

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

CONFIDENTIAL
MM 12.29.08
DECLASSIFIED

March 19, 2007

HAND DELIVERED

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

070182-EI

Re: UNDOCKETED – Review of Customer Deposit Procedures of Florida's Five Investor-Owned Utilities

Dear Ms. Bayo:

Enclosed for filing in the above-referenced matter are the original and fifteen (15) copies of Tampa Electric Company's Request for Confidential Treatment pertaining to certain information contained in a draft report prepared by the Commission's Staff setting forth a review of Customer Deposit Procedures of Florida's Five Investor-Owned Utilities.

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
James D. Beasley

JDB/pp
Enclosure

DECLASSIFIED

CONFIDENTIAL

DOCUMENT NUMBER-DATE

05854 JUL 12 06

FPSC-COMMISSION CLERK

~~DOCUMENT NUMBER-DATE~~

~~02441 MAR 19 07~~

~~FPSC-COMMISSION CLERK~~

DECLASSIFIED

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Customer Deposit Procedures)
of Florida's Five Investor-Owned Utilities.)

UNDOCKETED
FILED: March 19, 2007

TAMPA ELECTRIC COMPANY'S REQUEST FOR CONFIDENTIAL TREATMENT

Tampa Electric Company ("Tampa Electric" or "the company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006(3), Florida Administrative Code, hereby requests confidential treatment of certain information contained in the draft report prepared by the Commission's Staff setting forth a Review of Customer Deposit Procedures of Florida's Five Investor-Owned Utilities, submitted to Tampa Electric under cover letter dated February 23, 2007 from Lisa S. Harvey of the Commission's Staff and, as grounds therefore, says:

1. The Commission Staff's draft report accompanying the above-referenced February 23, 2007 transmittal letter includes certain unredacted information set forth on Exhibit 2, page 11, of the Executive Summary and on page 63 of the draft report. Copies of the two pages in question are being submitted under separate confidential cover letter with the confidential information highlighted in yellow. Attached hereto as Exhibit A are redacted, public versions of the two pages in question.

2. The information in question consists of customer credit score cutoff figures, which Tampa Electric has agreed with Equifax, its customer credit data information service, is confidential proprietary business information the public disclosure of which could harm the competitive interests of Equifax.

DECLASSIFIED

3. Tampa Electric has an agreement with Equifax that protects as proprietary confidential business information, the information which Equifax discloses to Tampa Electric, including Equifax credit worthiness cutoff scores. Equifax has indicated to Tampa Electric that public disclosure of the cutoff score will place Equifax at a disadvantage, vis-à-vis, Equifax's competitors in the credit rating business.

4. Tampa Electric wishes to honor its commitment to Equifax to avoid any competitive harm to this credit information provider and at the same time enable Tampa Electric to comply with its contractual confidentiality commitment to Equifax.

5. Section 366.093, Florida Statutes, states that proprietary confidential business information includes, but is not limited to: (a) trade secrets

(a) trade secrets

* * *

(e) information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.

Inasmuch as Equifax has asserted that disclosure of the information in question will harm its competitive interests, Tampa Electric urges that the information in question be treated as confidential proprietary business information under Section 366.093, Florida Statutes.

6. Tampa Electric treats the information that is the subject of this request as confidential proprietary business information and has not disclosed it publicly.

WHEREFORE, Tampa Electric submits the foregoing and requests that the highlighted figures on the two pages separately submitted herewith from the Staff's draft report entitled

Customer Deposit Procedures of Florida's Five Investor-Owned Utilities be treated as confidential proprietary business information and exempt from the Public Records Law.

DATED this 19th day of March 2007.

