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September 9, 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

-9 PH 2:

Re: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor; FPSC Docket No. 040001-EI

Dear Ms. Bayo:

CMP

Enclosed for filing in the above docket are the original and ten (10) copies of Tampa Electric Company's Request for Confidential Classification of portions of the company's Risk Management Plan.

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

COM FDBODBUREAU OF RECORDS CTR Enclosure ECR All Parties of Record (w/enc.) cc: GCL OPC MMS RCA SCR SEC OTH 1 COM records

**RECEIVED & FILED** 

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor.

DOCKET NO. 040001-EI FILED: September 9, 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 the highlighted information on pages 4, 8, 9 and 10 of the company's Risk Management Plan ("the Plan") filed this date on a confidential basis in the above docket, with the duration of that confidential classification to be a minimum of three years. Two copies of the Plan 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 designated portions of the Plan fall within these

statutory categories and, thus, constitute propriety confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

2. Disclosure of the highlighted information on page 4, 8, 9 and 10 of the Plan would disclose Tampa Electric's purchasing strategy (both with respect to fuel and purchased power) and the company's planned risk exposure. Those who have an interest in supplying Tampa Electric's fuel and purchased power needs could use this valuable information to help them force more favorable terms, to the detriment of Tampa Electric and its ratepayers, than would otherwise be the case. They could learn of the company's plans and needs and use that information in exacting better prices for meeting those needs.

3. Disclosing the company's risk exposure levels on a monthly basis would provide an indicator of vulnerability to market price. Would-be suppliers of both fuel and purchased power could simply withhold supply and price their fuel and purchase power offerings at a higher level than they would otherwise. Power suppliers could perform maintenance on their units during months when the company's exposure is low, so that they would have their power to sell through at high prices during months that Tampa Electric's exposure is high.

4. Disclosure of the highlighted information in the Plan would also provide highly sensitive information to recipients regarding the manner and timing of Tampa Electric's entry into the fuel and purchased power markets. Knowledge of this information would allow the opportunity for market manipulation through transactions made in anticipation of the company's entry into the market. Market manipulations based on knowledge of the highlighted information would increase the price of fuel and purchased power paid by Tampa Electric's customers as well as the price paid by the company to hedge the customers' price of fuel and purchased

power. These effects of disclosure would impair the efforts of Tampa Electric to contract for goods and services on favorable terms for the benefit of its customers.

5. The highlighted information contained in the company's Plan for which confidential classification is sought is intended to be and is treated by Tampa Electric as private and has not been publicly disclosed.

6. On July 28, 2004 the Commission's Staff recommended approval of Tampa Electric's Request for Confidential Classification of the subject information contained in the company's Risk Management Plan filed on September 12, 2003. That request included a request that the information in question be treated confidentially for a period of three years.

## **Requested Duration of Confidential Classification**

7. Tampa Electric requests that its Risk Management Plan be treated by the Commission as confidential proprietary business information for a minimum of three years. The Plan provides detailed strategies many of which are of a continuing nature and which could well be in placed beyond the standard eighteen month period that confidential information is treated by the Commission as such. The various risk management strategy components build upon each other and disclosing the company's basic plan sooner than three years after it is submitted would arm would-be suppliers of goods and services, as well as competitors of Tampa Electric, with the bulk of the Plan's components. A minimum of three years is essential to prevent those entities in the fuel and purchased power markets from having access to information they could use to the competitive disadvantage of Tampa Electric, which would increase the fuel and purchased power costs borne by Tampa Electric's customers.

WHEREFORE, Tampa Electric respectfully requests that the highlighted information set

forth on pages 4, 8, 9 and 10 of the company's Plan be accorded confidential classification for

the reasons set forth above.

DATED this <u>9</u> day of September 2004.

Respectfully submitted,

Rosen L

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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  $\underline{94}$  day of September

2004 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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