

State of Florida

ORIGINAL



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: October 27, 2003
TO: Cochran Keating
FROM: Roland Floyd
RE: Recommendation on Request for Confidential Classification - Document No: 10145-03

RECEIVED-FPSC
OCT 28 AM 11:25
COMMISSION CLERK

On October 16, 2003, Tampa Electric Company requested confidential classification of certain information contained in the supplemental prepared direct testimony of Tampa Electric's witness Brent Dibner as well as in Mr. Dibner's supplemental exhibit. See attached. Tampa Electric Company, in that same filing filed revised pages of testimony for Mr. Dibner (pages 23 and 24 of his supplemental testimony) and revised pages of testimony for Ms. Wehle (pages 12, 13 and 15 of her supplemental testimony). The information contained on page 24 of Mr. Dibner's testimony no longer needs protection. The information contained on pages 12, 13 and 15 of Ms. Wehle's testimony no longer needs protection.

Staff agrees with the request for confidential classification for the reasons stated in the justification provided by Tampa Electric Company.

Attachment

cc: Kay Flynn/Records and Hearing Services
Harold McLean/General Counsel

- AUS
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CMP
COM
CTR
ECR
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MMS
SEC
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DOCUMENT NUMBER DATE

10647 OCT 23 8

FPSC-COMMISSION CLERK

STATE OF FLORIDA

COMMISSIONERS:  
LILA A. JABER, CHAIRMAN  
J. TERRY DEASON  
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CHARLES M. DAVIDSON



DIVISION OF THE COMMISSION CLERK &  
ADMINISTRATIVE SERVICES  
BLANCA S. BAYÓ  
DIRECTOR  
(850) 413-6770 (CLERK)  
(850) 413-6330 (ADMIN)

# Public Service Commission

## M-E-M-O-R-A-N-D-U-M

03 OCT 23 AM 10:13  
REGISTRATION DIVISION

DATE: October 17, 2003

TO: OFFICE OF THE GENERAL COUNSEL  
DIVISION OF COMPETITIVE MARKETS & ENFORCEMENT  
XX DIVISION OF ECONOMIC REGULATION  
DIVISION OF AUDITING AND SAFETY

FROM: DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES

RE: CONFIDENTIALITY OF CERTAIN INFORMATION

DOCUMENT NO(s): 10145-03

DESCRIPTION: TECO/Beasley - (Confidential) Page 23 of supplemental  
Testimony of Brent Dibner marked "revised 10/16/03."  
[CCA note: Cover letter for filing requests it substitute  
for filing made 9/25/03, and requests 9/25/03 filing be  
returned.] [See DN 09219-03]

SOURCE: Tampa Electric Company

DOCKET NO(S): 030001-EI

The above material was received with a request for confidential classification. Please prepare a recommendation for the attorney assigned to the case by completing the section below and forwarding a copy of this memorandum, together with a brief memorandum supporting your recommendation, to the attorney. Copies of your recommendation should also be provided to the Division of the Commission Clerk and Administrative Services, Bureau of Records and Hearing Services, and to the Office of General Counsel.

Please read each of the following and check if applicable.

PAGE 2

- The document(s) is (are), in fact, what the utility asserts it (them) to be.
- The utility has provided enough details to perform a reasoned analysis of its request.
- The material has been received incident to an inquiry.
- The material is confidential business information because it includes:
- (a) Trade secrets;
  - (b) Internal auditing controls and reports of internal auditors;
  - (c) Security measures, systems, or procedures;
  - (d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the company to contract for services on favorable terms;
  - (e) Employee personnel information unrelated to compensation, duties, qualifications, or responsibilities;
  - (f) Tax returns or tax-related information;
  - (g) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of information.
- The material appears to be confidential in nature and harm to the company or its ratepayers will result from public disclosure.
- The material appears not to be confidential in nature.
- The material is a periodic or recurring filing and each filing contains confidential information.

Response prepared by: \_\_\_\_\_

Date: \_\_\_\_\_

cc:     GCL     EXT  
       CMP     CCA  
       ECR     AUS  
       MMS

PSC/CCA 15 (Rev 11/02)

# 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

October 16, 2003  
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. 030001-EI

Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and ten (10) copies of Tampa Electric Company's Request for Confidential Classification of certain information contained in the supplemental prepared direct testimony of Tampa Electric's witness Brent Dibner as well as in Mr. Dibner's supplemental exhibit.

Also included are the original and ten (10) copies each of pages 23 and 24 of Tampa Electric Witness Brent Dibner's supplemental testimony and pages 12, 13 and 15 of the supplemental testimony of Witness Joann Wehle, both marked "Revised October 16, 2003." As explained in the Request for Confidential Classification, the revised supplemental testimony pages are submitted to make public certain information originally sought and be protected as confidential but which no longer needs to be protected.

