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JOHNNIE BYRD
Speaker



August 31, 2004

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

RE: Docket No. 031033-EI

Dear Ms. Bayó:

Enclosed for filing in the above-referenced docket are the original and fifteen (15) copies of Joint Response to Tampa Electric Company's Motion to Hold Proceeding in Abeyance and Offer of Settlement.

Please indicate the time and date of receipt on the enclosed duplicate of this letter and return it to our office.

Sincerely,

A handwritten signature in black ink that reads "Charles J. Beck".

Charles J. Beck
Deputy Public Counsel

CB/pwd
Enclosures

DOCUMENT NUMBER-DATE
09526 AUG 31 04
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: August 31, 2004

)

**JOINT RESPONSE IN OPPOSITION TO TECO'S MOTION TO HOLD PROCEEDING
IN ABEYANCE AND OFFER OF SETTLEMENT**

The Citizens of Florida (Citizens), by and through Harold McLean, Public Counsel, the Florida Industrial Power Users Group (FIPUG), and Catherine L. Claypool, Helen Fisher, William Page, Edward A. Wilson, Sue E. Strohm, Mary Jane Williamson, Betty J. Wise, Carlos Lissabet, and Lesly A. Diaz ("Residential Electric Customers") file this Joint Response in Opposition to the Motion to Hold Proceeding in Abeyance and Offer of Settlement, and state:

1. The Commission must stop the bleeding now. This case has been fully litigated and is ripe for a decision by the Commission.
2. Great expense and effort has already been expended by the parties and the Commission to fully litigate issues related to Tampa Electric Company's (TECO) waterborne transportation contract with its affiliate, TECO Transport. Staff prepared a detailed recommendation for the Commission's review, and the Commission is scheduled to vote on staff's recommendation at its regularly scheduled and noticed Agenda Conference set for next Tuesday, September 7, 2004. The parties look forward

to Commission action which will reduce the amount TECO's captive customers must pay for coal transportation.

3. Today TECO filed a motion asking the Commission to hold the proceeding in abeyance and made an offer directly to the Commission to settle the case. Had that offer been made during the several settlement negotiations which took place among the parties, it would have been rejected.

4. The proposal TECO offers to the Commission would do nothing to stop the excessive rates that currently burden TECO's retail customers. The offer would require all TECO customers to continue to pay rates which the evidentiary record in this case clearly demonstrates are inflated by as much as \$20 million per year.

5. In its haste to avoid a well-reasoned recommendation and "resolve all outstanding issues", TECO ignores the many substantive issues that would not be resolved by the mere offer to issue a new RFP. The staff recommendation includes specific language dealing with the RFP process that the Commission should consider and decide before the company engages again in an imprudent series of steps involving the bidding of coal transportation services. In addition, the staff recommendation proposes substantial new approaches to the purchase of foreign coal and the use of rail alternatives that would impact any RFP process that the company would issue in the future. None of these are addressed.

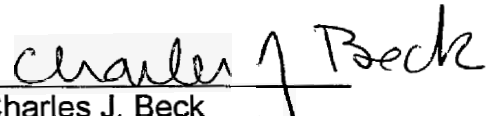
6. There is nothing to prevent TECO from rebidding its transportation contracts at any time it chooses. Indeed, the staff recommendations in Issues 1 and 3 both contain specific guidance that would assist the company in that process.

7. The existing record in this docket is now closed and the matter is ripe for a Commission decision. TECO's request that this docket be held in abeyance is not supported by the signatories to this Response and would simply further delay a decision in this case. All the while such a decision is delayed, ratepayers continue to pay TECO inflated transportation rates. The Commission has a legal duty to resolve disputed issues of material fact as they have been presented in this proceeding and should do so at its scheduled agenda conference.

WHEREFORE, Citizens, FIPUG, and Residential Electric Customers jointly urge the Commission to deny TECO's Motion to Hold Proceeding in Abeyance and Offer of Settlement.

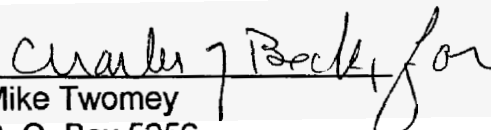
DATED this 31st day of August 2004.

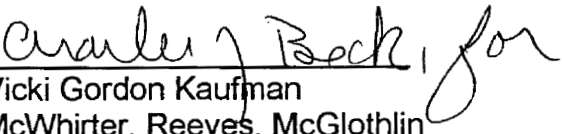
Respectfully submitted,


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CERTIFICATE OF SERVICE

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