

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause and generating performance incentive factor.

DOCKET NO. 000001-EI  
ORDER NO. PSC-00-2509-CFO-EI  
ISSUED: December 28, 2000

ORDER GRANTING CONFIDENTIAL CLASSIFICATION TO  
TAMPA ELECTRIC COMPANY'S 423 FORMS FOR FEBRUARY, 2000  
(DOCUMENT NO. 04661-00)

Pursuant to Rule 25-22.006, Florida Administrative Code, and Section 366.093, Florida Statutes, Tampa Electric Company (TECO) filed a request for confidential classification of portions of its 423 forms for February, 2000. The confidential information is filed with the Commission as Document No. 04661-00.

TECO asserts that the information for which confidential classification is sought "is intended to be and is treated by the person or company as private in that the disclosure of the information would cause harm to the ratepayers or the person's or company's business operations, and has not been disclosed . . ." Section 366.093(3), Florida Statutes.

TECO requests that the information for which confidential classification is sought not be declassified for 24 months from the date of the issuance of this Order. TECO contends that this time period is necessary to allow TECO's affiliated companies to negotiate future contracts without competitors or customers having access to information "which would adversely affect the ability of these affiliates to negotiate future contracts." TECO claims that the period of time requested will ultimately protect TECO and its ratepayers.

INFORMATION FOR WHICH CONFIDENTIAL CLASSIFICATION IS SOUGHT

TECO requests confidential classification of the information contained in its Form 423-1(a) for February, 2000, as illustrated in the following table. This information relates to the price TECO paid for No. 2 fuel oil.

**TABLE 1: FORM 423-1(a)**

LINE(S)	COLUMN(S)
1-27	H-O

DOCUMENT NUMBER-DATE

16444 DEC 28 8

FPSC-RECORDS/REPORTING

TECO asserts that the information contained in Column H is contractual information which, if made public, "would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. This information shows the price which TECO has paid for No. 2 fuel oil per barrel from specific suppliers. If disclosed, TECO asserts that this information would allow suppliers to compare an individual supplier's price with the market price "for that date of delivery." TECO asserts that such a comparison could reveal the contract pricing formula between TECO and that supplier.

Disclosure of the invoice price, according to TECO, would allow suppliers to determine the contract price formula of their competitors. TECO asserts that this knowledge would give suppliers information with which to actually control the pricing of No. 2 oil by either all quoting a particular price or adhering to a price set by a major supplier. TECO maintains that this could reduce or eliminate any opportunity for a major buyer, like TECO to use its market presence to gain price concessions. The end result, according to TECO, is reasonably likely to be increased No. 2 fuel oil prices and, therefore, increased electric rates for TECO's customers.

TECO asserts that the contract data in Columns I through O are algebraic functions of Column H. TECO maintains that the publication of these columns, together or independently, could allow a supplier to derive the invoice price of No. 2 oil paid by TECO.

According to TECO, Columns M and N are pricing terms which are as important as the price itself. TECO asserts that these columns show the price adjustments or discount adjustments applied by TECO to shipments of fuel which do not meet TECO's contract requirements. Because of the relatively few times that there are quality or discount adjustments, TECO contends that columns M and N will equal Column H most of the time, and are, therefore, entitled to confidential classification.

TECO requests confidential classification of the following information for each of its electro-coal transfer facilities:

**TABLE 2: FORM 423-2**

<b>STATION</b>	<b>LINE(S)</b>	<b>COLUMNS</b>
BIG BEND	1-4	G, H
GANNON	1-6	G, H
POLK	1	G, H

TECO asserts that disclosure of the effective purchase price illustrated in these forms, lines and columns would "impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. TECO maintains that publishing the purchase price would enable an interested party to ascertain the total transportation charges by subtracting the effective purchase price from the delivered price at the transfer facility, shown in Column I. According to TECO, any competitor with knowledge of the total transportation charges would be able to use that information in conjunction with the published delivered price at the Electro-Coal transfer facility to determine the segmented transportation costs. TECO maintains that it is this segmented transportation cost data which is proprietary and confidential.

TECO also maintains that the disclosure of the segmented transportation cost would have a direct impact on TECO's future fuel and transportation contracts by informing potential bidders of current prices paid for these services provided. TECO asserts that this type of information was granted confidential classification by the Commission in Order No. 12645, issued in Docket No. 830001-EU on December 3, 1983.

TECO also asserts that disclosure of this information would inform other potential suppliers as to the price TECO is willing to pay for coal. According to TECO, this would give present and potential coal suppliers information which could be harmful to TECO's interests in negotiating coal supply agreements.