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

JDB/bjd  
Enclosures  
cc: All Parties of Record (w/enc.)

DOCUMENT NUMBER-DATE

10143 OCT 16 3

FPSC-COMMISSION CLERK.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 030001-EI  
FILED: October 16, 2003

**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 certain highlighted information contained in the supplemental prepared direct testimony of Tampa Electric witness Brent Dibner as well as in Mr. Dibner's supplemental exhibit and, as grounds therefor, says:

1. On September 25, 2003 Tampa Electric submitted its Notice of Intent to Seek Confidential Classification of certain information set forth in the supplemental prepared direct testimonies of Tampa Electric witnesses Brent Dibner and Joann T. Wehle as well as in Mr. Dibner's supplemental exhibit. Tampa Electric accompanied that filing with a submission under a separate cover letter of a single confidential highlighted version of each of the two testimonies and of Mr. Dibner's supplemental exhibit. In addition, the company filed redacted versions of the supplemental testimonies of Ms. Wehle and Mr. Dibner.

2. Tampa Electric requested confidential treatment of portions of the testimonies of Joann T. Wehle and Brent Dibner because there were references to ongoing contractual negotiations contained therein. The company has since concluded those negotiations and executed a new contract. Therefore, certain portions of the information originally filed as confidential need no longer be treated as such. Tampa Electric consequently includes herewith

the original and ten copies of pages 12, 13 and 15 of Ms. Wehle's supplemental testimony with the confidential highlighting removed. These pages should be substituted for the corresponding pages previously filed.

3. With respect to Mr. Dibner's testimony Tampa Electric includes herewith the original and ten copies of a revised redacted version of page 23 and an unredacted version of page 24 of Mr. Dibner's supplemental testimony with the information that no longer needs to be treated confidentially no longer redacted. We would appreciate your substituting the revised redacted page in place of those previously filed with the Commission. Tampa Electric is filing under a separate confidential cover letter a single highlighted confidential version of page 23 of Mr. Dibner's supplemental testimony to be substituted in place of the corresponding page in the earlier filing.

4. The information contained in the yellow highlighted pages or portions thereof in the supplemental testimony of Mr. Dibner (as amended above) and in the exhibit that accompanied Mr. Dibner's supplemental testimony remains in need of confidential protection. The confidential information the company seeks to have protected is entitled to confidential treatment pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, as is more fully set forth in the justification for confidential treatment attached hereto as Exhibit "A".


5. Tampa Electric treats the highlighted information contained in its September 25, 2003 filing as confidential and has not disclosed that information publicly.

WHEREFORE, Tampa Electric Company respectfully requests that the highlighted information contained in the supplemental testimony of Tampa Electric witness Dibner (as amended above) and in the exhibit that accompanied Mr. Dibner's supplemental testimony filed with this Commission on a confidential basis on September 25, 2003 be treated as confidential

proprietary business information exempt from the Public Records Law pursuant to Section 366.093, Florida Statutes.

DATED this 16th day of October 2003.

Respectfully submitted,



---

LEE L. WILLIS

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, filed on behalf of Tampa Electric Company, has been furnished by U. S. Mail or hand delivery (\*) on this 16th day of October 2003 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

Mr. James A. McGee  
Associate General Counsel  
Progress Energy Florida, Inc.  
Post Office Box 14042  
St. Petersburg, FL 33733

Ms. Vicki Gordon Kaufman  
McWhirter, Reeves, McGlothlin,  
Davidson, Kaufman & Arnold, P.A.  
117 S. Gadsden Street  
Tallahassee, FL 32301

Mr. Robert Vandiver  
Associate Public Counsel  
Office of Public Counsel  
111 West Madison Street – Suite 812  
Tallahassee, FL 32399-1400

Mr. Norman Horton  
Messer Caparello & Self  
Post Office Box 1876  
Tallahassee, FL 32302

Mr. Ronald C. LaFace  
Mr. Seann M. Frazier  
Greenberg Traurig, P.A.  
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Tallahassee, FL 32302

Mr. John T. Butler  
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Miami, FL 33131-2398

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

Mr. R. Wade Litchfield  
Florida Power & Light Company  
700 Universe Blvd.  
Juno Beach, FL 33408

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

Ms. Susan Ritenour  
Gulf Power Company  
One Energy Place  
Pensacola, FL 32520

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

Mr. James J. Presswood, Jr.  
Southern Alliance for Clean Energy  
427 Moreland Ave., NE; Suite 100  
Atlanta, GA 30307

