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April 19, 2004

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ORIGINAL

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: Review of Tampa Electric Company's waterborne transportation contract with
TECO Transport and associated benchmark; FPSC Docket No. 031033-EI

Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and fifteen (15) copies of Tampa
Electric Company's Motion to Compel Residential Customers.

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.)

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Tampa Electric Company's)	
Waterborne transportation contract with)	DOCKET NO. 031033-EI
TECO Transport and associated benchmark.)	FILED: April 19, 2004
_____)	

**TAMPA ELECTRIC COMPANY'S
MOTION TO COMPEL RESIDENTIAL CUSTOMERS**

Tampa Electric Company ("Tampa Electric" or "the Company") by and through its undersigned attorneys file this its Motion to Compel Catherine L. Claypool, Helen Fisher, William Page, Edward A. Wilson, Sue E. Strohm, Mary Jane Williamson, Betty J. Wise, Carlos Lissabet and Lesly A. Diaz (hereinafter referred to as "Residential Customers") to fully respond to Tampa Electric's First Set of Interrogatories (Nos. 1-8) and Tampa Electric's First Request for Production of Documents ("PODs") (Nos. 1-17) filed on February 6, 2004 in this docket and says:

1. On February 16, 2004 Mr. Michael Twomey, as attorney for the Residential Customers, filed preliminary general objections across the board to answering any of Tampa Electric's Interrogatories and PODs and stated he would provide only a limited response under restrictive definitions which would avoid production of documents in the possession of attorneys, agents, employees or representatives and which would limit the scope of items of information he considered to be a "document." A copy of Mr. Twomey's February 16, 2004 objections is set forth in Attachment 1.

2. Using these restrictive definitions and other limitations, Mr. Twomey filed on February 23, 2004 "responses" to Tampa Electric's Interrogatories and PODs interposing objections and limitations which resulted in a refusal to provide complete responses to Tampa

Electric's discovery requests (See Attachment 2.). Mr. Twomey essentially reframed the requests and then provided limited and inadequate answers as will be discussed in more detail below.

The Real Party in Interest

3. In this proceeding, Mr. Twomey purports to represent certain named Residential Customers. However, on information and belief, Mr. Twomey, in fact, also directly or indirectly represents one or more suppliers of coal or coal transportation services who have sought to remain anonymous and who have funneled funds through various entities including, but not limited to, the Consumer Federation of the Southeast ("CFSE") and Sachs Communication in order to remain anonymous.

4. The information sought is relevant in developing testimony on the market for coal transportation and in understanding the true interests Mr. Twomey is representing in this case. Tampa Electric is handicapped in seeking a resolution of this matter when the real party in interest is not revealed. This situation is aggravated by what could be a conflict of interest if the real party in interest represented by Mr. Twomey is a coal supplier or coal transportation provider.

5. On information and belief, Mr. Twomey directly or indirectly represents the interests of one or more suppliers of foreign coal who seek to sell coal to Tampa Electric and/or one or more coal transportation companies which otherwise would not have standing to participate in this proceeding. Tampa Electric and this Commission are entitled to full disclosure to determine if this is correct in order to understand the basis for pleadings made by or positions taken by Mr. Twomey and his sponsors related to this proceeding.

6. Mr. Twomey has issued a series of press releases, has held press conferences and has given media interviews alleging various facts related to Tampa Electric and TECO Energy while purporting to represent Residential Customers. The Staff's Recommendation in Docket No. 030001-EI on October 28, 2003 observed that Tampa Electric had suffered the brunt of some of these various accusations that did not appear to have a factual basis saying:

. . . Staff is sympathetic to Tampa Electric's concerns over misinformation being publicly disseminated. Having reviewed this confidential rate information filed by Tampa Electric in this docket and having seen some of the information publicly disseminated, it appears that some of the publicly disseminated statements are based on erroneous assumptions.

(See October 28, 2003 Staff Recommendation at page 6.)

Tampa Electric is entitled to discovery of all information Mr. Twomey, his agents, his clients (disclosed and undisclosed) and affiliates have used in the media and may use in this proceeding.

7. This Commission has received anonymous letters attacking Tampa Electric and TECO Energy. These letters were also sent to the Governor and other governmental officials. Tampa Electric is entitled to know if Mr. Twomey, his consultants, clients, agents or affiliated organizations have in their possession any documents or reports that in any way relate to these anonymous letters.

8. Tampa Electric is entitled to know from whom Mr. Twomey has received documents or reports that in any way related to this proceeding unless he can demonstrate in the manner set forth in the Florida Rules of Civil Procedure the existence and nature of a legitimate privilege justifying his action.

9. Mr. Twomey has appeared on several occasions with Dr. Tim Lynch of Florida State University in press conferences and media events attacking Tampa Electric and TECO

Energy. Tampa Electric is entitled to discover any documents Mr. Twomey has provided to or received from Dr. Lynch or Common Cause of Florida.

10. Mr. Twomey has appeared at media events on several occasions with Walter Dartland, Executive Director of the CFSE and has received funding from that organization. Walter Dartland has admitted supplying such funds and that some of the funds were received from coal transportation companies who were not awarded TECO business. However, Dartland refuses to identify the coal transportation companies that are funding these efforts. See Attachment 3, an Associated Press article published February 26, 2004 which reads in pertinent part:

The Common Cause survey was paid for in part by the Consumer Federation of the Southeast, which has been criticized by the utility industry because of its funding. The Federation's primary issue is a fight before the PSC with Tampa Electric Co. over a shipping contract, and the group is partially funded by companies whose bids for that contract were rejected.

The federation's director, Walter Dartland, acknowledged he asked those companies for money but didn't know whether he had yet received any.

'If they're a bidder, they don't want people to know they're giving us money,' said Dartland, who defended the alliance with some companies in the process, saying his organization had 'no permanent friends, no permanent enemies.'

'The bottom line is consumer organizations have failed to make a dent in a lot of these issues because they're improperly funded,' Dartland said.

Tampa Electric agrees with Mr. Dartland's Freudian slip that his organization is "improperly funded."

11. CFSE, on information and belief, was created on September 29, 2003 as a front to receive corporate funds of coal transportation suppliers and producers of coal to be used to attack

TECO Energy and Tampa Electric. To Tampa Electric's knowledge and belief, CFSE is not substantially involved in any other consumer issues in Florida or the Southeast. On November 24, 2003 CFSE sent letters to coal transportation suppliers to whom Tampa Electric sent its June 27, 2003 request for proposal. This correspondence, attached as Attachment 4, provides in pertinent part:

CFSE, though new, already is deeply engaged in opening these [coal transportation] markets. Specifically we are supporting positions in regulatory rate hearings before the Florida Public Service Commission that call for scrutiny into transportation pass-through requests from two investor-owned utilities, Tampa Electric Company and Progress Energy. Both companies have long engaged in the practice of awarding sweetheart transportation deals to affiliated companies, effectively shutting our companies like yours.

I am contacting you, in part, because PSC records indicate your company was among a list of potential bidders for the TECO waterborne transportation contract.

We have supported the intervention of a group of TECO customers in that case, providing them with the initial financial help necessary to hire an attorney. And, we're pleased to report the TECO customers were successful in persuading the PSC to assign the TECO transportation issue to a separate docket hearing (Docket No. 031033).

That hearing, now set for May 26 and 27, 2004, will provide an opportunity to fully develop arguments as to why it is important that TECO re-bid this contract, as well as what a poor deal the current contract is for TECO customers.

With legal assistance from consumer attorney Mike Twomey, CFSE also won a recent decision from the PSC to hold a similar hearing on Progress Energy's self-dealings and transportation costs.

Our corporate status does not require us to reveal our contributors, and we will keep your identity confidential to protect you from possible industry backlash. We recognize that confidentiality can be extremely important to corporations in this industry. (Emphasis supplied.)

12. Tampa Electric is entitled to fully explore: (1) the extent to which CFSE has funded Mr. Twomey; (2) the sources of funds of the CFSE which are forwarded to Mr. Twomey to finance his participation in this docket; and (3) the instructions CFSE has provided to Mr. Twomey with respect to the positions to pursue in this docket.

Tampa Electric is entitled to know the real party of interest Mr. Twomey is representing in this proceeding. Tampa Electric and this Commission are entitled to know exactly on whose behalf the comments and pleadings filed in this case by Mr. Twomey are made.

13. Tampa Electric believes that the CFSE is a non-profit corporate front for large corporate business interests whose goal is either (1) to devalue the assets of TECO Transport in order to make it a takeover target; (2) to extract retribution against Tampa Electric for not choosing that supplier to provide coal transportation; or (3) to cause Tampa Electric to rebid its coal transportation business. On information and belief, CFSE was created on September 29, 2003 by Ron Sachs, Michelle Ubben and Walter Dartland (see Attachment 5) after its attempts to use the Consumer Federation of Florida as a front for this purpose failed. Ron Sachs and Michelle Ubben are both executives of Sachs Communications Firms.

