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December 29, 2003

### HAND DELIVERED

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

Re: Review of Tampa Electric Company's waterborne transportation contract with TECO Transport and associated benchmark; FPSC Docket No. 031033-EI

Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and fifteen (15) copies of Tampa Electric's Reply to Joint Motion to Establish Appropriate Hearing Schedule.

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.

Sincerel

LLW/pp Enclosures

cc: All Parties of Record (w/encls.)

SCOTMEN. ALMERICA-DATE

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### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Tampa Electric Company's	)	
Waterborne transportation contract with	)	DOCKET NO. 031033-EI
TECO Transport and associated benchmark.	) .	FILED: December 29, 2003
•	)	

## TAMPA ELECTRIC'S REPLY TO JOINT MOTION TO ESTABLISH APPROPRIATE HEARING SCHEDULE

Tampa Electric Company ("Tampa Electric" or "the Company") by and through its undersigned attorneys file this its response in opposition to Office of Public Counsel's ("OPC") and Florida Industrial Power Users Group ("FIPUG") (collectively "Intervenors") "Joint Motion to Establish an Appropriate Hearing Schedule" and says:

- 1. An appropriate schedule has already been set in this matter and there is no basis for further delay. The schedule set out in Order No. PSC-03-1398-PCO-EI ("Order 1398") on December 11, 2003, providing a delay of 162 days from the date of the Commission's vote to effect a delay, is more than fair to the Intervenors in this case.
- 2. The separation of this matter from the 2003 fuel adjustment proceeding was determined on November 3, 2003. The motion made by Commissioner Davidson and approved 5-0 by the Commission on November 3, 2003 was stated as follows:

I move we defer the items to a separate proceeding to be had as soon as possible, as determined by our existing chair or our new chair . . . in conjunction with the prehearing officer. (Emphasis supplied.)

\* \* \* \* \*

Commissioner Jaber responded as follows:

Staff will you work with the prehearing officer on establishing a schedule for this part of the proceeding and my office on a new hearing?

Mr. Keating:

Yes. (Tr. 52-53)

- 3. The result of that coordination was Order 1398 establishing a CASR with the hearing set for April 13-14, 2004.
- 4. This action provided a delay of 162 days from the day of the vote to the day of the hearing or almost half a year. This is more than ample time for Intervenors to prepare.
- 5. This time frame is compatible with all of the discussion at the November 3 Agenda. For example, Commissioner Deason stated:
  - I believe that a six-month delay is within the range of reasonableness, something within that time period and I do endorse trying to do it before the next fuel hearing. (Tr. 54) (Emphasis supplied.)
- 6. The schedule set out in Order 1398 is extremely favorable to Intervenors because they have had most of Tampa Electric's testimony since October 2003 and have already conducted extensive discovery on the issues that were deferred from the November 2003 fuel adjustment hearing, including depositions, interrogatories and document production.
- 7. Intervenors and Staff will have had the essence of Tampa Electric's direct case for approximately five months <u>before their testimony is due</u> on March 1, 2004 and March 11, 2004, respectively. Tampa Electric on the other hand has been given only thirteen days after Staff's direct testimony is filed and twenty-three days after Intervenor's testimony is filed to file its rebuttal testimony. The Company is committed to meeting this schedule.
- 8. Intervenor's statement in its motion that "at this point TECO has all the information pertinent to this case, has had it since the fuel adjustment proceeding, and is unwilling to provide it" is plainly and obviously false in view of Tampa Electric's prefiled

testimony in the fuel proceeding and the extensive discovery which has already taken place on this issue.

- 9. There is nothing whatsoever stopping any Intervenor from hiring any expert it chooses or from developing its own model and evidence to present in this case.
- 10. Under a normal schedule, Intervenors would be seeing Tampa Electric's direct case for the first time when it files its direct testimony and would <u>begin</u> its discovery then. This is in stark contrast to this proceeding in which Intervenors have had an extensive head start.
- 11. All Intervenors have to do is to use the ample time the Commission has provided in this matter to prepare rather than continuing to ask for additional and unreasonable delay.
- 12. Intervenor's contention that the schedule does not provide an effective point of entry is frivolous and should be summarily rejected. A far shorter time could have been provided. The Florida Statutes provides for far shorter time periods for other types of hearings. For example, in a determination of need proceeding for a power plant, the notice of hearing is required to be published only forty-five days prior to the scheduled date for the hearing. See Section 403.519, Florida Statutes. Power plants require an investment far beyond the amount in controversy here and have a service life of thirty to forty years.
- 13. Tampa Electric will be prejudiced by any additional delay because it has borne the brunt of vicious and false comments to news media, in trade journals, anonymous letters to the governor's office and legislative leaders and similar attacks. It is unknown at this time who the real parties of interest are behind all this, whether it is a competing transportation provider or someone else with a competitive or vindictive motive. However, there is a great deal of frustration in dealing with the innuendo and outright false statements which have been advanced from these sources.

a. The Commission in its order deferring the coal transportation issues from the fuel adjustment proceeding to a separate proceeding recognized Tampa Electric's concerns saying:

Second, we are sympathetic to Tampa Electric's concerns over misinformation being publicly disseminated. Our Staff has indicated that, based on its review of the confidential rate information filed by Tampa Electric in this docket and some of the information publicly disseminated, some of the publicly disseminated statements appear to be based on erroneous assumptions. Certainly, such statements have the potential to impact Tampa Electric's customer relations.

- b. Tampa Electric is entitled to have these issues resolved rather than remaining a continuing target for further undeserved, unwarranted and unsubstantiated vilification.
- c. The longer that issues relating to Tampa Electric's waterborne coal transportation costs are left unresolved, the greater the repercussions this delay will have on Tampa Electric's financial integrity. Postponing the resolution of these long-standing issues will continue to place a dark cloud of uncertainty over Tampa Electric which can adversely impact the Company's standing with the customers it serves.
- d. There is very real truth in the statement that justice delayed is justice denied. Here the issues have been joined for some time and the Intervenors have been afforded extensive discovery, due process and preparation time.
- 14. In summary, Order 1398 fairly balances the interests of Intervenors and provides more than adequate time to prepare. Any additional delay would be unfair and unwarranted.

WHEREFORE Tampa Electric requests that an order be entered denying the Joint Motion filed by Intervenors on December 22, 2003 in this docket.

# DATED this 29th day of December 2003.

Respectfully submitted,

LEF L' WILLIS

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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Tampa Electric's Reply to Joint Motion to Establish Appropriate Hearing Schedule, filed on behalf of Tampa Electric Company, has been furnished by U. S. Mail or hand delivery (\*) on this 29th day of December 2003 to the following:

Mr. Wm. Cochran Keating, IV\* Senior Attorney Division of Legal Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0863

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