Respectfully submitted,



LEE L. WILLIS
JAMES D. BEASLEY
Ausley & McMullen
Post Office Box 391
Tallahassee, FL 32302
(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

Operational Process Comparison of Florida's Investor-Owned Utilities					
					TBC
Initial Deposit Requirement					Twice average monthly bill
Waiver Criteria Residential					Equifax > Previous customer, Guarantor - - -
Waiver Criteria Non-Residential					Letter of Credit, Surety bond, Guarantor, - Blanket S&P A-/Moody's A3 -
Triggers for Additional Deposit Review - Residential					Late payments, Disconnect order for non-payment
Triggers for Additional Deposit Review - Nonresidential					Disconnect order, Gap > \$500 in calculated deposit, 4 late payments, S&P A- or Moody's A3
Credit Threshold for Additional Deposits - Large Corporate					Below S&P A- or Moody's A3
Accounts with Deposits Residential					44 percent
Accounts with Deposits Nonresidential					89 percent
Total Deposit Dollars as a % of Total Revenue (2005)					5.0 percent
Accounts without Deposits as % of Net Bad Debt (2005)					40 percent
Net Bad Debt as a Percent of Total Revenues (2005)					.29 percent
Deposit Review Residential					Monthly
Deposit Review Nonresidential					Semi-annually

EXHIBIT 2

Source: Data Requests 1, 2, and 3, Interviews, Sampling

determine credit worthiness. The score used by Equifax is generated by a proprietary model used specifically for the purpose of determining whether a customer deposit is required and is not the same as the customer's FICO credit scores. Results of this scoring will determine whether the deposit can be waived. TEC will not waive a deposit and one will be required if the score is between [redacted] and [redacted]. Deposits will be waived for scores above [redacted].

In lieu of cash deposits, residential customers may furnish a satisfactory guarantor or establish credit worthiness via a credit check by Equifax. TEC customer service procedures state these options are not actively promoted but are available if a customer inquires. Deposits and other security in lieu of deposits assist the company to limit and control exposure to loss created by billing for services already provided. Deposits are automatically calculated by the system during account set-up.

Nonresidential Accounts

For nonresidential customers, a deposit is required equal to two times the average monthly service bill as determined by TEC's engineers or field personnel, historical data, or the company's best estimate of consumption. In lieu of a cash deposit, nonresidential customers may furnish an irrevocable line of credit, surety bond, satisfactory guarantor, or may obtain a deposit waiver based on bond rating. A Standard & Poor's long term debt rating of A- or better or Moody's rating of A3 or better is required to qualify for an alternative form of security. Nonresidential accounts exempt from deposit requirements include government, public schools, tax-exempt non-profit organizations, and regulated utilities.

For existing commercial customers who request a new account, such as multiple location businesses, TEC will allow the customer to choose one of its accounts to serve as a "master" depository account for all of the associated accounts. This allows a commercial or corporate customer to more efficiently manage its deposit. When the new account is opened, TEC reviews the master account to determine what additional deposit may be required.

6.2.2 Additional Deposits

Residential Accounts

When a residential customer does not maintain a satisfactory payment history, TEC conducts a review of the account to determine if an additional deposit should be required. The company reviews specific patterns when determining if an account should be billed an additional deposit. These include the following:

- ◆ Disconnect for nonpayment order is produced,
- ◆ Deposit billing does not exist,
- ◆ Amount of additional deposit needed is \$50 or greater,
- ◆ Does not have a pending credit arrangement,
- ◆ Does not have a guarantor,
- ◆ An additional deposit notification letter was previously generated, or
- ◆ If a customer fails to make timely payments

If a bill for an additional deposit becomes 30 days past due, any payments made on the account will first be credited towards the additional deposit obligation, and then to the electric service portion of the bill. This procedure prevents customers from avoiding the deposit by