14. Mr. Twomey in the past has represented the Consumer Federation of Florida which has been funded in significant part by various corporate interests such as AT&T, Krupa Co. and Abbott Labs who have used that Federation as a vehicle to attack the corporate interests of its opponent. (See Attachment 6 – excerpts from Deposition of Ernest W. Bach 10/1/02 and Deposition Exhibit 2)

15. On information and belief, Mr. Twomey, Mr. Dartland and Ron Sachs initially tried to use the Consumer Federation of Florida as a front for their activities until that organization objected to this activity. On September 12, 2003, in a letter to the editor published

in the Tampa Tribune, Bill Newton, Executive Director of Florida Consumer Action Network, disavowed “the campaign to sink the barge deal” as being run by a Tallahassee public relations firm and advocated that TECO deserves the benefit of the doubt (see Attachment 7). More specifically that letter reads:

The Florida Consumer Action Network has raised questions about Tampa Electric Co.’s proposed contract with its transportation subsidiary, TECO Transport (MoneySense, Aug. 29). We want to set the record straight.

TECO is a good corporate citizen, in our opinion, because it has exceeded state and federal pollution control requirements at its power plants and has a renewable energy program. One of its corporate officers drives a hybrid car, and the company has been willing to work with environmental and consumer groups. TECO’s vertically integrated corporate structure has helped keep power rates down for consumers. To be fair, Tampa Electric could do more on employee safety and had some bad luck, to say the least, on speculative power deals outside the state.

But the bottom line for consumers is to keep the air clean and electric bills low. The transport deal must meet Public Service Commission scrutiny, and as part of that process, the public counsel, which represents consumers, is looking closely at the deal. It may well be that the proposed barge contract is the best for consumers. TECO Transport was set up for this purpose.

The campaign to sink the barge deal is questionable. It is being run by a Tallahassee public relations firm. Why? We won’t know for sure until someone with a competing interest emerges. In the meantime, TECO deserves the benefit of the doubt, and the PSC process should run its course.

It is in the best interest of consumers to have a financially healthy utility that is an asset to the community. Let’s make sure it stays that way. (Emphasis supplied.)

16. Thereafter, the CFSE was created for the purpose of receiving corporate funds and thereafter, solicited funds from coal transportation companies under promises of

confidentiality and with a further promise to forward funds to Mr. Twomey to be used in his attack against Tampa Electric. (See Attachment 4.)

17. On information and belief, the funds received from various corporate interests are filtered through a series of entities in order to screen the identity of the name of the corporate entity providing the funds to sponsor Mr. Twomey to represent their interests in this proceeding.

18. On August 29, 2003, the St. Petersburg Times published an article "TECO deal with Transport Unit under Scrutiny" identifying Ron Sachs and Michell Ubben as the organizing force behind a joint statement released by Walter Dartland and Dr. Tim Lynch and identified the Florida Consumer Action Network of Florida and Florida Public Interest Research Group as other groups identified in this effort (see Attachment 8). This same article also reports that Dr. Lynch estimates that \$50 million per year in unnecessary costs are being borne by ratepayers based on shipping rates to Gulf Power during the first four months of 2003. As noted above, Staff has challenged the assumptions of this calculation. Tampa Electric is entitled to access the materials used by organizations affiliated with Mr. Twomey in his attack on Tampa Electric.

Definition of Residential Customers

19. Tampa Electric's definition of "Residential Customers" included in its discovery requests reads as follows:

"Residential Customers" refers to the individually named intervenors set forth above together with each and every agent, employee, servant and/or representative acting for or on behalf of them in connection with this docket.

Mr. Twomey objects to the above definition of "Residential Customers" as "overly broad, unduly burdensome, expensive, oppressive and/or excessively time consuming." The real purpose of this objection is to continue to screen from discovery information relevant to

this proceeding held by Mr. Twomey himself or by other representatives including but not limited to CFSE and Mr. Dartland.

20. Tampa Electric is entitled to receive the interrogatory answers and documents requested under the above-described definition because, on information and belief, the individually named Residential Customers are participating in name only and are not the real party in interest. It is also a reasonable assumption that the information and documents requested are held by Mr. Twomey, his agents, employees, servant and/or representatives acting on behalf of the Residential Customers which includes Mr. Dartland and CFSE and not by the nominal individual Residential Customers or expert witnesses Mr. Twomey intends to call to testify in this proceeding.

21. Mr. Twomey should not be allowed to shield the requested discovery by using overly restrictive and self-serving definitions designed to exempt information and documents from the scope of discovery.

22. Discovery requests by other Intervenors in this docket to TECO contain similar definitions. For example FIPUG's Requests for Production state:

3. In answering these production requests, furnish all information and responsive documents in possession of TECO or in the possession of any director, officer, employee, agent, representative or attorney of TECO. (Emphasis supplied.)

Definition of Document

23. Mr. Twomey likewise objects to Tampa Electric's definition of "document" or "report" which definition reads as follows:

"Documents" is used in the broadest sense and includes all tangible things that record information, whether or not such things are in the Residential Customers possession, custody or control, and regardless of who prepared or signed them. "Documents" include both the original any copy or draft, and all copies which contain

any notation not on the original. Examples of “documents” include, but are not limited to, handwritten, typed or printed papers, handwritten notations, office notes, calendar entries, diaries, notes of telephone conversations, photographs, reports, receipts, invoices, memoranda, correspondence, notes ledger entries, and computer printouts, cards, tapes, disks, and other means of electronically or magnetically maintained information.

24. Again, Intervenor’s definition of documents in discovery directed to Tampa Electric contains a similar definition. FIPUG’s definition of documents in its First Request for Production to Tampa Electric is stated as follows:

“Documents” is used in the broadest sense and includes all tangible things that record information, whether or not such things are in TECO’s possession, custody or control, and regardless of who prepared or signed them. “Documents” includes both the original and any copy of draft, and all copies which contain any notation not on the original. Examples of “documents” include, but are not limited to, handwritten, typed or printed papers, handwritten notations, office notes, calendar entries, diaries, notes of telephone conversations, photographs, reports, receipts, invoices, memoranda, correspondence, notes ledger entries, and computer printouts, cards, tapes, disks, and other means of electronically or magnetically maintained information.

25. Mr. Twomey is simply being asked to supply information using the same standard as applied to Tampa Electric and to produce information which will reveal the real party in interest represented by Mr. Twomey in this proceeding.

Specific Objections

26. Mr. Twomey objects to Interrogatory Nos. 1, 2, 3 and 4 and RFP Nos. 1, 2, 6, 7, 8, 14, 15 claiming that each is

. . . overly broad, unduly burdensome, expensive, oppressive and/or excessively time consuming.

As described below, nothing could be farther from the case.

27. Interrogatories Nos. 1-4 ask about specific contacts, if any, made by Residential Customers to providers of bulk commodity transportation and to municipal cooperative or investor-owned utilities that sell electricity within the state of Florida regarding the transportation of coal by rail or water or Tampa Electric's RFP. If any of these responses were made, they could be readily identified without any undue burden, expense or the consumption of any excessive amount of time. If these contacts were made or if documents were supplied or received, it is very important that Tampa Electric know of such communication. If no such communications took place, then it would be very simple for the Residential Customers to answer these interrogatories. The Residential Customers simply have used boilerplate objections without any explanation of how these specific requests would be "overly broad, unduly burdensome, expensive, oppressive and/or excessively time consuming." Similarly, with regard to Request for Production Nos. 1, 2, 6, 7, 8, 14 and 15, each is designed to elicit specific document that Residential Customers either have or don't have and which directly relate to the Residential Customers' participation in this case. For example, with respect to Requests Nos. 1 and 2, the Residential Customers either relied upon documents or identified them in their interrogatory responses. Tampa Electric is clearly entitled to have access to whatever documents the Residential Customers relied upon or identified in their interrogatory responses. If the Residential Customers relied upon or identified the documents, it was certainly not overly broad, unduly burdensome, expensive, oppressive and/or excessively time consuming for the Residential Customers to do so. By the same token none of these boilerplate adjectives would impact the Residential Customers in sharing that information with Tampa Electric.

28. Requests for Production Nos. 6, 7, 8, 14 and 15, likewise, can be easily answered by providing documents the Residential Customers have received or sent to third party

concerning issues in this docket, press releases and the like. Again, if the Residential Customers have supplied or received documents relating to the issues in this case, it was not overly broad, unduly burdensome, expensive, oppressive and/or excessively time consuming for them to do so as evidenced by the fact that they did. These are just boilerplate adjectives which translate into the Residential Customers' (or their attorney's) desire not to share the information with Tampa Electric. With respect to Request No. 14, Tampa Electric was careful to ask simply for a list of the titles of books and articles authored or co-authored by the Residential Customers' consultants/potential witnesses that is directly relevant and should be something that the consultants have already prepared and have on the shelf. If they haven't published any books or articles, then the answers to these discovery requests is even easier. The Residential Customers should not be heard to object to legitimate discovery requests particularly when they are scoped and easily answerable like the document requests put forth by Tampa Electric.

