AUSLEY & MCMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET P.O. BOX 391 (ZIP 32302) TALLAHASSEE, FLORIDA 32301 (850) 224-9115 FAX (850) 222-7560

April 2, 2007

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: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor; FPSC Docket No. 070001-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 certain highlighted information contained in the company's Risk Management Report.

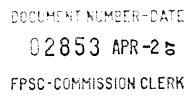
Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

Thank you for your assistance in connection with this matter.

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Sincerely,

James D. Beasley



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

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DOCKET NO. 070001-EI FILED: April 2, 2007

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 3 and 5 of the company's Risk Management Report ("the Report") 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. 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 Report fall within these statutory categories and, thus, constitute propriety confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

DOCUMENT NUMBER-DATE 02853 APR-2 5 FPSC-COMMISSION CLERK 2. Disclosure of the highlighted information on pages 3 and 5 of the Report would disclose Tampa Electric's current purchasing strategy (both with respect to fuel and purchased power) and 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 negotiate 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 Report 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.

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5. The highlighted contractual fuel price information shown in the Report represents contract prices that are less than two years old, within the period of time that contract prices are typically protected to preserve the company's competitive position in negotiating fuel supply contracts. Any contract price shown in the Report without highlighting represents an older, and therefore no longer competitively sensitive, price. Disclosing Tampa Electric's highlighted actual contractual fuel prices and the market indexes upon which fuel contract prices are based would impair Tampa Electric's future efforts to contract for goods and services on favorable terms. The information could be used by suppliers to affect the price of fuel that Tampa Electric will need to purchase in the future since the provider's bids might be influenced if they had knowledge of existing contract rates. Knowledge of this information would allow fuel suppliers to use this valuable information to help them negotiate more favorable terms, to the detriment of Tampa Electric and its ratepayers, than would otherwise be the case.

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

7. On June 30, 2006, the Commission granted Tampa Electric's Request for Confidential Classification of portions of the company's Risk Management Report filed on April 3, 2006 with respect to the same information for which Confidential Classification is sought in the Report filed this date.

Requested Duration of Confidential Classification

8. Tampa Electric requests that its Risk Management Report be treated by the Commission as confidential proprietary business information for a minimum of three years. This Report provides detailed strategies many of which are of a continuing nature and which could

well be in place 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 company's risk management strategies. 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 3 and 5 of the company's Report be accorded confidential classification for the reasons set forth above.

DATED this 2⁴⁴ day of April 2007.

Respectfully submitted,

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 <u>day</u> of April 2007

to the following:

Ms. Lisa Bennett* Staff Attorney Office of the General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Mr. John T. Burnett Associate General Counsel Progress Energy Service Co., LLC Post Office Box 14042 St. Petersburg, FL 33733-4042

Mr. Paul Lewis, Jr. 106 East College Avenue Suite 800 Tallahassee, FL 32301-7740

Mr. John W. McWhirter, Jr. McWhirter, Reeves & Davidson, P.A. 400 North Tampa Street, Suite 2450 Tampa, FL 33601-5126

Ms. Patricia A. Christensen Associate Public Counsel Office of Public Counsel 111 West Madison Street – Room 812 Tallahassee, FL 32399-1400

Mr. Norman Horton Messer Caparello & Self, P.A. Post Office Box 15579 Tallahassee, FL 32317

Ms. Cheryl Martin Florida Public Utilities Company P. O. Box 3395 West Palm Beach, FL 33402-3395 Mr. John T. Butler Senior Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420

Mr. William Walker, III Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, FL 32301-1859

Mr. R. Wade Litchfield Associate General Counsel Florida Power & Light Company 700 Universe Blvd. Juno Beach, FL 33408-0420

Ms. Susan Ritenour Secretary and Treasurer Gulf Power Company One Energy Place Pensacola, FL 32520-0780

Mr. Jeffrey A. Stone Mr. Russell A. Badders Beggs & Lane Post Office Box 12950 Pensacola, FL 32591-2950

Mr. Robert Scheffel Wright Mr. John T. LaVia, III Young van Assenderp, P.A. 225 South Adams Street, Suite 200 Tallahassee, FL 32301

Mr. Michael B. Twomey Post Office Box 5256 Tallahassee, FL 32314-5256 Karen S. White, Lt Col, USAF Damund E. Williams, Capt., USAF AFLSA/JACL-ULT 139 Barnes Drive, Suite 1 Tyndall Air Force Base, FL 32403-5319

Mr. Jack Shreve Senior General Counsel Ms. Cecilia Bradley Senior Assistant Attorney General Office of the Attorney General The Capitol – PL01 Tallahassee, FL 32399-1050

Mr. James W. Brew Brickfield, Burchette, Ritts & Stone, P.C. 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower Washington, D.C. 20007-5201

ATTORNE

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DATE: TO: FROM: RE:	<u>4/2/07</u> <u>Beasley</u> <u>Ausley</u> <u>Matilda Sanders</u> , Division of the Commission Clerk & Administrative Services Acknowledgment of Receipt of Confidential Filing
This	54-07 s will acknowledge receipt of a CONFIDENTIAL DOCUMENT filed in Docket
	<u>70001-E1</u> or (if filed in an undocketed matter) concerning VAL RISK MANAGEMENT REPORT, and
	vill be maintained in locked storage.

Any questions regarding this matter should be directed to Marguerite Lockard at (850) 413-6770.

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