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January 6, 2004

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

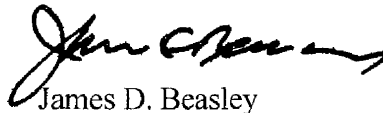
Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and fifteen (15) copies of Tampa Electric Company's Request for Confidential Classification of one piece of information contained in answer to Staff's First Set of Interrogatories (No. 7).

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,



James D. Beasley

JDB/pp
Enclosure

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

DOCUMENT NUMBER - DATE

00166 JAN-6 3

FPSC-COMMISSION CLERK

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: January 6, 2004
_____)

**TAMPA ELECTRIC COMPANY'S
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 one piece of information contained in Tampa Electric's answers to First Set of Interrogatories (Nos. 1-7) of the Florida Public Service Commission Staff, and as grounds therefor, says:

1. In its answers to Staff's First Set of Interrogatories (Nos. 1-7) Tampa Electric restates the interrogatory but redacts in a single location in the restatement of that interrogatory a bidder's identity. This appears on line 3 of the restatement of Interrogatory No. 7.

2. Tampa Electric's justification for confidential treatment of the redacted identity is that the information discloses the identity of a coal transportation contract bidder. Public disclosure of this information would harm the competitive interests of TECO Transport and would also compromise Tampa Electric's competitive position in future efforts to negotiate waterborne transportation services. Disclosing bidders' identities would discourage those bidders from participating in future RFPs, as they do not desire for their competitors to have knowledge as to the contracts they bid on. Consequently, public disclosure of the information in question would adversely affect the competitive interests of TECO Transport and the ability of Tampa Electric to contract for goods and services on favorable terms. As such, the information


in question is entitled to confidential protection under Section 366.093(d) and (e), Florida Statutes.

3. Tampa Electric is separately filing under a confidential information transmittal letter a single confidential version of its answer to Staff's Interrogatory No. 7 with the confidential information highlighted in yellow. Attached hereto as Exhibit "A" are two redacted copies of Tampa Electric's answer to Interrogatory No. 7.

WHEREFORE, Tampa Electric submits the foregoing in support of its request to confidential treatment of the highlighted information set forth in the company's answer to Staff's Interrogatory No. 7 in the above proceeding.

DATED this 6th day of January 2004.

Respectfully submitted,



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(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Request for Confidential Classification, filed on behalf of Tampa Electric Company, has been furnished by U. S. Mail or hand delivery (*) on this 6th day of January 2004 to the following:

Mr. Wm. Cochran Keating, IV*
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ATTORNEY

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**TAMPA ELECTRIC COMPANY
DOCKET NO. 031033-EI
STAFF'S 1st SET OF INTERROGATORIES
INTERROGATORY NO. 7
PAGE 1 OF 1
FILED: JANUARY 6, 2004**

7. On pages 22-28 of Joann Wehle's rebuttal testimony, filed October 30, 2003, in Docket No. 030001-EI, Ms. Wehle describes costs that she believes were omitted from the comparison of ██████'s response to Tampa Electric's RFP and the price negotiated between Tampa Electric and TECO Transport for 2004-2008 that was set forth in the testimony of William B. McNulty, filed October 23, 2003, in the same docket. Please explain whether those costs were considered in the design and implementation of the benchmark mechanism for waterborne transportation established in Order No. PSC-93-0443-FOF-EI, issued March 23, 1993, in Docket No. 930001-EI.

A. The existing benchmark mechanism to review Tampa Electric Company's annual waterborne coal transportation costs was first established in 1988 in a settlement agreement approved in Order No. 20298 in Docket No. 870001-EI-A. The order at paragraph 10 states the following:

The coal transportation benchmark price will be the average of the two lowest comparable publicly available rail rates for coal to other utilities in Florida. This rail rate will be stated on a cents/ton-mile basis representing the comparable total elements (i.e., maintenance, train size, distance, ownership, etc.) for transportation. The average cents per ton-mile multiplied by the average rail miles from all coal sources to Tampa Electric's power plants yields a price per ton of transportation.

The benchmark calculation was amended in 1993 to reflect changes for updated railcar costs but was otherwise affirmed. The Florida Public Service Commission has reviewed the benchmark calculation and the comparison to actual transportation expenses each year since the benchmark was implemented. Tampa Electric has consistently implemented the annual benchmark calculation in a manner that included the following identifiable costs:

- Incremental short haul transportation costs to river loading facilities
- Rail transportation costs to river locations
- Handling fees at transfer facilities
- Trucking costs between power facilities

These are the types of costs Ms. Wehle identified as costs that appeared to be omitted from the rail transportation company's responses to Tampa Electric's RFP.