Privilege

29. Mr. Twomey objects to Interrogatory Nos. 3 and 4 and RFP Nos. 4, 5, 6 and 7

to the extent that the request seeks discovery of materials and/or information protected by attorney-client privilege, the work product privilege, or any other applicable privilege.

30. Tampa Electric is entitled to know with respect to each "document" (as defined in Tampa Electric's request) of the "Residential Customers" (as defined in Tampa Electric's request) the following with respect to each document: (1) the precise privilege asserted; (2) the date of the document; (3) the person who drafted the document; (4) the persons to whom the document was sent; and (5) a general description of the document. On information and belief, these documents, which Mr. Twomey claims are attorney-client privileged, will reveal who Mr. Twomey's clients really are. Following the provision of this information, these documents

should be produced to the prehearing officer for an in camera inspection and ruling on the applicability of the privilege asserted.

From Mr. Twomey's response it is clear that he has withheld documents based on this privilege but has not in any way provided any information by which anyone could test the validity of his assertion. Such a response is clearly inadequate.

Relevancy

31. Mr. Twomey objects to Interrogatory Nos. 1, 2 and 8 and RFP No. 15 as

. . . not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action.

32. Tampa Electric's Interrogatory No. 1 seeks information regarding the Residential Customers' contact with providers of bulk commodity transportation services regarding the transportation of coal by TECO Transport, the transportation of coal for Tampa Electric or the RFP and if any contacts of this nature have occurred certain information regarding the entity contacted. The sought after information is clearly likely to lead to the discovery of admissible evidence and is directly relevant to the subject matter of this action. The requested information would disclose the very sources of information the Residential Customers and any undisclosed real part in interest may rely for matters put forth on their behalf by Mr. Twomey directly relating to issues concerning the provision of bulk commodity transportation services, the transportation of coal by TECO Transport, the transportation of coal for Tampa Electric or the appropriateness of Tampa Electric's RFP for transportation services. Nothing could be more relevant to the subject matter of this proceeding.

33. The same applies with respect to Tampa Electric's Interrogatory No. 2 which asks whether the Residential Customers have contacted any municipal, cooperative or investor-owned electric utility that sells electricity within the state of Florida regarding the transportation of coal

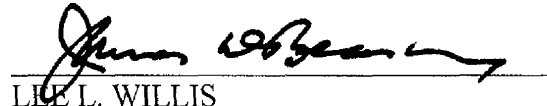
by rail or water or the RFP and, if so, to identify each such entity. This interrogatory, like Interrogatory No. 1, inquires as to the extent to which these intervenors have researched any basis for the assertions they have made regarding the reasonableness of rates charged by TECO Transport to Tampa Electric for coal transportation services. The information in question is directly relevant to the issues in this proceeding, bears on the credibility of the assertions made on behalf of the Residential Customers and would provide Tampa Electric knowledge with which to test the basis for the assertions made on behalf of the Residential Customers.

34. Relevance and a link to the discovery of admissible evidence, likewise, warrants an order compelling the Residential Customers to respond to Tampa Electric's Request for Production No. 15. That request seeks backup information concerning the "major projects" identified in the resumes of the Residential Customers two proposed witnesses, Dr. Hochstein and Dr. Ashar. These resumes, furnished by Mr. Twomey in January of 2004, tout these "major projects" and Tampa Electric is certainly entitled to inquire as to the nature of such "major projects" and the background information relating to the witnesses' participation in the major projects. This all bears on the credibility of the witnesses, the manner in which they conducted work on what is touted as "major projects" and Tampa Electric is clearly entitled to inquire into these areas. If a witness is presented as an expert in a particular area, affected parties should be able to inquire as to their background and extent of their prior work in order to address whether they are truly qualified as an expert in the field in which they are presented as an expert.

WHEREFORE, Tampa Electric urges the Commission to promptly issue an order compelling the Residential Electric Customers to fully respond to each of Tampa Electric's First Set of Interrogatories (Nos. 1-8) and First Request for Production of Documents (Nos. 1-17).

DATED this 19th day of April 2004.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James D. Beasley", is written over a horizontal line.

LLE 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 Tampa Electric Company's Motion to Compel Residential Customers, filed on behalf of Tampa Electric Company, has been furnished by U. S. Mail or hand delivery (*) on this 19th day of April 2004 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

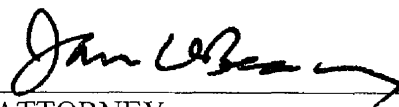
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ATTORNEY

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Tampa Electric Company's) Docket No. 031033-EI
waterborne transportation contract with)
TECO Transport and associated benchmark)
_____) Filed February 16, 2004

**RESIDENTIAL ELECTRIC CUSTOMERS' PRELIMINARY OBJECTIONS TO
TAMPA ELECTRIC COMPANY'S FIRST SET OF INTERROGATORIES (1-8)
AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (1-17)**

Pursuant to the Order Establishing Procedure, Order No. PSC-03-1398-PCU-EI, issued December 11, 2003 (Procedural Order), Rule 28-106.206 of the Florida Administrative Code, and Rules 1.280, 1.340 and 1.350 of the Florida Rules of Civil Procedure, Catherine L. Claypool, Helen Fisher, William Page, Edward A. Wilson, Sue E. Strohm, Mary Jane Williamson, Betty J. Wise, Carlos Lissabet, and Lesly A. Diaz (the "Residential Electric customers"), by and through their undersigned attorney, submit their Preliminary Objections to Tampa Electric Company's (TECO) First Set of Interrogatories (Nos. 1-8) and First Request for Production of Documents (Nos. 1-17).

The Residential Electric Customers file these objections to comply with the ten (10) day requirement set forth in the Procedural Order. These objections are preliminary in nature. Should additional grounds for objection be discovered as the Residential Electric Customers prepares their responses to any discovery, the Residential Electric Customers reserve the right to supplement these objections. Should the Residential Electric Customers determine that a protective order is necessary with respect to any of the information requested by TECO, the Residential Electric Customers reserve the right to file a motion with the Commission seeking

such an order at the time it serves its written responses to TECO.

GENERAL OBJECTIONS

The Residential Electric Customers make the following general objections to TECO's interrogatories and requests for production:

1. The Residential Electric Customers object to the interrogatories and requests for production to the extent they are overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming as written.

2. The Residential Electric Customers object to and each and every request insofar as it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. The Residential Electric Customers will attempt to note in their responses each instance where this objection applies.

3. The Residential Electric Customers object to the interrogatories and requests for production insofar as they are vague, ambiguous, overly broad, imprecise, or utilize terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these interrogatories and requests for production. Any answers the Residential Electric Customers provide in response to the interrogatories and requests for production will be provided subject to, and without waiver, of the foregoing objection.

4. The Residential Electric Customers object to the interrogatories and requests for production to the extent that they purport to impose discovery obligations on the Residential Electric Customers that exceed the scope of discovery allowed by the applicable Florida Rules of Civil Procedure. By way of example and not of limitation, the Residential Electric Customers object to any interrogatory or request for production that calls for the creation of information as

opposed to the reporting of presently existing information.

5. The Residential Electric Customers object to each and every interrogatory and request for production to the extent that such interrogatory or request for production calls for information that is exempt from discovery by virtue of the attorney-client privilege, work product privilege, or other applicable privilege.

6. The Residential Electric Customers object to each and every interrogatory and request for production to the extent that the information requested constitutes "trade secrets" pursuant to Section 90.506, Florida Statutes. To the extent that TECO requests proprietary confidential business information, the Residential Electric Customers will make such information available in accordance with a protective agreement, subject to other general or specific objections contained herein.

7. The Residential Electric Customers object to all interrogatories and requests for production that would require the Residential Electric Customers to provide information that is already in TECO's possession or is in the public record before the Commission. To duplicate information that TECO already has or is readily available to TECO would be unduly burdensome and oppressive.

8. The Residential Electric Customers object to any interrogatory or request for production that seeks to obtain "all" or particular documents, items, or information to the extent that such interrogatory or request is overly broad and unduly burdensome. Any answers the Residential Electric Customers provide in response to this discovery will be provided subject to, and without waiver of, the foregoing objection.

9. The Residential Electric Customers object to the definition of the "Residential

Customers” set out in the interrogatories and requests for production as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

10. The Residential Electric Customers object to the definitions of “Documents” set out in the requests for production as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

11. For each specific objection made below, the Residential Electric Customers incorporate by reference all of the foregoing general objections into each of its specific objections as though pleaded therein.

