



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

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

DATE: July 29, 2004
TO: Cochran Keating, Senior Attorney, General Counsel
FROM: Todd F. Bohrmann, Economic Analyst, Division of Economic Regulation *TB*
RE: Recommendation on Request for Confidential Treatment for Specific Portions of Document No. 11049-03

On November 5, 2003, Sheree L. Brown filed testimony on behalf of the Florida Industrial Power Users Group (FIPUG) and the Florida Retail Federation (FRF) in Docket No. 030001-EI. Her testimony focused on Tampa Electric's decision to close its Gannon Station on an accelerated schedule. On November 20, 2003, Tampa Electric filed a request for confidential classification for six specific portions of Ms. Brown's testimony appearing on pages 16, 17, 19, 20, and 24. Tampa Electric provided the following rationale for requesting such classification:

This information consists of 2003 and 2004 O&M budget amounts and the company's estimates of projected fuel and O&M impacts. Only the dollar amounts shown are confidential. Such amounts are confidential because they reveal details of the very recent daily operation of Tampa Electric's business and the company's strategic planning activities. Disclosure of this information could impact agreements or contract negotiations that Tampa Electric attempts to enter into in the future. An example of how this could negatively impact the company is that of contractors viewing the budgeted amounts for a particular project or station and, because they are now aware of the funds Tampa Electric allocated, bidding higher than they would have without that knowledge. This would increase Tampa Electric's overall costs. As such, the information is entitled to confidential treatment under Section 366.093(3)(d) and (e), Florida Statutes.

On December 1, 2003, FIPUG filed its response in opposition to Tampa Electric's request for confidential classification. In its response, FIPUG makes the following arguments:

1. Tampa Electric has failed to show any link between this budget information and its ability to contract on favorable terms or impairment of competitive interests.
2. Tampa Electric has failed to explain how disclosure of the 2003 estimated O&M information would harm Tampa Electric, because most, if not all, of these expenses have already been incurred on an actual basis.

DOCUMENT NUMBER-DATE

08319 JUL 30 3

FPSC-COMMISSION CLERK

3. Tampa Electric provided similar, detailed information regarding projected O&M expenses for Gannon Units 1-4 through December 2004, without seeking confidential treatment, in Exhibit WTW-2.

4. Tampa Electric does not explain how disclosure of estimates of dead freight charges and coal contract penalties could possibly harm Tampa Electric, because Tampa Electric has testified elsewhere that these charges and penalties no longer apply.

Staff has the following recommendations regarding the confidential nature of the specified portions of Ms. Brown's testimony.

1. **Page 16, lines 13-14; Page 17, lines 7-8 and 16-17; Page 19, lines 1-2 and 5-6; Page 24, line 13:** This information is not confidential. Tampa Electric purports this information to be projected O&M costs for its Gannon Station during 2003 and 2004. Because Tampa Electric has incurred most, if not, all of its O&M costs for its Gannon Station for those years, staff does not believe that disclosure of this information would harm Tampa Electric's ability to contract for services.

2. **Page 19, lines 16-19; Page 20, lines 8-9:** This information is not confidential. Tampa Electric purports this information is fuel clause impacts, coal contract penalties, and dead freight charges. This aggregated information does not provide any per-unit data that would harm Tampa Electric's competitive interests. Also, Tampa Electric has already put the amount of incurred dead freight charges into the public record in Docket Nos. 030001-EI and 031033-EI.

Staff recommends that Tampa Electric has not justified why the Commission should protect the information in this request. If you have any questions, please contact me at (850) 413-6445.

TB:kb

Cc: Division of Commission Clerk and Administrative Services
Bureau of Records and Hearing Services
General Counsel