TEC

Existing Deposit

Acct No.	Open Date	Original Deposit Req'd	Recent Deposit Amount	2-mo Avg Bill	Risk Score	Interest Amount	Waiver	Reason for Deposit/Waiver
12160652611	2/05	215 ⁰⁰			Closed	10.75	N	Disconnect / Lates closed acct
11760061517	11/05	215 ⁰⁰	10/31		Closed		N	Late Payment deposit never collected
14811279430	3/06	215 ⁰⁰	3/10/06	Closed	✓	N/Int	N	Late Final Disconnect
17811687653	7/06	200 ⁰⁰	7/06	200 ⁰⁰	✓	1.10	N	Lates
07610351347	9/05	180 ⁰⁰	9/10/05	200 400 ⁰⁰	✓	9.00	N	Disconnect notice / Disconnect
08160587673	5/04	-WAIVED	ORV	Closed		-	N	Late / Disconnect
* 04210066790	5/02	215 ⁰⁰	waived ORV	200		-	N	late (Late) Re establish in error*
11210103115	7/06	290			OK		Y	additional acct w/ good history
02354065004	7/06	290 ⁰⁰	-	200	Transfer		Y	Guarantor (late)
08510228991	10/04	215 ⁰⁰	W letter		Closed	7.53	Y ^{waived letter}	Final / Disconnect notice
13510097116	7/05	-Cred	W letter	240 ⁰⁰		-	Y	late Disconnect / late
20610555441	8/05	215 ⁰⁰	W letter	285 ⁰⁰		10.75		less than differential of 50 ⁰⁰
09160039869	7/05	Credit ✓	Letter	235 ⁰⁰		-	Y	letter - but positive payment history
15811267076	7/05	Final billed	165 ⁰⁰	165 ⁰⁰		2.48		late payments
05354745085	2/03	final billed	255 ⁰⁰ 9/06	255 ⁰⁰		2.55		Late Dates /
19300014377	*	TA.	200	200		200	Y	Deposit wired multiple accts
* 19510023953		215 ⁰⁰				24.00		late less than 50 ⁰⁰
08160091896		200	200	200		200		Guarantor
05810812278	7/05	215 ⁰⁰	225	225		12.90		Lates 8660 - less than 50 ⁰⁰
* 06810811354	8/00	-190	reduced	185.00	Transfer			not locate
14810903735		credit ✓	Normalcy	275				Disconnect
05210545060		TA.		535				Bond on file
04810548777	2/206	215	150 ⁰⁰ 10/06	160.00				late / late refund of excess deposit
02282700087				290 ⁰⁰				Guarantor
20610254086	3/02	190	W Letter	310 ⁰⁰				closed acct
21810520341	19/03	Credit w	W letter					

DECLASSIFIED

TEC

Existing Deposit

Acct No.	Open Date	Original Deposit Req'd	Recent Deposit Amount	2-mo Avg Bill	Risk Score	Interest Amount	Waiver	Reason for Deposit/Waiver
15611061143		T.A					T.A	Appt complex
18610041431	4/05	215.00		245.00		7.53	W	less than 50% Late
19610608066	7/04	215.00	W. Letter					late
08160515096		T.A					Y	incorrect address Appt
10010180234	4/80	Returned	LOC file	220.00				Late payment closed acct
04610315445	4/06	TA	---				Y	closed acct. Appt complex
06810875834	6/06	TA	---				Y	Appt complex
04760061810	2/04	GA	---				Y	Lates Guarantor Guarantor
06010157499	10/04	GA	---				Y	Guarantor Guarantor (late)
16810990735	3/04	GA	---				Y	Guarantor (late)
01010095646	1/06		W. letter	145.00			Y	Warning Letter (Additional acct previous history)
01010235833	4/06	T.A		65.00				Late Appt complex
01010396170	1/02	215.00	55.00	135.00		13.00		late letter sent - over secured
01160045771	8/02	260.00	215.00	320		14.00	Y	less than 50% Late
01160168427	11/03	215.00	W. letter	320.00			Y	less than 50% dunny renew
01210045344	3/04	215.00	205	525.00		16.00		applied
01210070886	11/05	120.00	375.00	495.00		4.80		Late/Late
01210176289	9/05	200.00	W. letter	255.00		12.00		late less than 50%
* 01350134983	6/02			285.00				late
01350169185	11/03	Waived	W. letter	455.00			Y	Warning letter
01510010416	5/04	215/130	85 W. letter	560.00		30.00	Y	Warning letter
* 01510493899	8/03		215.00	195.00			Y	Warning letter
* 01510542185		GA.						
* 01610016518	1/05	215		415				late
01610054878	4/03	215		415	closed	11.00		late
01610152293	5/04	215.00	280.00	495		12.00		late / Disconnected

DECLASSIFIED

TEC-Existing Deposit

Acct No.	Open Date	Original Deposit Req'd	Recent Deposit Amount	2-mo Avg Bill	Risk Score	Interest Amount	Waiver	Reason for Deposit/Waiver
01610377107	3/06	215	280.00	465.00		7.53		late payment/disconnect
01610416103	5/96	GA						late late
01810057500	2/04	200/95	W. letter	490		20.00		late discomets
01810287508	7/02	215 (200/95)	W. letter	195.00			Y	late/late letter
04610348107		TA						Appt complex
01010178347	7/02	credit	W. letter	240			Y	warning letter - late payment
05810030313	2/06	105		55				late payment Reestablished <small>after non-pay</small>
12160155313	6/03	existing	W. letter	250			Y	late - letter
04160346051	8/00	T.A					Y	Appt complex
15811275096		credit	W. letter	105			Y	W. letter
18610502699	12/05	TA					Y	Appt complex
01510312260		TA					Y	Appt complex
15280050866	1/04	7500	W. letter	140.00			Y	W. letter
20760103850	12/05	215.00		255.00			Y	less than 50# Lates
21352023665	3/06	215	W. letter	340.00			Y	late payment lates
02510765100	9/06	TA					Y	Appt complex
12010157893	8/06	00.00		215.00				closed acct/late one
16210161015	8/02	215	W. letter	80.00			Y	Warning letter
09160115476	8/04	215		260.00			Y	less than 50# Lates
12611335786	12/05	TA.					Y	Appt Complex
11611033719	1/06	215		250.00		7.00	Y	cut payment/less than 50#
09811311426	1/06	215	-	415.00		8.60		late non pay closed acct
01210295610	2/05							Tuned off in error no deposit
01010536870	1/97	Bond					Y	Bond - Boulder
01210095790	7/88	City of W. Haven						Government agency
01610008925	4/85	60/125	W. letter			8.00	Y	late - W. letter
04160125631	1/81	250	W. letter			14.00		late - late
16160360724	6/05	215.00	W. letter	280.00		7.00	Y	late payment W. letter

215.00

DECLASSIFIED

TEC

Initial Deposit

Acct No.	On File (Y/N)	Deposit Req'd (Y/N)	Calculated Deposit Amount	2-mo Avg Bill	Deposit Amt Actually Collected	D/ND	Waiver (Y/N)	Amount of Waiver	Waiver, Objective / Subjective	D/ND	Reason for Waiver
06351575018	Y	Y	145-	140-	145-		NA				
15510360887	Y	N									closed good pay record archived
16610186974	Y	Y	135-	135-	135-		NA				
16811695515	Y	Y	150-	150-	150-		NA				
10610753441	Y	Y	130-	125-	130-		NA				
14300027205	Y	Y	325-	325-	325-		NA				
14350493423	Y	Y	250-	250-	250-		NA				
20210089345	Y	Y	215-	210-	215-		NA				
18610730310	Y	N	120-	225-	120-		→				closed transfer data on new acct
17811408447	Y	Y	145-	145-	145-		NA				
15610620521	Y	Y	100-	130-	100-		NA				
17810872425	Y	Y	180-	180-	180-		NA				
01010405186	Y	Y	135-	135-	135-		NA				
20510222657	Y	Y	170-	170-	170-		NA				
04350260441	Y	Y	100	105-	100-		NA				
08160315083	Y	Y	225	125-	225		NA				long vacancy pulling ↓
13760512142	Y	Y	285	285	285		NA				closed too fast to collect pd balance
08160768626	Y	N	145-	145-	-		NA				apt turned on temporarily balance fixed to not go out
04010638030	Y	Y	215	too short to calc	215		NA				1 mo + closed binder sold
13611822413	Y	Y	235	235	235		NA				
02810284481	Y	Y	155	155	155		NA				
10010778443	Y	Y	200	220	200		NA				
15510258684	Y	Y	140	140	140		NA				
20510335265	Y	Y	130	130	130		NA				
11160565813	Y	Y then waived	435	425	435		Yes				requested Equity
11210175860	Y	Y	150	140	150		NA				
15610356594	Y	Y	145	145	145		NA				