SPECIFIC OBJECTIONS TO TECO’S INTERROGATORIES

12. The Residential Electric Customers object to TECO’s Interrogatory No. 1 as it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. The Residential Electric Customers further object to Interrogatory No. 1 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

13. The Residential Electric Customers object to Interrogatory No. 2 as it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. The Residential Electric Customers further object to Interrogatory No. 2 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

14. The Residential Electric Customers object to Interrogatory No. 3 to the extent that it requests materials and/or information protected by the attorney-client privilege, the work product doctrine, or any other applicable privilege. The Residential Electric Customers further

object to Interrogatory No. 3 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

15. The Residential Electric Customers object to Interrogatory No. 4 to the extent that it requests materials and/or information protected by the attorney-client privilege, the work product doctrine, or any other applicable privilege. The Residential Electric Customers further object to Interrogatory No. 4 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

16. The Residential Electric Customers object to Interrogatory No. 8 as it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action.

SPECIFIC OBJECTIONS TO TECO'S REQUESTS FOR PRODUCTION

17. The Residential Electric Customers object to Request for Production of Documents No. 1 as it is overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

18. The Residential Electric Customers object to Request for Production of Documents No. 2 as it is overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

19. The Residential Electric Customers object to Request for Production of Documents No. 3 to the extent that it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. The Residential Electric Customers further object to this request because it requests materials and/or information protected by the attorney/client privilege, the work product doctrine, or any other applicable

privilege.

20. The Residential Electric Customers object to Request for Production of Documents No. 4 to the extent that it requests materials and/or information protected by the attorney/client privilege, the work product doctrine, or any other applicable privilege.

21. The Residential Electric Customers object to Request for Production of Documents No. 5 to the extent that the request seeks discovery of materials and/or information protected by the attorney-client privilege, the work product doctrine, or any other applicable privilege. The Residential Electric Customers further object to this request for production as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

22. The Residential Electric Customers object to Request for Production of Documents No. 6 to the extent that the request seeks discovery of materials and/or information protected by the attorney-client privilege, the work product doctrine, or any other applicable privilege. The Residential Electric Customers further object to this request for production as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

23. The Residential Electric Customers object to Request for Production of Documents No. 7 to the extent that the request seeks discovery of materials and/or information protected by the attorney-client privilege, the work product doctrine, or any other applicable privilege. The Residential Electric Customers further object to this request for production as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

24. The Residential Electric Customers object to Request for Production of Documents No. 15 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding these objections, and without waiving them, the

Residential Electric Customers will attempt to respond to this request.

25. The Residential Electric Customers object to Request for Production of Documents No. 16 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding these objections, and without waiving them, the Residential Electric Customers will attempt to respond to this request.

26. The Residential Electric Customers object to Request for Production of Documents No. 17 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding these objections, and without waiving them, the Residential Electric Customers will attempt to respond to this request.

Respectfully submitted,

/s/ Michael B. Twomey
Michael B. Twomey
Attorney for Petitioner Residential
Customers of Tampa Electric Company
Post Office Box 5256
Tallahassee, Florida 32314-5256
Telephone: 850-421-9530

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of this petition has been served by U.S. Mail or email this 16th day of February, 2004 on the following:

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Senior Attorney
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Florida Public Service Commission
2540 Shumard Oak Boulevard
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Landers and Parsons
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Tallahassee, Florida 32302

/s/ Michael B. Twomey
Attorney

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of Tampa Electric Company's) Docket No. 031033-EI
waterborne transportation contract with)
TECO Transport and associated benchmark)
_____) Filed February 23, 2004

**RESIDENTIAL ELECTRIC CUSTOMERS' RESPONSES TO
TAMPA ELECTRIC COMPANY'S FIRST SET OF INTERROGATORIES (1-8)
AND FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (1-17)**

Pursuant to the Order Establishing Procedure, Order No. PSC-03-1398-PCU-EI, issued December 11, 2003 (Procedural Order), Rule 28-106.206, Florida Administrative Code, and Rules 1.280, 1.340 and 1.350 of the Florida Rules of Civil Procedure, Catherine L. Claypool, Helen Fisher, William Page, Edward A. Wilson, Sue E. Strohm, Mary Jane Williamson, Betty J. Wise, Carlos Lissabet, and Lesly A. Diaz (the "Residential Electric customers"), by and through their undersigned attorney, respond to Tampa Electric Company's (TECO) First Set of Interrogatories (Nos. 1-8) and First Request for Production of Documents (Nos. 1-17). The Residential Electric Customers incorporate herein their Preliminary Objections filed on February 16, 2004.

INTERROGATORIES

1. Have the Residential Customers contacted any providers of bulk commodity transportation services regarding the transportation of coal by TECO Transport, the transportation of coal for Tampa Electric or the RFP and, if so, identify each such provider including the following with respect to each:

- a. Name of provider
- b. Business address
- c. The date the Residential Customers contacted the provider

- d. The person contacted by the Residential Customers
- e. Detailed summary of matters discussed between the Residential Customers and the provider

ANSWER:

The Residential Electric Customers object to TECO's Interrogatory No. 1 as it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. The Residential Electric Customers further object to Interrogatory No. 1 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding their objections, and without waiving them, the Residential Electric Customers state that their expert witnesses have, as of the date of this response, contacted 3 such providers, one of which was under an agreement to maintain the confidentiality of such provider's contact information because the provider stated a fear of business retaliation from TECO. The other two contacts were:

- a. Kinder Morgan
 - b. Tampa, Florida
 - c. 2-18-2004
 - d. Marvin Williams, Vice President
 - e. Availability and pricing of bulk materials transfer.
-
- a. Alabama State Port Authority
 - b. Mobile, Alabama
 - c. 2-13-2004
 - d. Smitty Thorne, General Manager Bulk Cargo
 - e. Availability and pricing of bulk materials transfer.

2. Have the Residential Customers contacted any municipal, cooperative or investor-owned electric utility that sells electricity within the state of Florida regarding the transportation of coal by rail or water or the RFP and, if so, identify each such provider including the following with respect to each:

- a. Name of municipal, cooperative or investor-owned electric utility
- b. Business address
- c. The date the Residential Customers contacted the municipal, cooperative or investor-owned electric utility
- d. The person contacted by the Residential Customers
- e. Detailed description of matters discussed between the Residential Customers and the municipal cooperative or investor-owned electric utility

ANSWER:

The Residential Electric Customers object to Interrogatory No. 2 as it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. The Residential Electric Customers further object to Interrogatory No. 2 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding their objections, and without waiving them, the Residential Electric Customers state that their expert witnesses have, as of the date of this response, contacted no such municipal, cooperative or investor-owned electric utility that sells electricity within the state of Florida.

3. Have the Residential Customers provided any document or report in any way relating to the issues in this docket or the RFP to any person, whether or not a party to this proceeding and, if so, identify (a) each such person, (b) the individual to whom the

document or report was provided, and (c) the document or report the Residential Customers provided?

ANSWER:

The Residential Electric Customers object to Interrogatory No. 3 to the extent that it requests materials and/or information protected by the attorney-client privilege, the work product doctrine, or any other applicable privilege. The Residential Electric Customers further object to Interrogatory No. 3 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding their objections, and without waiving them, the Residential Electric Customers state they have not, as of the date of this response, provided any such documents.

4. Have the Residential Customers received any document or report in any way relating to the issues in this docket from any person not acting for or on behalf of Tampa Electric, whether or not that person is a party to this proceeding and, if so, identify each such person and the document or report the Residential Customers received?

ANSWER:

The Residential Electric Customers object to Interrogatory No. 4 to the extent that it requests materials and/or information protected by the attorney-client privilege, the work product doctrine, or any other applicable privilege. The Residential Electric Customers further object to Interrogatory No. 4 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding their objections, and without waiving them, the Residential Electric Customers state they have received in excess of some 4,200 pages of "public records" response documents in the possession of Commission personnel – primarily Staff, which they are under the belief that both TECO and Commission Staff obtained identical copies of.

5. Have the Residential Customers retained any consultant or expert witness to consider or address any issue pending in this proceeding and, if so, provide the following with respect to each such expert witness or consultant:

- a. Identify the name and address of the firm
- b. The date when the firm was retained by the Residential Customers
- c. The scope of the firm's work
- d. The principal in charge of the work
- e. The Residential Customers person to whom the principal reports
- f. A description of the expertise of the person as it relates to issues in this proceeding, including a description of the educational background and business experience of the person
- g. A description of each proceeding or case in which the person has participated or testified.

ANSWER:

The Residential Electric Customers have retained Dr. Anatoly Hochstein and Dr. Asaf Ashar.

- a. Dr. Anatoly Hochstein
National Ports and Waterways Institute
University of New Orleans
1601 N. Kent Street, Suite 912
Rosslyn, Va. 22209
- b. January 27, 2004.
- c. Dr. Hochstein will analyze the matters at issue in this case regarding water transportation issues.
- d. Dr. Hochstein will be the principal in charge of the work.
- e. Dr. Hochstein reports to Mike Twomey for the Residential Electric Customers.