  
\_\_\_\_\_  
ATTORNEY



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**JUSTIFICATION FOR CONFIDENTIAL TREATMENT OF HIGHLIGHTED  
PORTIONS OF TAMPA ELECTRIC WITNESS DIBNER'S  
SUPPLEMENTAL DIRECT TESTIMONY AND MR. DIBNER'S EXHIBIT  
ACCOMPANYING HIS SUPPLEMENTAL DIRECT TESTIMONY**

<u>Page</u>	<u>Line No.</u>	<u>Detailed Description</u>	<u>Rationale</u>
<u>Supplemental Testimony of Brent Dibner</u>			
10	10	All Yellow Highlighted Information	(1)
19	12	All Yellow Highlighted Information	(2)
23	2,3,9,12, 13,15,16	All Yellow Highlighted Information	(2)

**Dibner Maritime Associates LLC Final Report**

Pages 1 of 78 Through 78 of 78	All of the Information on the Listed Pages	(1)
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- 
- (1) The information contained on the listed pages contains the proprietary work product of Tampa Electric's consultant, Dibner Maritime Associates or "DMA". The disclosure of this information could allow duplication of the consultant's work without compensation for the consultant's efforts to gather and update the information and develop methods of analysis. This information is in the nature of a trade secret owned by DMA. It is also in the nature of information relating to competitive interests, the disclosure of which would impair DMA's competitive business interests by diminishing the demand for DMA's proprietary work product. As such, the information in question is entitled to confidential treatment pursuant to Section 366.093 (3)(a) and (e), Florida Statutes.
  - (2) The information contained on the listed pages contains information about the contract rates that will be paid for transportation services under Tampa Electric's contract with TECO Transport that takes effect January 1, 2004. This information is competitive contractual information, the disclosure of which would be harmful to the position of TECO Transport in negotiating future contracts with other clients. The disclosure of this information would therefore be harmful to TECO Transport's competitive interests, and as such, the information is entitled to confidential treatment pursuant to Section 366.093(d) and (e), Florida Statutes.



# AUSLEY & McMULLEN

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TALLAHASSEE, FLORIDA 32301  
(850) 224-9115 FAX (850) 222-7560

October 16, 2003  
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OCT 16 PM 3:30  
COMMISSION  
CLERK

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. 030001-EI

Dear Ms. Bayo:

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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,

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

  
James D. Beasley

- AUS \_\_\_\_\_
- CAF \_\_\_\_\_
- CMF \_\_\_\_\_
- CCM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECF \_\_\_\_\_
- GCL \_\_\_\_\_
- OPD \_\_\_\_\_
- MMS \_\_\_\_\_
- SEC \_\_\_\_\_
- OTR \_\_\_\_\_

JDB/bjd

Enclosures

cc: All Parties of Record (w/enc.)

DOCUMENT NUMBER-DATE

10143 OCT 16 8

FPSC-COMMISSION CLERK



BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 030001-EI  
IN RE: FUEL & PURCHASED POWER COST RECOVERY  
AND  
CAPACITY COST RECOVERY

PROJECTIONS  
JANUARY 2004 THROUGH DECEMBER 2004

SUPPLEMENTAL TESTIMONY  
OF  
JOANN T. WEHLE

REVISED OCTOBER 16, 2003

- AUS \_\_\_\_\_
- CAF \_\_\_\_\_
- CMF \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- OPD \_\_\_\_\_
- MMS \_\_\_\_\_
- SEC \_\_\_\_\_
- OTL \_\_\_\_\_

DOCUMENT NUMBER 0000

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1 A. DMA recommended cost structures comprising fixed and  
2 variable charges, and a fuel component, if applicable,  
3 for each segment. In addition, DMA recommended  
4 escalation methodologies and initial fuel price levels.  
5 They are detailed in Tampa Electric witness Dibner's  
6 supplemental testimony.

7

8 Q. Do you believe that appropriate market rates have been  
9 established?

10

11 A. Yes. The appropriate market rates have been established  
12 using the bona fide terminal bid received and the results  
13 of the detailed and thorough analyses conducted by DMA  
14 for the inland river and ocean transportation segments.

15

16 Q. After accepting the established market prices, how did  
17 Tampa Electric proceed?

18

19 A. According to the terms of Tampa Electric's existing  
20 waterborne transportation contract, TECO Transport has  
21 the right to review and decide to meet or beat the market  
22 prices established. Therefore, Tampa Electric  
23 communicated the prices to TECO Transport for that  
24 purpose.