TECO also requests confidential classification for the following information:

**TABLE 3: FORM 423-2(a)**

<b>STATION</b>	<b>LINES</b>	<b>COLUMNS</b>
BIG BEND	1-4	H, J, L
GANNON	1-6	H, J, L
POLK	1	H, J, L

TECO contends that these original invoice prices are entitled to confidential classification because "if the original invoice price is made public, one can subtract the original invoice price from the publicly disclosed delivered price at the Electro-Coal Transfer Facility and thereby determine the segmented river transportation cost." TECO maintains that disclosure of this information would "impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

Disclosure of the information contained in column H of these forms would, according to TECO, enable a competitor to back into the segmented transportation cost using the publicly disclosed delivered price at the Electro-Coal Transfer Facility. TECO illustrates how this could be done by subtracting the base price per ton from the delivered price at the Electro-Coal facility, thereby revealing the river barge rate. Such disclosure would "impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

TECO asserts that the information contained in column L of this form, if disclosed, would enable a competitor to back into the segmented waterborne transportation costs using the already publicly disclosed delivered price of coal at the Electro-Coal Transfer Facilities. TECO contends that such disclosure would "impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

TECO requests confidential classification for the following form for its Electro-Coal Transfer Facilities:

**TABLE 4: FORM 423-2(b)**

<b>STATION</b>	<b>LINE(S)</b>	<b>COLUMNS</b>
BIG BEND	1-4	G, I, K-P
GANNON	1-6	G, I, K-P
POLK	1	G, I, K-P

Disclosure of the effective purchase price in Column G would "impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. TECO asserts that such disclosure would enable a competitor to back into the segmented transportation cost by using the publicly disclosed delivered price at the Electro-Coal Transfer Facilities. TECO asserts that this could be done by subtracting the base price per ton from the delivered price at Electro-Coal, thereby revealing the river barge rate. Such disclosure would "impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

TECO asserts that the disclosure of the rail rate per ton in Column I would adversely affect the ability of TECO affiliate Gatliff Coal, to negotiate favorable rail rates. TECO maintains that disclosure of the rail rates paid would effectively eliminate any negotiating leverage and could lead to higher rail rates. According to TECO, this would work to the ultimate detriment of TECO and its customers. TECO maintains that disclosure of this information would "impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

TECO also contends that Columns K, L, M, N, O and P contain information the disclosure of which would "impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(c), Florida Statutes. TECO asserts each column provides specific information on segmented transportation costs.

**DATES OF DECLASSIFICATION**

FORM	LINES	COLUMNS	DATE
423-1(a)	1-27	H-O	04/17/02
423-2	1-6	G-H	04/17/02
423-2(a)	1-6	H, J, L	04/17/02
423-2(b)	1-6	G, I, K-P	04/17/02

TECO requests that the confidential information relating to fuel oil contract data not be declassified until at least two years after it is granted confidential classification. The Company asserts that its interests would best be protected by adopting a declassification date which is at least 6 months beyond the last day of the contract period under which goods were purchased.

Additionally, TECO asserts that its ability to negotiate future contracts for No. 2 and No. 6 fuel oil would reasonably likely be impaired if pricing information is disclosed during the contract period or prior to the negotiation of a new contract. TECO maintains that it typically renegotiates its No. 2 and No. 6 fuel oil contracts and fuel related services contracts prior to the end of such contracts. However, the Company states that some contracts are renegotiated after the end of the current contract period. When this situation occurs, TECO asserts that renegotiations are normally completed within six months. Therefore, the Company believes it is necessary to maintain the confidentiality of the information identified on Form 423-1(a) for a period of six months after the end of the individual contract period.

TECO also seeks protection of the coal and coal transportation contract information for a minimum period of two years. TECO maintains that disclosure of the prices paid by the utility for coal enables the bidder to increase the price bid, and thereby optimize the bid from the viewpoint of the seller and to the detriment of the ratepayer.

CONCLUSION

Upon review, it appears the foregoing information is "proprietary confidential business information . . . concerning bids or other contractual data, the disclosure of which would

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impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. This information also appears to be "information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information." Section 366.093(3)(e), Florida Statutes. Accordingly, it is granted confidential classification.

TECO appears to have provided sufficient information concerning the harm which could arise from not protecting this information for a minimum of two years. Accordingly, good cause having been shown, the information described within is granted confidential classification for two years from the date of the issuance of this Order.

It is therefore

ORDERED by Commissioner Lila A. Jaber, as Prehearing Officer, that the information described within the body of this Order and contained in Document No. 04661-00, is granted confidential classification. It is further

ORDERED that information referenced in Document No. 04661-00 shall be granted confidential classification for two years from the date of the issuance of this Order. It is further

ORDERED that this Order shall be the only notification by the Commission to the parties of the declassification date of this material.

By ORDER of Commissioner Lila A. Jaber, as Prehearing Officer, this 28th Day of December, 2000.



LILA A. JABER

Commissioner and Prehearing Officer

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or 3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.