- f. Dr. Anatoly Hochstein is Professor and Director of the National Ports and Waterways Institute, the University of New Orleans. Concurrently, he is Vice President for Louis Berger Group, Inc., where he is responsible for the firm's maritime practice. Dr. Hochstein has a career of over 25 years in the field of water transportation as well as being a leading expert in ports/waterways planning. His expertise encompasses diversified disciplines ranging from analysis of trade/shipping patterns to intermodal operations, innovative technology and financing of port facility expansion. Dr. Hochstein has been deeply involved in evaluation of the feasibility of inland and coastal shipping, inclusive of technical, financial aspects and institutional aspects of the problem. He has been responsible for a variety of critically important water transportation projects worldwide and has knowledge of the international maritime transportation industry, operating in different geographic and economic situations.
- g. Please see Dr. Hochstein's attached CV for a listing of the various projects he has participated in.
- a. Dr. Asaf Ashar
National Ports and Waterways Institute
University of New Orleans
1601 N. Kent Street, Suite 912
Rosslyn, Va. 22209
- b. January 27, 2004.
- c. Dr. Ashar will also analyze the matters at issue in this case regarding water transportation issues.
- d. Dr. Hochstein will be the principal in charge of the work.
- e. Dr. Ashar reports to Dr. Hochstein, who, in turn, reports to Mike Twomey for the Residential Electric Customers.
- f. Dr. Ashar is an Associate Professor Research at the National Ports and Waterways Institute, University of New Orleans. He has extensive experience with multi-modal transportation systems for container, breakbulk and bulk cargos, with an emphasis on the linkage between ships, barges, trains and trucks. His research and consulting activities have focused on strategies and service patterns of global carriers, the impact of these on the strategic and development plans of ports, and the development of port strategies to respond to carrier practices. Dr. Ashar has also been involved in the examination of intermodal operations, with a focus on the ship-to-rail transfer of cargoes and improving performance at intermodal exchanges. He has also worked on a host of projects worldwide, including statewide intermodal plans, port master plans, intermodal yards for double-stack trains, inland distribution centers (dry ports), combined river/ocean vessel systems (coasters), and rail-to-barge transfer facilities. Dr. Ashar developed computerized models for assessing terminal capacity, efficiency of operation systems, equipment selection, and cargo allocation (using linear programming). He has been involved in the design of central drayage systems, development of productivity enhancement systems for container ports, assessment of refrigerated ocean and land transportation, review of cargo handling technologies,

and examination of open-hatch vessels for handling military cargo.

6. Do the Residential Customers intend to call Tim Lynch, Ph.D., Director of the Center for Economic Forecasting and Analysis, to testify as an expert in this proceeding? Identify all documents the Residential Customers has provided to and received from Dr. Lynch in connection with his participation in this proceeding.

ANSWER:

The Residential Electric Customers do not intend to call Tim Lynch, Ph.D., Director of the Center for Economic Forecasting and Analysis, to testify as an expert in this proceeding. The Residential Electric Customers have not provided any documents to Tim Lynch, Ph.D, they may, however, be in possession of Dr. Lynch's "report" if such document was included in the over 4,200 page public record response copied from the materials provided by Commission Staff. The Residential Electric Customers' counsel has not completed his examination of the public records materials obtained and, thus, is unable to say, as of the date of this response, whether his clients are in possession of any documents prepared by Dr. Lynch.

7. Have the Residential Customers seen a 2003 form letter signed by Walter Dartland as Executive Director of the Consumer Federation of the Southeast to one or more providers of waterborne transportation services soliciting financial assistance to help pay for litigation before the Florida Public Service Commission concerning the waterborne coal transportation cost recovery requests of Tampa Electric and Progress Energy?

ANSWER:

No.

8. Have the Residential Customers' efforts in this proceeding been funded in whole or in part by any person or entity not identified as one of the individual Residential Customers and, if so, identify the source or sources of such outside funding?

ANSWER:

The Residential Electric Customers object to Interrogatory No. 8 as it is not

reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. Notwithstanding their objections, and without waiving them, the Residential Electric Customers state they have received funding assistance from the Consumer Federation of the Southeast.

SPECIFIC OBJECTIONS TO TECO'S REQUESTS FOR PRODUCTION

1. Provide all documents relied upon in the preparation of the Residential Customers responses to Tampa Electric's First Set of Interrogatories to the Residential Customers in this proceeding.

ANSWER:

The Residential Electric Customers object to Request for Production of Documents No. 1 as it is overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding their objections, and without waiving them, the Residential Electric Customers state there were no such documents absent the CV of Drs. Hochstein and Ashar.

2. Provide all documents identified in the Residential Customers response to Tampa Electric's First Set of Interrogatories to the Residential Customers in this proceeding.

ANSWER:

The Residential Electric Customers object to Request for Production of Documents No. 2 as it is overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding their objections, and without waiving them, the Residential Electric Customers state there were no such documents absent the CV of Drs. Hochstein and Ashar, which are being provided.

3. Produce a copy of the engagement letter/agreement/contract with each

consultant retained by the Residential Customers for work performed or to be performed in connection with this docket or Docket No. 030001-EL.

ANSWER:

The Residential Electric Customers object to Request for Production of Documents No. 3 to the extent that it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. The Residential Electric Customers further object to this request because it requests materials and/or information protected by the attorney/client privilege, the work product doctrine, or any other applicable privilege.

4. Produce all reports, analyses and evaluations prepared for the Residential Customers by each consultant retained by the Residential Customers to address any issue in this docket.

ANSWER:

The Residential Electric Customers object to Request for Production of Documents No. 4 to the extent that it requests materials and/or information protected by the attorney/client privilege, the work product doctrine, or any other applicable privilege. Notwithstanding their objections, and without waiving them, the Residential Electric Customers state there are, as of the date of this response, no such reports.

5. Produce all source documents, data and inputs to any report or evaluations prepared by each consultant for the Residential Customers regarding any issue in this docket.

ANSWER:

The Residential Electric Customers object to Request for Production of Documents No. 5 to the extent that the request seeks discovery of materials and/or information protected by

the attorney-client privilege, the work product doctrine, or any other applicable privilege.

The Residential Electric Customers further object to this request for production as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding their objections, and without waiving them, the Residential Electric Customers state there are no documents responsive to this request at the time of the response.

6. Provide all documents received by the Residential Customers from any person unrelated to Tampa Electric addressing any issue in this docket or the subject matter of the transportation of bulk commodities by any mode of transportation.

ANSWER:

The Residential Electric Customers object to Request for Production of Documents No. 6 to the extent that the request seeks discovery of materials and/or information protected by the attorney-client privilege, the work product doctrine, or any other applicable privilege. The Residential Electric Customers further object to this request for production as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding their objections, and without waiving them, the Residential Electric Customers state that the vast majority of documents possibly responsive to this request are the over 4,200 pages obtained by the Residential Electric Customers through their public records demand on the Commission. Upon information and belief, the Residential Electric Customers are informed that TECO and Commission Staff have obtained identical copies of the public records obtained by the Residential Electric Customers. All other documents that the Residential Electric Customers have received are protected by the attorney/client privilege and/or work product doctrine.

7. Provide all documents furnished by the Residential Customers to any

person relating to any issue in this docket or the subject matter of the transportation of bulk commodities by any mode of transportation.

ANSWER:

The Residential Electric Customers object to Request for Production of Documents No. 7 to the extent that the request seeks discovery of materials and/or information protected by the attorney-client privilege, the work product doctrine, or any other applicable privilege.

The Residential Electric Customers further object to this request for production as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming.

8. Provide copies of all press releases by the Residential Customers concerning the subject matter of any issue in this docket.

ANSWER:

The Residential Electric Customers object to Request for Production of Documents No. 15 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding these objections, and without waiving them, the Residential Electric Customers' undersigned counsel participated in a press event in TECO Plaza on October 10, 2003 preceded by a News Advisory, a copy of which is attached. The Residential Electric Customers' undersigned counsel also participated at a subsequent news conference in Tallahassee at the Press Center at which some materials were distributed by the Consumer Federation of the Southeast, which the undersigned does not have possession of, and has not been able to obtain at the time of this response. That said, the undersigned will endeavor to obtain whatever materials were distributed at the referenced news conference and provide them to TECO.

9. Copies of all testimony Dr. Anthony Hochstein or Dr. Asaf Ashar has submitted in each administrative or judicial proceeding, separately identifying each

proceeding in which he was permitted to testify as an expert witness, on one or more of the following subjects:

- (a) The appropriate means of conducting a request for proposals (RFP) process.
- (b) The appropriate pricing of waterborne dry bulk transportation services.
- (c) The appropriate pricing of waterborne coal transportation.
- (d) The appropriate pricing of rail dry bulk transportation services.
- (e) The appropriate pricing of rail transportation of coal.
- (f) The appropriate pricing of dry bulk transportation services
- (g) Utility/affiliate transactions

ANSWER:

Within the strict language of this request, neither Dr. Hochstein nor Dr. Ashar have testified as expert witnesses on the above subjects in administrative or judicial proceedings.