25

1 Q. What is the next step in establishing a new contract for  
2 waterborne transportation services?

3  
4 A. Tampa Electric has begun negotiating a new contract with  
5 TECO Transport. The company is working to incorporate  
6 the terms established in the solicitation and the rates  
7 provided as a result of DMA's market analysis into a new  
8 five-year waterborne transportation agreement. The  
9 target date for the completion of these negotiations is  
10 early October 2003. Tampa Electric is on task to  
11 complete the negotiations as scheduled so that this  
12 matter can be addressed at the hearing in this docket  
13 that is scheduled for November 12-14, 2003.

14  
15 Q. How do the market prices established for a new contract  
16 compare to the waterborne coal transportation costs that  
17 were included in Tampa Electric's total projected 2004  
18 fuel cost?

19  
20 A. The market prices that were established for the new  
21 contract are less than the waterborne coal transportation  
22 costs utilized in Tampa Electric's projected 2004 fuel  
23 costs that were filed on September 12, 2003. At the time  
24 that the company completed the analysis required for that  
25 filing, the best estimate of 2004 waterborne coal

1 for waterborne transportation services for the period  
2 2004 through 2008. DMA's evaluation of the inland river  
3 and terminal bids resulted in its recommendation to  
4 reject the non-conforming river bid, to use the terminal  
5 bid to set the market rate for that segment and to use  
6 DMA's analysis of the transportation markets to set  
7 appropriate market rates for the inland river and ocean  
8 transportation segments. Tampa Electric agreed with  
9 DMA's recommendations. Tampa Electric is utilizing these  
10 rates to negotiate a new transportation contract with  
11 TECO Transport for the years 2004 through 2008. As  
12 previously stated, TECO Transport has the right to meet  
13 or beat the market prices established for the new  
14 contract period, under the terms of its existing contract  
15 with Tampa Electric.

16  
17 Q. Does this conclude your testimony?

18  
19 A. Yes, it does.  
20  
21  
22  
23  
24  
25

ORIGINAL REDACTED



BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 030001-EI  
IN RE: FUEL & PURCHASED POWER COST RECOVERY  
AND  
CAPACITY COST RECOVERY

PROJECTIONS  
JANUARY 2004 THROUGH DECEMBER 2004

SUPPLEMENTAL TESTIMONY  
OF  
BRENT DIBNER  
ON BEHALF OF  
TAMPA ELECTRIC COMPANY  
REDACTED VERSION

REVISED OCTOBER 16, 2003

AUS \_\_\_\_\_  
CAF \_\_\_\_\_  
CMP \_\_\_\_\_  
COM S \_\_\_\_\_  
CTR \_\_\_\_\_  
ECR \_\_\_\_\_  
GCL \_\_\_\_\_  
OPC \_\_\_\_\_  
MMS \_\_\_\_\_  
SEC I \_\_\_\_\_  
OTH \_\_\_\_\_

DOCUMENT NUMBER 10144

10144 OCT 16 8

FPSC-COMMISSION CLERK



1 Overall, the combined market waterborne transportation  
2 rate as of January 1, 2004 is [REDACTED] per ton. This is  
3 [REDACTED] per ton less than the rates paid during the third  
4 quarter of 2003 under the existing contract. The  
5 individual segment market rates that I recommended are  
6 described below.

7  
8 The average market rate for inland river transportation  
9 is [REDACTED] per ton. This average rate was calculated using  
10 the estimated rates of the river locations where Tampa  
11 Electric has contracted for delivery of its 2004 coal  
12 supply. The market rate for terminal services is [REDACTED]  
13 per ton, which includes a [REDACTED] fleeting charge. The  
14 market rate for ocean transportation of Tampa Electric's  
15 maximum annual requirements of 5.5 million tons is [REDACTED]  
16 per ton. These rates total to the [REDACTED] per ton market  
17 rate listed above.

18  
19 Tampa Electric should present the market rates I have  
20 established for each segment, as detailed in my exhibit,  
21 to TECO Transport for its decision to meet or beat the  
22 market price for services beginning January 1, 2004, as  
23 required by the terms of the existing contract. If TECO  
24 Transport opts to provide service under the contractual  
25 "Right of First Refusal" clause, Tampa Electric should

1 utilize the market rates I have established in  
2 negotiating a contract with TECO Transport.

3

4 Q. Please describe your final report.

5

6 A. I have summarized the results of my evaluation, analyses  
7 and recommendations above. The deliverable that I  
8 provided to Tampa Electric is my final report, which is  
9 attached as my exhibit. The report provides detailed  
10 information about my analyses and recommendations as well  
11 as descriptions of my methodologies and supporting  
12 background information.

13

14 Q. Does this complete your testimony?

15

16 A. Yes, it does.

17

18

19

20

21

22

23

24

25