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October 3, 2003

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

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 Response in Opposition to Office of Public Counsel's Motion Opposing the Filing of Supplemental Testimony and Exhibit.

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.)

FPSC-COMMISSION CLES

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost Recovery)	
Clause with Generating Performance Incentive) .	DOCKET NO. 030001-EI
Factor.)	FILED: October 3, 2003
)	

TAMPA ELECTRIC COMPANY'S RESPONSE IN OPPOSITION TO OFFICE OF PUBLIC COUNSEL'S MOTION OPPOSING THE FILING OF SUPPLEMENTAL TESTIMONY AND EXHIBIT

Tampa Electric Company ("Tampa Electric" or "the company"), pursuant to Rule 28-106.204 responds as follows in opposition to Office of Public Counsel's ("OPC's") Motion in Opposition to Tampa Electric's September 25, 2003 Motion for Leave to Submit Supplemental Testimony and Exhibit in this proceeding. As grounds therefore, the company says:

- 1. The procedural schedule for this proceeding has been in existence since January 10, 2003. The issue OPC now seeks to block, Issue 17(e), was formally identified in Staff's Preliminary List of Issues dated July 31, 2003 and was informally discussed among the parties prior to the filing of that Preliminary List of Issues.
- 2. On September 12, 2003, in accordance with the schedule in existence since January of this year, Tampa Electric filed prepared direct testimony of Brent Dibner and Joann T. Wehle and an exhibit of Joann T. Wehle squarely addressing Issue 17(e).
- 3. As noted in Tampa Electric's September 25, 2003 Motion for Leave to File Supplemental Direct Testimony and Exhibit, Witness Dibner's September 12 testimony addressed at length the state of the water-borne transportation markets and the adequacy and the reasonableness of the bid solicitation Tampa Electric issued on June 27, 2003. The witness described his assistance to Tampa Electric in the preparation and issuance of the RFP. He also

described the bid evaluation methodology that would be used and stated that at the conclusion of that evaluation process, he would offer supplemental direct testimony and an exhibit describing in detail the results of his analysis and his recommendations based on those results.

- As also stated in Tampa Electric's Motion for Leave to File Supplemental Direct Testimony and Exhibit, the 2004 projection testimony and exhibit of Joann T. Wehle filed September 12, 2003, likewise addressed the RFP process and Witness Dibner's assistance in developing and implementing that process. Ms. Wehle's 2003 testimony clearly stated the witnesses' intent to file supplemental direct testimony describing details, bid evaluations and methodologies used for market assessment and the results of the evaluation process. All of this was made clear to all parties to this proceeding. Prior to the filing of Tampa Electric's Motion for Leave to File Supplemental Testimony and Exhibit, OPC was consulted and advised that it had no opposition to the company's Motion.
- 5. However on September 29, the Florida Industrial Power Users Group ("FIPUG") filed objections to the company's Motion for Leave to File Supplemental Testimony on the coal transportation issues. This was followed by OPC's September 30 filing of its Motion in Opposition to the filing of supplemental testimony.
- 6. The essence of Intervenors' objection is the allegation that if Tampa Electric's supplemental testimony is permitted, Intervenors would only have one week to review the analysis, conduct discovery and draft responsive testimony.
- 7. In response to FIPUG's objections and upon learning that OPC would withdraw its consent to the filing of such testimony, Tampa Electric on September filed its Motion to Alter the Procedural Schedule to accommodate the concerns expressed by the Intervenors. In that Motion, Tampa Electric offered up a clear remedy for Intervenors' objections. That remedy

would provide both Staff and Intervenors twenty-one days from September 25, 2003 (the date on which Tampa Electric filed its Supplemental Testimony and Exhibit) within which to file testimony responsive to that supplemental testimony and exhibit. This would make October 16, 2003 the due date for Staff and Intervenors' testimony responsive to the supplemental testimony and exhibit. The company also proposed that the rebuttal testimony due date with respect to Staff and Intervenors' testimony on coal transportation issues be extended until October 23, 2003. The schedule would otherwise remain intact.

- 8. The company's suggested alteration of the procedural schedule would place Intervenors in as good or better a position from which to respond to testimony and exhibits submitted on behalf of Tampa Electric than the original schedule that has been in place and known to all parties since January 10, 2003.
- 9. Once again, Issue 17(e), the issue OPC is attempting to delay, was addressed at length in the earlier September 12 filing of direct testimony and exhibits on behalf of Tampa Electric.
- 10. OPC's motion suggests, at paragraph 3, that Tampa Electric's timetable for entering into a transportation contract contemplates executing the new contract on November 3, 2003, and that OPC is disadvantaged because that date is "only five working days prior to the fuel hearing." FIPUG cites this same concern in its objections to Tampa Electric's Motion to File Supplemental Testimony and Exhibit. Yet OPC goes on to concede that Tampa Electric has indicated that negotiations will be complete by early October. Indeed, Tampa Electric has committed to finalizing a new contract by <u>early next week</u>. It is clear that regardless of the amount of time afforded Intervenors to prepare for hearing, they never consider it enough time, even when they are placed on notice many months in advance of the hearing.

11. Postponing or deferring any of the issues related to Tampa Electric's water-borne

coal transportation or other Tampa Electric specific issues would adversely affect Tampa Electric

by virtue of the fact that these issues will continue unresolved with all the risks and uncertainties

associated with the specter of unresolved issues. Delaying the consideration and disposition of

the issues identified early on by Staff in its preliminary list of issues will unfairly reward

inactivity on the part of Intervenors at the expense of Tampa Electric's substantial interests.

Intervenors' attempt to delay the consideration of fully noticed issues is manifestly unfair,

particularly in view of Tampa Electric's offer to afford Intervenors a full measure of response

time through the company's September 30 Motion to Alter the Procedural Schedule.

12. The fuel adjustment process consumes practically all of each calendar year, is

fully noticed in advance, yet Intervenors quite often attempt to defer issues at the eleventh hour.

Lack of preparation should not form the basis for delay.

WHEREFORE, Tampa Electric urges the Commission through its prehearing officer to

deny Intervenors' efforts to delay a decision on Tampa Electric's coal transportation issues and

to grant Intervenors their full measure of time to respond by granting Tampa Electric's

September 30, 2003 Motion to Alter Schedule to accommodate concerns of Intervenors.

DATED this 3 day of October 2003.

Respectfully submitted,

JAMES D. BEASLEY

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In Obser

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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

4

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Response, filed on behalf of Tampa

Electric Company, has been furnished by U. S. Mail or hand delivery (*) on this 3 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 32399-0850

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