10. With respect to each testimony identified in your answer to Request No. 9, please provide the name of the court or administrative body, the style of the case and case number, and the date on which your testimony was admitted into the official record, together with copies of the official transcript page or pages that reflect the fact that Dr. Anthony Hochstein or Dr. Asaf Ashar was authorized to testify as an expert in that proceeding.

ANSWER:

None.

11. Copies of all testimony and exhibits Dr. Anthony Hochstein or Dr. Asaf

Ashar submitted in each administrative or judicial proceeding involving a regulated utility (electric, gas, water, wastewater or telecommunications) company in which he/she appeared as a witness.

ANSWER:

None.

12. Copies of each administrative order or judicial decision in Dr. Anthony Hochstein's or Dr. Asaf Ashar's possession where his position or opinion as a witness was expressly discussed.

ANSWER:

None.

13. Copies of each book and any article in any publication (professional, trade, scientific or scholarly journal) authored or co-authored by Dr. Anthony Hochstein or Dr. Asaf Ashar that addresses one or more of the subjects listed in Request No. 9.

ANSWER:

The Residential Electric Customers believe Louisiana Statewide Intermodal Transportation Plan: The Maritime Sector, National Ports and Waterways Institute, University of New Orleans June, 2001 is responsive to this request. The document is being provided with the electronically transmitted copy of this response as a Word document file, but not as a paper copy due to its length.

14. A list of the titles of all books and all articles in any publication (professional, trade, scientific or scholarly journal) authored or co-authored by Dr. Anthony Hochstein or Dr. Asaf Ashar.

ANSWER:

The Residential Electric Customers object to Request for Production of Documents No. 14 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. Notwithstanding these objections, and without waiving them, the Residential Electric Customers

will attempt to respond to this request. The list of the titles of all books and articles, as best as can be constructed are contained in the CV of both Drs. Hochstein and Ashar, which are attached.

15. A copy of all papers, reports, analyses or other writings prepared by or on behalf of, or at the direction of, Dr. Hochstein and/or Dr. Ashar in connection with or associated with each of the "Major Projects" set forth in Dr. Hochstein's and Dr. Ashar's Resumes furnished by Mr. Twomey in January 2004.

ANSWER:

The Residential Electric Customers object to Request for Production of Documents No. 15 to the extent that it is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action. The Residential Electric Customers also object to Request for Production of Documents No. 15 as overly broad, unduly burdensome, expensive, oppressive, and/or excessively time consuming. The list of the titles of all books and articles, as best as can be constructed are contained in the CV of both Drs. Hochstein and Ashar, which are attached. To the extent documents related to the major projects are included in the list of titles, TECO should specifically request individual documents more clearly related to the subject matter of it proving the reasonableness of the transportation rates paid to its affiliated transportation company.

16. A copy of each article, paper or writing contained in any publication (professional, trade and scholarly journal) written by, or co-authored by, Dr. Hochstein and/or Dr. Ashar addressing the determination of the cost and pricing associated with each of the subjects listed in Request No. 1.

ANSWER:

To the extent the Residential Electric Customers understand the nature of this request, there are no such specific articles, papers or writings.

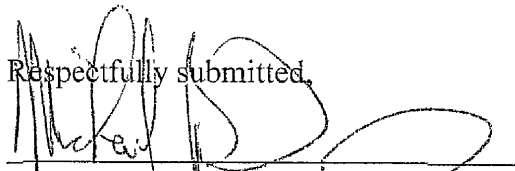
17. All reports, papers, analyses or other documents in which Dr. Anthony Hochstein or Dr. Asaf Ashar has assisted an electric utility or any other entity in:

- (a) estimating coal transportation costs;
- (b) examining the performances and marine operations of companies that deliver coal to utilities;
- (c) requesting and evaluating bid responses;
- (d) evaluating the costs of specific inland barge routes or specific ocean routes;
- (e) evaluating the costs of specific oceangoing vessels; and
- (f) designing services to compete with railroad transportation services.

ANSWER:

To the extent the Residential Electric Customers understand the specific nature of these requests, the answer would be none.

Respectfully submitted,



Michael B. Twomey
Attorney for Petitioner Residential
Customers of Tampa Electric Company
Post Office Box 5256
Tallahassee, Florida 32314-5256
Telephone: 850-421-9530

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of this petition has been served by U.S. Mail and email this 23rd day of February, 2004 on the following:

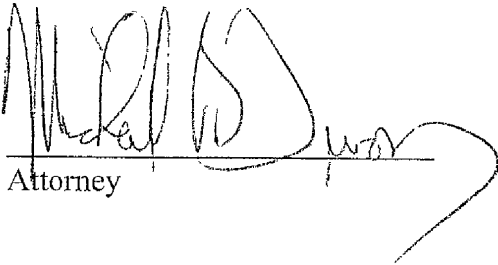
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Tallahassee, Florida 32302



Attorney

NEWS ADVISORY

FOR IMMEDIATE RELEASE
DATE: October 8, 2003

CONTACT: Andre Carter
(850) 222-1996 / (850) 980-2368

TECO CUSTOMERS URGE PSC TO EXPEDITE REVIEW OF TECO RATES

*Transportation costs arising from sweetheart deal may be
driving up utility rates to highest in the state*

TAMPA - TECO customers and a consumer group this week took legal steps to assure that TECO is held accountable for charging rates that are higher than any other investor-owned utility in Florida.

Consumers are asking the Florida Public Service Commission to expedite a hearing on a fuel transportation deal TECO signed this week with a sister company. TECO's transportation costs are passed through to its customers and directly affect what customers are charged each month by the utility.

TECO officials this week announced the company went ahead and signed a new sweetheart deal with the sister company, TECO Transportation, despite objections raised by consumers and by state utility regulators with the Florida Public Service Commission (PSC).

The regulators and consumers initially asked TECO to make a clear effort to seek competitive bids for the contract to transport fuel to TECO power plants, recognizing that competitive bids would result in lower costs to the utility's customers.

TECO refused.

In response, TECO customers in Tampa and a representative of the newly formed Consumer Federation of the Southeast are asking TECO officials Friday to make public the terms of the contract. They also are asking the utility to make public any bids received by parties interested in bidding on the transportation services.

TECO this week asked the PSC keep the information secret. As a result, Tampa area consumers of TECO power, with the support of the Consumer Federation of the Southeast, this week asked the PSC to let them intervene in a rate hearing for the utility and that the hearing be expedited because to do so is in the public's best interest.

"This contract is very controversial, and it appears TECO has been passing excessive transportation costs on to customers as a result of what it's paying its sister company to ship coal across the Gulf of Mexico," said Walter Dartland, executive director of the Consumer Federation of the Southeast.

TECO might be able to move the controversial power poles it put up in Egypt Lake, afford to keep the employees it laid off this week, and afford to lower customers' bills, if it paid less for its fuel transportation, said Dartland, a former deputy attorney general in Florida and Dade County consumer advocate.

"This is really about looking out for the interests of consumers. It's that simple," said attorney Mike Twomey, who is representing Tampa-area customers of TECO in the rate hearing. Twomey formerly worked as a senior attorney in the electric and natural gas department of the PSC and, as a former assistant attorney general under Bob Butterworth, handled regulated utility issues.

The Tampa consumers, Twomey, and Dartland plan to hold a press conference at TECO headquarters in Tampa on Friday to urge TECO officials to make public the terms of the secret transportation contract and how it affects ratepayers.

Time and location:

**9:30 a.m.
Friday, October 10, 2003
702 TECO Plaza
Tampa, Florida 33602**

###

Groups say utility regulators allow too much secrecy

By DAVID ROYSE

Associated Press Writer

591 words

26 February 2004

18:36

Associated Press Newswires

English

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TALLAHASSEE, Fla. (AP) - Information filed by Florida's utilities with the state commission that regulates them is too often allowed to be kept secret, a government watchdog group charged Thursday.

Common Cause said it asked Public Service Commission officials how often electric, phone and water companies are allowed to file documents with the commission under seal and was told such requests are granted more often than not.

The group said that between October and January the agency granted every one of the 390 requests for confidentiality that were made. Common Cause executive director Ben Wilcox said one PSC lawyer told him he couldn't remember the last time a company was rejected in a request to keep part of a filing secret.

Common Cause said it might sue to change the process -- which is allowed under state law -- or try to get the Legislature to change it.

PSC spokesman Kevin Bloom said that while the requests may be frequently granted, by far the majority of documents filed with the commission are open to the public.

Bloom said he didn't know exactly how many documents in current cases were open, but that it was "hundreds of thousands."

