AUSLEY & MCMULLEN



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April 26, 2002

BY HAND DELIVERY

Ms. Blanca S. Bayo, Director Division of Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 PECEIVED 1998C 2 APR 26 PN 3: 05 COMMISSION

DRIGINAL

Re: Docket No. 020262-EI and 020263-EI

Dear Ms. Bayo:

Enclosed are the original and fifteen (15) copies of an Affidavit of William L. Brown, III which we submit on behalf of Tampa Electric Company to supplement the Motion for Protective Order we filed in the above consolidated proceedings yesterday. We would ask that you distribute copies of the enclosed Affidavit to recipients of the facsimile copy that accompanied the Motion we filed yesterday.

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

Thank you for your assistance in connection with this matter.

Sincerely,

Bee -

James D. Beasley

AUS CAF		JDB/bjd Enclosures		
CMP COM CTR ECR GCL	5	cc:	All Parties of Record	(w/encl.)
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FPSC-COMMISSION CLERK

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery*

or U. S. Mail on this 26th day of April 2002 to the following:

Martha Brown* Lawrence Harris Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Charles A. Guyton Steel Hector & Davis 215 South Monroe Street, Suite 601 Tallahassee, FL 32301

Robert Scheffel Wright Diane K. Kiesling John T. Lavia, III Landers & Parsons, P.A. 310 West College Avenue Tallahassee, FL 32301

John T. Butler Steel Hector & Davis 200 S. Biscayne Blvd., Suite 4000 Miami, FL 33131-2398

Michael G. Briggs Reliant Energy, Inc. 801 Pennsylvania Avenue, Suite 620 Washington, D.C. 20004

Joseph A. Regnery Senior Counsel 2701 North Rocky Point Drive Suite 1200 Tampa, FL 33607

Jack Shreve Office of Public Counsel 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 Bill Walker Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, FL 32301

Suzanne Brownless, P.A. 1311-B Paul Russell Road, Suite 201 Tallahassee, FL 32301

Jon C. Moyle, Jr. Cathy M. Sellers Moyle, Flanigan, Katz, et al. 118 North Gadsden Street Tallahassee, FL 32301

Jay Molyneaux 700 Universe Boulevard Juno Beach, FL 33408-0420

Beth Bradley Mirant Corporation 1155 Perimeter Center West Atlanta, GA 30338-5416

D. Bruce May, Jr. Karen D. Walker Holland & Knight LLP P.O. Drawer 810 Tallahassee, FL 32302

Bonnie Davis Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, FL 32301

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AFFIDAVIT

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 ("Tampa Electric" or "the company"), and that the

information below is true and correct to the best of his knowledge, information and belief.

<u>Confidential Treatment of Highlighted Information in</u> <u>Tampa Electric's Bid Proposals to Florida Power & Light Company (FPL)</u>

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

I have read the Motion of Tampa Electric 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 Confidential Information that is the subject of such Motion and the harm that Tampa Electric and its general body of ratepayers would suffer if the Confidential Information (as defined in Tampa Electric's Motion) is supplied to any of the intervenors in the FPL need determination docket (Docket Nos. 020262-EI and 020263-EI) that compete with Tampa Electric in the wholesale 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 normally 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.

The intervenors' knowledge of the Confidential Information contained in Tampa Electric's bid proposals to FPL would severely harm Tampa Electric and its ability to effectively compete for new wholesale sales in this and other RFP processes. The Confidential Information

consists of specific price proposals Tampa Electric made to FPL, including fuel, capacity and variable O & M pricing. Disclosure of such information to Intervenors would enable them to more effectively compete against Tampa Electric and thereby subject Tampa Electric and its retail customers to a significant threat of losing the benefit of wholesale revenues. All of the Confidential Information highlighted in Tampa Electric's bid proposals to FPL reflect bidding decisions and pricing proposals that are based on Tampa Electric's current costs. That is to say, the information is not stale and could be utilized to Tampa Electric's significant disadvantage by other parties in bid proceedings for the foreseeable future.

Dated at Tampa, Florida this 25th day of April 2002.

WILLIAM L. BROWN III

Sworn to and subscribed before me this <u>25</u> day of April 2002, with the Affiant being

personally known to the undersigned.

My Commission expires:

