

AUSLEY McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

123 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
(850) 224-9115 FAX (850) 222-7560

April 3, 2018

HAND DELIVERED

Ms. Carlotta S. Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RECEIVED FPSC
2018 APR -3 AM 10:10
COMMISSION CLERK

Re: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor; FPSC Docket No. 20180001-EI


Dear Ms. Stauffer:

Enclosed for filing in the above docket are the original and seven (7) copies of Tampa Electric Company's Request for Confidential Classification of certain highlighted information contained in the company's 2017 Hedging Activity True-Up, identified as Exhibit ___ (JBC-1) of witness J. Brent Caldwell.

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/pp
Enclosure

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

COM ___
AFD 3
APA ___
ECO 1
ENG 1
GCL 2
IDM ___
CLK ___

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 20180001-EI

FILED: April 3, 2018

**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 the highlighted information on pages 12 and 14 of the company’s 2017 Hedging Activity True-Up (“the Report”) filed this date on a confidential basis in the above docket, with the duration of that confidential classification to be a minimum of three years. In support of its request, Tampa Electric states as follows:

1. Subsection 366.093(1), Florida Statutes, provides that any records “found by the Commission to be propriety confidential business information shall be kept confidential and shall be exempt from s. 119.07(1) [requiring disclosure under the Public Records Act].” Proprietary confidential business information includes, but is not limited to “[i]nformation concerning . . . contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.” Subsection 366.093(3)(d), Florida Statutes. Proprietary confidential business information also includes “[i]nformation relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.” Subsection 366.093(3)(e), Florida Statutes. The designated portions of the Report fall within these statutory categories and, thus, constitute propriety

confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

2. Disclosure of the highlighted information on pages, 12 and 14 of the Report would disclose Tampa Electric's current purchasing strategy (both with respect to fuel and purchased power) and risk exposure. Those who have an interest in supplying Tampa Electric's fuel and purchased power needs could use this valuable information to help them negotiate more favorable terms, to the detriment of Tampa Electric and its ratepayers, than would otherwise be the case. They could learn of the company's plans and needs and use that information in exacting better prices for meeting those needs.

3. Disclosing the company's risk exposure levels on a monthly basis would provide an indicator of vulnerability to market price. Would-be suppliers of both fuel and purchased power could simply withhold supply and price their fuel and purchase power offerings at a higher level than they would otherwise. Power suppliers could perform maintenance on their units during months when the company's exposure is low, so that they would have their power to sell through at high prices during months that Tampa Electric's exposure is high.

4. Disclosure of the highlighted information in the Report would also provide highly sensitive information to recipients regarding the manner and timing of Tampa Electric's entry into the fuel and purchased power markets. Knowledge of this information would allow the opportunity for market manipulation through transactions made in anticipation of the company's entry into the market. Market manipulations based on knowledge of the highlighted information would increase the price of fuel and purchased power paid by Tampa Electric's customers as well as the price paid by the company to hedge the customers' price of fuel and purchased

power. These effects of disclosure would impair the efforts of Tampa Electric to contract for goods and services on favorable terms for the benefit of its customers.

5. The highlighted contractual fuel price information shown in the Report represents contract prices that are less than two years old, within the period of time that contract prices are typically protected to preserve the company's competitive position in negotiating fuel supply contracts. Any contract price shown in the Report without highlighting represents an older, and therefore no longer competitively sensitive, price. Disclosing Tampa Electric's highlighted actual contractual fuel prices and the market indexes upon which fuel contract prices are based would impair Tampa Electric's future efforts to contract for goods and services on favorable terms. The information could be used by suppliers to affect the price of fuel that Tampa Electric will need to purchase in the future since the provider's bids might be influenced if they had knowledge of existing contract rates. Knowledge of this information would allow fuel suppliers to use this valuable information to help them negotiate more favorable terms, to the detriment of Tampa Electric and its ratepayers, than would otherwise be the case.

6. The highlighted information contained in the company's Report for which confidential classification is sought is intended to be and is treated by Tampa Electric as private and has not been publicly disclosed.

7. On May 12, 2017 in Order No. PSC-2017-0172-CFO-EI, the Commission granted Tampa Electric's Request for Confidential Classification of portions of the company's Hedging Activity True-Up Report filed on April 3, 2017 with respect to the same information for which Confidential Classification is sought in the Report filed this date.


Requested Duration of Confidential Classification

8. Tampa Electric requests that the Report be treated by the Commission as confidential proprietary business information for a minimum of three years. This Report provides detailed strategies many of which are of a continuing nature and which could well be in place beyond the standard eighteen-month period that confidential information is treated by the Commission as such. The various risk management strategy components build upon each other and disclosing the company's basic plan sooner than three years after it is submitted would arm would-be suppliers of goods and services, as well as competitors of Tampa Electric, with the bulk of the company's risk management strategies. A minimum of three years is essential to prevent those entities in the fuel and purchased power markets from having access to information they could use to the competitive disadvantage of Tampa Electric, which would increase the fuel and purchased power costs borne by Tampa Electric's customers.

WHEREFORE, Tampa Electric respectfully requests that the highlighted information set forth on pages 12 and 14 of the company's Report be accorded confidential classification for the reasons set forth above.

DATED this 3rd day of April 2018.

Respectfully submitted,



JAMES D. BEASLEY
J. JEFFRY WAHLEN
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 electronic mail on this 3rd day of April 2018 to the following:

Ms. Suzanne S. Brownless
Senior Attorney
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
sbrownle@psc.state.fl.us

Ms. Patricia A. Christensen
Associate Public Counsel
Office of Public Counsel
111 West Madison Street – Room 812
Tallahassee, FL 32399-1400
christensen.patty@leg.state.fl.us

Ms. Dianne M. Triplett
Duke Energy Florida, Inc.
299 First Avenue North
St. Petersburg, FL 33701
Dianne.triplett@duke-energy.com

Mr. Matthew R. Bernier
Senior Counsel
Duke Energy Florida, Inc.
106 East College Avenue, Suite 800
Tallahassee, FL 32301-7740
Matthew.bernier@duke-energy.com

Mr. Jon C. Moyle, Jr.
Moyle Law Firm
118 North Gadsden Street
Tallahassee, FL 32301
jmoyle@moylelaw.com

Ms. Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 S. Monroe St., Suite 601
Tallahassee, FL 32301
bkeating@gunster.com

Mr. John T. Butler
Assistant General Counsel – Regulatory
Ms. Maria Jose Moncada
Principal Attorney
Florida Power & Light Company
700 Universe Boulevard (LAW/JB)
Juno Beach, FL 33408-0420
john.butler@fpl.com
maria.moncada@fpl.com

Mr. Kenneth Hoffman
Vice President, Regulatory Relations
Florida Power & Light Company
215 South Monroe Street, Suite 810
Tallahassee, FL 32301-1859
ken.hoffman@fpl.com

Mr. Mike Cassel
Regulatory and Governmental Affairs
Florida Public Utilities Company
Florida Division of Chesapeake Utilities Corp.
1750 SW 14th Street, Suite 200
Fernandina Beach, FL 32034
mcassel@fpuc.com

Mr. Jeffrey A. Stone
VP, General Counsel & Corporate Secretary
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780
rlmcgee@southernco.com

Mr. Russell A. Badders
Mr. Steven R. Griffin
Beggs & Lane
Post Office Box 12950
Pensacola, FL 32591-2950
rab@beggslane.com
srg@beggslane.com

Ms. Rhonda J. Alexander
Regulatory, Forecasting & Pricing Manager
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780
rjalexad@southernco.com

Mr. James W. Brew
Ms. Laura A. Wynn
Stone Mattheis Xenopoulos & Brew, PC
1025 Thomas Jefferson Street, NW
Eighth Floor, West Tower
Washington, D.C. 20007-5201
jbrew@smxblaw.com
law@smxblaw.com

Mr. Robert Scheffel Wright
Mr. John T. LaVia, III
Gardner, Bist, Wiener, Wadsworth,
Bowden, Bush, Dee, LaVia & Wright, P.A.
1300 Thomaswood Drive
Tallahassee, FL 32308
Schef@gbwlegal.com
Jlavia@gbwlegal.com



ATTORNEY