PSC observers said more requests for confidentiality are likely as the phone and utility industries move away from a monopoly model to one where companies are increasingly allowed to compete.

"You're going to hear more (arguments about) business secrets, no doubt about it," said state Public Counsel Harold McLean, who is appointed by the Legislature to represent consumers before the commission. McLean's office wasn't involved with the Common Cause analysis, but he said he agreed that more information should be in the open.

Bloom also noted that the Legislature has provided for the Public Counsel to

watch out for consumers -- even when some material is confidential. As a party to many cases, McLean is allowed to see confidential documents.

But he can't release them -- and that, says Common Cause's Wilcox, doesn't allow people to see some arguments that could affect their phone or electric bills.

"Government works better when it's transparent," Wilcox said. "When information's kept secret, it breeds suspicion."

A spokesman for Verizon, which has been granted confidentiality requests at the PSC, said sometimes it's necessary.

"The only time we ever invoke confidentiality is when we are dealing with sensitive information that a competitor would love to see," Bob Elek said. "How we might do things, information on market share -- believe it or not competitors would use that stuff."

The Common Cause survey was paid for in part by the Consumer Federation of the Southeast, which has been criticized by the utility industry because of its funding. The federation's primary issue is a fight before the PSC with Tampa Electric Co. over a shipping contract, and the group is partly funded by companies whose bids for that contract were rejected.

The federation's director, Walter Dartland, acknowledged he has asked those companies for money but didn't know whether he had yet received any.

"If they're a bidder, they don't want people to know they're giving us money," said Dartland, who defended the alliance with some companies in the process, saying his organization had "no permanent friends, no permanent enemies."

"The bottom line is consumer organizations have failed to make a dent in a lot of these issues because they're improperly funded," Dartland said.



P.O. Box 630
Tallahassee, FL 32302

Walter Dartland
Executive Director

Michael Bullock
CSX Transportation
500 Water Street - J842
Jacksonville, FL 32202

November 24, 2003

Dear Michael:

I'm writing to offer CSX Transportation the opportunity to support a new consumer advocacy group, the Consumer Federation of the Southeast (CFSE), in its effort to open long-closed markets to fair competition in Florida and elsewhere. I am certain we share a common interest in ensuring the lowest possible energy costs through competitive markets, especially in the area of transportation.

By offering whatever financial assistance you can to CFSE, you will help consumers fight for affordable electric utility rates in Florida by changing current practices allowed under Florida's flawed energy transportation policy. In addition, we want all transportation companies to have a fair chance at providing services to Florida utilities.

CFSE, though new, already is deeply engaged in opening these markets. Specifically, we are supporting positions in regulatory rate hearings before the Florida Public Service Commission that call for scrutiny into transportation pass-through requests from two investor-owned utilities, Tampa Electric Company and Progress Energy. Both companies have long engaged in the practice of awarding sweetheart transportation deals to affiliated companies, effectively shutting out companies like yours.

I am contacting you, in part, because PSC records indicate your company was among a list of potential bidders for the TECO waterborne transportation contract. As you know, TECO eschewed bids from other companies, and, as it has done for 45 years now, once again *awarded* the transportation contract to a sister company, TECO Transport.

We have supported the intervention of a group of TECO customers in that case, providing them with the initial financial help necessary to hire an attorney. And, we're pleased to report the TECO customers were successful in persuading the PSC to assign the TECO transportation issue to a separate docket hearing (Docket No. 031033).

That hearing, now set for May 26 and 27, 2004, will provide an opportunity to fully develop arguments as to why it is important that TECO re-bid this contract, as well as what a poor deal the current contract is for TECO customers.

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That hearing, now set for May 26 and 27, 2004, will provide an opportunity to fully develop arguments as to why it is important that TECO re-bid this contract, as well as what a poor deal the current contract is for TECO customers.

The requirements of TECO's waterborne transportation solicitation for bids were uncharacteristic of standard business practices and inaccurate for a number of practical and technical reasons – many of which have been raised by CFSE and by the PSC staff.

Examples of TECO's irregular bid requirements include such red flags as 1) a desired five-year contract with an individual provider, instead of shorter periods with several contractors, 2) terminals offering 1.5 million tons of inventory space, and 3) requiring terminal facilities to accept responsibility for cargo loss. And there's more.

- Requires that bidders use *"sources convenient to Mississippi and Ohio River systems"* and that *"terminal facilities should be accessible to Mississippi River barge traffic,"* which eliminates some ports in the Gulf of Mexico that are not located in Louisiana.
- Requires consent decree options ranging up to 3 million tons annually for ocean shipping alone, and requires that terminals pay for port demurrage.

With legal assistance from consumer attorney Mike Twomey, CFSE also won a recent decision from the PSC to hold a similar hearing on Progress Energy's self-dealings and transportation costs. A hearing date for Progress Energy's spin-off docket is in the works.

An important goal for consumers is that these spin-off hearings result in TECO and Progress Energy actively seeking open and fair bids in the future. Consumers will benefit from greater industry competition. To be sure, we can all expect the utilities to mount a strong public and legal battle to thwart these efforts. That's why we need your help!

Your contribution will help us further our ongoing education effort, prepare for the coming PSC hearings, and build our organization into a strong consumer advocacy presence. While CFSE is a not-for-profit organization, contributions to it are not tax deductible. Our corporate status does not require us to reveal our contributors, and we will keep your identity confidential to protect you from possible industry backlash. We recognize that confidentiality can be extremely important to corporations in this industry.

Included with this letter are representative newspaper articles on CFSE and the TECO issue. If you would like more information, or wish to discuss any of these issues further, please feel free to call me at (850) 562-2086.

Sincerely,



Walter Dartland,
Executive Director

Dairyland Power takes bids for barge transport

Dairyland Power Co-op is taking bids to supply barge transportation services to its coal-fired stations for a two-year term.

Bids are due Oct. 10, and movements will begin with the opening of the barge season on the Upper Mississippi River in the spring of 2004. The utility expects to award a contract for 2004 and 2005, with an option to extend through 2008. The utility awarded a contract to Cargo Carriers in 2000 (CO 3/27/00).

The contracting carrier will handle all coal movements to the Alma and Madgett (milepoint 751.4) and Genoa (milepoint 678.5) stations, a volume estimated at 1.2 to 1.5 million tons/year. The high end of the total would include movement of 150,000-200,000 tons/year to Alma, Dairyland said. "This coal has not moved by barge in recent years because rail transportation has been the lower-cost option," it said. Burlington Northern Santa Fe is the delivering carrier.

The utility takes coal from both Powder River Basin and Illinois Basin sources.

Cahokia will be the primary transfer terminal, Dairyland said, but it could also use up to nine other docks on the Mississippi and Ohio rivers and will consider bids from each potential source. Bidders are requested to quote separate rates from each transfer dock.

Dairyland solicited recently for 2004-2008 coal supplies for the three plants (CO 8/25) (See Marketcoop).

For details, contact Dennis Rickers at 608-787-1394.

TECO rejects ACBL rail options for coal movements

Tampa Electric has decided to turn down the bid by American Commercial Barge Line to provide coal transportation services for the utility, according to written testimony filed Sept. 25 with the Florida Public Service Commission.

TECO at the same time said that International Marine Terminal's bid for terminal service is representative of the market, but it rejected a rail transportation alternative as being too expensive.

TECO solicited 24 vendors during the summer for offers to move up to 3.25 million tons/year on the inland river system and up to 4 million tons/year on the Gulf of Mexico (CO 7/3). The business includes a river segment, transloading and a Gulf segment. It received one bid each for river and transloading, none for the Gulf movement, and two rail bids. TECO did not identify any of the bidders, but sources identified ACBL and IMT as the water bidders (CO 8/29). CSX is the only major rail carrier with service to Tampa.

TECO consultant Brent Dübner recommended rejection of the ACBL bid, noting that the company has been in Chapter 11 bankruptcy since January. Included among the factors he

identified: the bidder never provided financial information not addressed the bankruptcy; may be reorganized, broken up or liquidated; has requested to restructure or terminate contracts; has dramatically decreased its fleet size; and offered to provide transportation for only 1 million tons/year.

Regarding the transloading bid by IMT, Dübner said the rates were "restrained."

"I concluded that the rates in the terminal bid are competitive and should form the basis for my recommended rates," he told the PSC. He added that no existing fleet other than Tampa's sister company TECO Transport is capable of providing the Gulf segment of the contract.

Joann Wehle, director of fuels for TECO, told the PSC she determined that the rail bids were non-competitive. She said it would cost from \$27 million to \$53 million to prepare TECO's facilities for direct rail deliveries, and operating costs would increase by \$1 million-\$3 million annually. "Tampa Electric reviewed its portfolio of coal sources and found that the vast majority of its current coal supplies are not located close to rail facilities," she testified. "Using rail transportation would therefore make these supply sources more expensive in the short run and potentially non-competitive in price in the future."

