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July 13, 2001

HAND DELIVERED

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COMMISSION
CLERK

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor; FPSC Docket No. 010001-EI

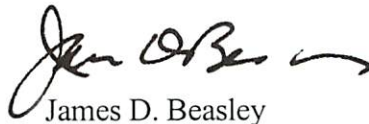
Dear Ms. Bayo:

Enclosed are the original and fifteen (15) copies of the Affidavit of William L. Brown III of Tampa Electric Company, submitted to supplement the facsimile copies of such Affidavit that accompanied our Motion for Protective Order filed Thursday, July 12, 2001. I would appreciate your distributing copies of this filing to the recipients of yesterday's filing.

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

APP _____
CAF _____
CMP _____ JDB/pp
COM 5 _____ Enclosures
CTR _____
ECR _____ cc: All parties of record (w/enc.)
LEG 1 _____ Angela Llewellyn (w/enc.)
OPC _____
PAI _____
RGO _____
SEC 1 _____
SER _____
OTH _____

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

08598 JUL 13 01

FPSC-RECORDS/REPORTING

A F F I D A V I T

STATE OF FLORIDA)
)
COUNTY OF HILLSBOROUGH)

Before me the undersigned authority, personally appeared WILLIAM L. BROWN III, who, first being duly sworn, deposed and said that he is Director Wholesale Marketing and Sales of Tampa Electric Company, and that the information below is true and correct to the best of his knowledge, information, and belief.

Confidential treatment of certain electric wholesale market information:

I have been responsible for the purchase and sale of wholesale power for Tampa Electric Company since April, 1997. I have personally witnessed and participated in the development of the wholesale market within peninsular Florida and throughout the country.

I have read the Motion for a Protective Order to which my Affidavit is appended as Exhibit "A". I verify that the factual matters asserted therein regarding the sensitive, competitive nature of the information that is the subject of such Motion and the harm that Tampa Electric and its general body of ratepayers would suffer if the information is made public or shown to any FIPUG member that competes with Tampa Electric in the wholesale power market are true and correct.

Florida's wholesale market is entirely bilateral, i.e. all transactions are one-on-one and treated confidentially. Other regions (hubs) such as Entergy and Cinergy have developed wholesale power price indices which are updated hourly and published on a daily basis. Deal details are generically published, i.e. the parties are not identified. These indices represent average prices for standard products which are bought and sold into/out of these hubs. Deals within Florida, however, are not published. Past, present and future market price discovery within Florida is accomplished via extensive and costly personal inquiry and research. Tampa Electric invests considerable time and resources "defining the market" each hour of each day. Historical price information is invaluable since the market is typically cyclical. Purchased power quantities and actual prices paid for wholesale power by a market participant are invaluable information and are basic building blocks for future market price forecasting models.

In addition to market price discovery, a supplier's costs and availability are valuable information to other participants. A competitor can take advantage of another by knowing their hourly incremental cost of generation. This information can be used to determine the participant's level of vulnerability at any given time, i.e. the cost reveals which generating unit is currently on the margin. This information is invaluable in determining a participant's level of supply at any

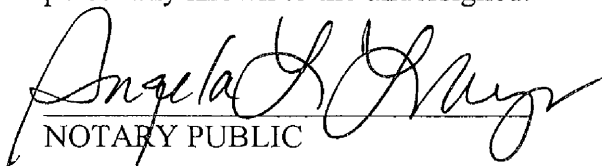
given time. Market participants extract most of their profits when supply vs. demand is out of balance, e.g. California. Historical incremental generation cost data is also valuable to competitors in that it can provide a competitor with an inside look at a participant's operations because a participant's generation portfolio or mode of operation does not change significantly from year to year. Incremental cost data for the years 1998 and 1999 are very sensitive from a competitive standpoint and if made public, could be used by Tampa Electric's wholesale competitors to Tampa Electric's significant disadvantage. This is largely because there have not been significant changes to Tampa Electric's system configuration and operation since the beginning of 1998. This applies equally to the cost data requested in FIPUG's Interrogatory No. 11(e) and to the HAP reports Tampa Electric has offered to provide in response to FIPUG's Document Request No. 3.

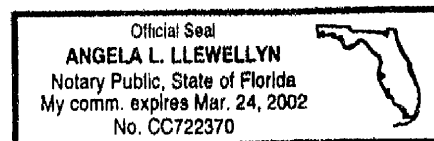
FIPUG has requested that Tampa Electric provide system costs, sales and purchased power information in response to various Interrogatories and Production of Documents (Docket No. 010001-EI). Specific information requests include purchased power and sales contract details, system incremental generation costs, historical power sales quantities and prices and purchased power quantities and prices. (It should be noted that the Federal Energy Regulatory Commission does not allow Tampa Electric to exchange market information with its own affiliates who have market-based pricing authority.) While we have genuinely attempted to comply with FIPUG's requests, we are very concerned with the sensitive nature of this information. FIPUG represents entities who are both Tampa Electric retail customers and wholesale market participants. Should the requested information be shared with FIPUG members who are wholesale market participants or with the public in general, it could disadvantage Tampa Electric's retail customers. We have, therefore, asked FIPUG to sign a non-disclosure agreement as a prerequisite to receiving both market and cost information. FIPUG has objected, which further concerns us and should concern this Commission.

Dated at Tampa, Florida this 12 day of July 2001.


WILLIAM L. BROWN III

Sworn to and subscribed before me this 12th day of July 2001, with the Affiant being personally known to the undersigned.


NOTARY PUBLIC



My Commission expires: MARCH 24, 2002