1		
BB 2		
BB 3		
BB 4		·
BBP1		
BBP2		
BBP3		
GA 1		
GA 2		
GA 3		
GA 4		
GA 5		:
GA 6	4	
HCC1		
HCC2		
HDCT 2B	1	
HP DG		
HP 1		
HP 2		
HP 3		
HP 4		
HP 5		
PH 1		
PH 2		
PKCT		
POLK		
PSCT		
Wholesale Energy	y Purchases	
Sell Co.		
FPC		
DETM		
APC		
TAL		
RES		
OKE		
FPL		
RES		
Cogen		
As-available		
Firm		
Orange Co		
Wheeled		
Interruptible		
DSM		

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08/29/2001 16:00 Output Marginal MWH Cost

**Generating Unit** BB 1 BB 2 BB3 BB 4 BBP1 BBP2 BBP3 GA 1 GA2 GA3 GA4 GA 5 GA<sub>6</sub> HCC1 HCC2 HDCT 2B HP DG HP 1 HP 2 HP 3 HP 4 HP 5 PH 1 PH 2 **PKCT POLK PSCT** 

#### Wholesale Energy Purchases

Sell Co.
FPC
DETM
APC
TAL
RES
OKE
FPL
FPC
RES



DSM

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**25.** Please provide the information necessary to complete the following table.

Fuel Costs Eligible for Recovery through Fuel Clause per Order No. 14546				
(\$000)	2000	2001	2002	2003
Invoice fuel price,				
including any revisions		:		
Quality and/or quantity				
adjustments to invoice				
price				
Transportation charges to				
utility system				
Federal and state taxes				
Purchasing agents				
commissions				
Port charges				
Independent quantity				
and/or quality inspections				
Additives blended with				
fuel prior to burning or				
injected into the boiler				
firing chamber with fuel			-	
Inventory adjustments				
due to volume and/or				
price adjustments				
TOTAL				

A. The following table contains the requested information. Since the information requested is based on invoice information rather than consumption, the totals shown here will not equal the totals shown on Tampa Electric's A or E fuel schedules.

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Fuel Costs Eligible for Recovery through Fuel Clause per Order No. 14546				
(\$000)	2000	2001	2002	2003 (3)
Invoice fuel price, including any revisions				
Quality and/or quantity adjustments to invoice price				
Transportation charges to utility system	(2)	(2)	(2)	(2)
Federal and state taxes	(1) & (2)	(1) & (2)	(1) & (2)	(1) & (2)
Purchasing agents' commissions				
Port charges				
Independent quantity and/or quality inspections				
Additives blended with fuel prior to burning or injected into the boiler firing chamber with fuel				
Inventory adjustments due to volume and/or price adjustments				
TOTAL	343,966	376,939	409,492	71,135

#### Notes

- (1) Fuels used to run power plants are exempt from state sales tax.
- (2) Taxes may be embedded in the price charged by vendors for transportation of fuel.
- (3) 2003 projection values are preliminary.