→ record not done

New police hyper def. with son trigger his addit deposit

Do not seal Bond covers

TEC

Initial Deposit

Acct No.	On File (Y/N)	Deposit Req'd (Y/N)	Calculated Deposit Amount	2-mo Avg Bill	Deposit Amt Actually Collected	D/ND	Waiver (Y/N)	Amount of Waiver	Waiver, Objective / Subjective	D/ND	Reason for Waiver
14510142730	Y	Y	70	70	70		NA				recalc 12/05 nothing to base it on
10611147573	Y	Y	150	150	150		NA				recalc 9/06
04810036601	Y	Y	445	445	445		NA				recalc 8/06
12160418169	Y	Y	215	205	215		NA				recalc 8/06
03760044493	Y	Y	275	275	275		NA				" 6/06
19510002955	Y	Y	225	225	225		NA				" 7/06
10350461662	Y	Y	155	160	155		NA				" 10/06
21160475700	Y	Y	215	new	—		—				builder got balance after few days in SVC
04510760001	Y	N	—	540	—		Y				transfer husband to wife established accts
08161344711	Y	Y	215	new bldg none	215		NA				
03510566812	Y	N	—	130	—		Y				Appt company had open 10 days
18350422660	Y	N	—	new home	—		Y				new home - bills temp svc paid
09210539160	Y	N	—	new home	—		Y				builder new home on + off turned on for cleaning do not seal
10610795799	Y	N	—	170	—		Y				new home reason for waiver unknown
→ 19811241501	Y	N	215	new home	—		Y				
04160404940	Y	Y	150	new bldg	150		NA				new bldg
02510694171	Y	Y	150	110	150		NA				
20810246884	Y	N	10,900	8,120	10,900		Y				Bond could be multi accts
16210432573	Y	Y	215	140	215		NA				
03810325588	Y	Y	116	110	116		NA				
11510572990	Y	N	—	50	—		Y				Property, mfg co balance transfer history
14350238234	Y	N	—	265	—		Y				final waived prev. history
19160668605	Y	Y	210	210	210		NA				
14811228601	Y	Y	215	new	215		NA				new construction
07510055984	Y	N	—	195	—		Y				Equi tax
08510484131	Y	N	—	150	—		Y				good part history other TEC accts
01010581740	Y	Y	215	new	215		NA				appt co name - temp

DECLASSIFIED

TEC

Initial Deposit

Acct No.	On File (Y/N)	Deposit Req'd (Y/N)	Calculated Deposit Amount	2-mo Avg Bill	Deposit Amt Actually Collected	D/ND	Waiver (Y/N)	Amount of Waiver	Waiver, Objective / Subjective	D/ND	Reason for Waiver
01010581740											
11510542817	Y	N	—	145	—		Y				developer temp svc / feet cleaning
04510177210	Y	N	—	200	—		Y				prop mgt co. temp svc
08161346090	Y	N	—	new	—		Y				new home builder turn on
08160212517	Y	N	—	140	—		Y				prop mgt co temp svc
15610346609	Y	N	—	—	—		Y				do not seal prop mgt co blanket
12611222744	Y	N	—	130	—		Y				aprt mgt co.
04160371832	Y	Y	225	215	225		NA				recalc Oct.
05160195912	Y	N	—	110	—		Y				reality co. - cleaning
08210064142	Y	N	—	205	—		Y				good pmh history other acct
11010485152	Y	N	—	360	—		Y				landlord turn on temp a pd bal. to close + EPT
12611314860	Y	N	—	—	—		Y				Apt complex temp do not seal
10610791883	Y	N	—	85	—		Y				Equifax
04810552029	Y	N	—	205	—		Y				Prop mgt/pd - DNS.
03210065075	Y	N	—	190	—		Y				12/03 recalc / good pay history
09810392972	Y	N	—	115	—		Y				Apt mgt temp turn on
18810360843	Y	N	—	195	—		Y				Prop. mgt Co temp turn on
12811053929	Y	N	—	100	—		Y				Prop mgt co temp blanket
14810921041	Y	N	—	370	—		Y				waived pmh record good
13612009141	Y	N	—	new	—		Y				Creditck Equifax
14160445424	Y	N	—	315	—		Y				Good pmh history since 96
15210110647	Y	N	—	130	—		Y				Property mgt co. DNS.
21810581131	Y	N	—	200	—		Y				Property mgt co. pd final DNS
09610369518	Y	N	—	185	—		Y				aprt mgt - DNS 10 days
16210442536	Y	N	—	110	—		Y				aprt mgt co - DNS final pd.
21760098561	Y	N	—	100	—		Y				prev history waiver / seasonal
21160472950	Y	N	H5	new	H5						builder - construction pole office usage

DECLASSIFIED