She said it could cost \$2-\$6/ton to truck coal from current suppliers to rail loading facilities.

TECO for years has contracted with TECO Transport to handle transportation and is expected to do so again.

Port St. Joe bulk terminal back in business

The bulk terminal at Port St. Joe, Fla., idle for four years, is moving cargo again.

Four businessmen earlier this year turned Material Transfer Industries LLC, purchased the terminal from International Shipholding Corp., and unloaded their first cargo of petroleum coke in September.

The four principals are Henry Johnson of New Orleans, Tommy Pitts and Jim Townsend of Port St. Joe, and Emmett "Buck" Mitchell of Thomsville, Ga. Johnson handles marketing. Pitts is general manager and Townsend oversees daily operations at the facility.

The dock was built in 1984 to handle barge-to-rail transfers of Illinois Basin coal moving to Seminole Electric Co-op. Central Gulf Lines, another subsidiary of International Shipholding, barged the coal to Port St. Joe, where it was transloaded to Appalachicola Northern Railroad (now AN Railway) for final shipment to Seminole on CSX.

Seminole terminated the transportation contracts in late 1998 and switched to all-rail delivery (CO 12/21/98). It settled its contract dispute with CGL with a payment of approximately \$23 million (CO 8/16/99). The terminal has been idle since then. Johnson and Pitts were both involved in the business at that time. They, along with Townsend and Mitchell, bought the facility in May and began looking for customers.

The terminal is four miles off the Gulf Intracoastal

St. Petersburg Times

FLORIDA'S best NEWSPAPER

LOCAL EDITION

SATURDAY
November 15, 2003

BUSINESS

SATURDAY, NOVEMBER 15, 2003 ■ THE TIMES

SECTION **E**

Bay area power bills to jump in January

Rising rates

Residential rates charged per 1,000 kilowatt-hours of electricity used.

	Progress Florida	Tampa Electric
Current	\$83.71	\$94.14
January	\$89.11	\$99.01

Source: Utilities

■ If you buy electricity from Progress Energy Florida or Tampa Electric Co., your monthly bill will rise as they pass along higher fuel costs.

By LOUIS HAU
Times Staff Writer

The Florida Public Service Commission voted Friday to allow Progress Energy Florida Inc. and Tampa Electric Co. to charge more for electricity next year to cover higher costs of fuel.

Starting with their January bills, Tampa Electric residential customers will pay \$99.01

per 1,000 kilowatt hours of electricity, the highest rate among Florida investor-owned utilities. That's up \$4.87, or 5.2 percent, from the current rate of \$94.14.

Progress Florida customers will pay \$89.11 per 1,000 kilowatt hours, up \$5.40, or 6.5 percent, from \$83.71.

But the commission decided to hold a separate hearing next year on Progress' prop-

osed coal-transport expenses for 2004, which could lead to a retroactive refund later.

The state's largest utility, Florida Power & Light of Juno Beach, which received an interim rate increase in August, will cut its monthly rate in January by 30 cents to \$86.43 per 1,000 kilowatt hours. And Gulf Power of Pensacola will increase its rate to \$89.08, up \$2.64, or 3.4 percent, from \$77.44.

Typical households consume about 1,200 to 1,400 kilowatt hours of electricity per month

Please see **POWER** 7E

Power from 1E

Progress charges a slightly higher rate for electricity consumed in excess of 1,000 kilowatt hours in a month.

Much of the PSC's annual three-day hearings on electric utility fuel costs focused on two controversial issues: The formula Progress of St. Petersburg uses to pay corporate sibling Progress Fuels for the transport of coal to its local power plants; and Tampa Electric's decision to save money by moving early to shut down coal-fired generating units at its

Bayside station, formerly known as Cannon power station.

Attorneys representing residential and industrial customers — as well as the Office of Public Counsel, the state's consumer advocate on utility issues — were critical of both arrangements, saying they are disadvantageous to ratepayers.

The commission voted to allow Progress to pass on to consumers its coal-transport costs for 2002 and 2003. But the commission also decided the company will have to modify the formula for 2004 or put the transport contract out to bid. Any savings would have to be

passed along to ratepayers as a refund.

The company has agreed to collect competitive bids on the coal-transport services for 2005.

The commission also struck a middle ground regarding what to do with the cost savings that Tampa Electric expects to reap this year from its early shutdown of coal units at the Bayside station. The utility is switching to two natural-gas-fired generating units under an agreement with the federal government to settle previous violations of the Clean Air Act.

Shutting down the coal units early increased Tampa Electric's

anticipated fuel costs because natural gas is more expensive than coal, and it's permitted to pass along those costs. But gas units require fewer personnel and incur lower operations and maintenance costs for utilities.

In calculating Tampa Electric's new rate, the PSC required the company to pass on to ratepayers 80 percent of the \$10.5-million in savings the company had expected in 2003. It left open the possibility that it could revisit the utility's 2004 cost savings in next year's fuel-cost hearings.

—Louis Han can be reached at han@springtime.com or (813) 226-3404.

THE TAMPA TRIBUNE

SATURDAY, NOVEMBER 15, 2003 ♦ TAMPA, FLORIDA ♦ TBO.com

Commission Raises Tampa Electric Bills By 5% For 2004

INCREASE 46 CENTS HIGHER WAS SOUGHT BY COMPANY

By WILL RODGERS
wrodgers@tampatrib.com

Electric bills for Tampa Electric Co. customers are going up Jan. 1, but not as much as company officials wanted.

Meanwhile, customers of Progress Energy Florida also will see their bills rise at the beginning of the new year.

The state Public Service Commis-

sion granted Tampa Electric a 5-percent increase, or \$4.87, pushing a typical customer's bill from \$94.14 to \$99.01 per 1,000 kilowatt-hours a month.

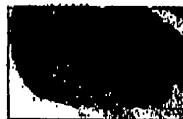
Progress Energy's 6.4-percent rate increase, or \$5.40, means bills for that company's customers will rise from \$83.71 to \$89.11 per 1,000 kilowatt-hours a month.

The increases reflect the utilities' rising fuel costs. At least once a year, the PSC adjusts how much power companies charge customers for fuels burned to generate electricity.

Tampa Electric's rate increase is 46 cents less per 1,000 kilowatt-hours than company officials requested.

A portion of that 46 cents went away altogether when commissioners agreed Friday with the utility's early shuttering of four generating units at its Gannon power station. Commissioners divided up \$10 million the company will save this year from the closing, allowing Tampa Electric to keep \$2 million and trimming \$8 million of the company's rate increase.

Interim Public Counsel Charlie Beck, who argues before the commis-



Beck
Interim public counsel says outcome mostly good but Tampa Electric's customers should have gotten bigger break.

sion on behalf of consumers, said he was mostly pleased with the outcome but that Tampa Electric's customers should have gotten more of a break.

Commissioners considered only **See ELECTRIC RATES, Page 4** Commission to look at delivery contract.

MONKEYS E

ELECTRIC RATES

Continued From Page 1

the utility's savings for 2003 from the shutdown of Gannon. However, they also should have taken into account savings of \$16 million in 2004, the last year the coal-burning plant was scheduled to operate, Beck said.

"We'll have to bring this back to the commission in some way," he said.

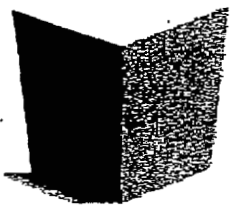
Beck will either ask commissioners to reconsider their decision or he will raise the issue during Tampa Electric's fuel cost hearings next year.

Another portion of Tampa Electric's requested increase will be discussed in a hearing May 26 and 27 about the utility's contract with sister subsidiary, TECO Transport, for coal deliveries.

The PSC's staff, consumer advocates, eight Tampa Electric customers and CSX Transportation have challenged the contract, claiming that it's a sweetheart deal between subsidiaries to benefit financially struggling TECO Energy Inc., their holding company.

Commissioners also voted Friday to scrutinize Progress Energy's contract for coal deliveries with Progress Fuels Corp.

Reporter Will Rodgers can be reached at (813) 259-7870.



FLORIDA'S *best* NEWSPAPER

St. Petersburg Times

LOCAL EDITION

FRIDAY
August 29, 2003

TECO Plan Alarms Advocates

ELECTRIC COMPANY SAYS USE OF SUBSIDIARY IS EFFICIENT

By WILL RODGERS
wrodgers@tampabay.com

TALLAHASSEE — Consumer advocates and an energy economist called Thursday for state officials to stop a possible "sweetheart deal" between two TECO Energy subsidiaries that could cost residential electric customers more than \$50 million annually.



Lynch, Economist says Tampa Electric is charging customers about \$66 more a year than it should. TECO doubts his accuracy.

Consumer advocate Walter T. Dartland, economist Tim Lynch, the Florida Public Interest Research Group and the Florida Consumer Action Network made the plea during a news conference in the state capital.

The advocates joined state Public Service Commission officials in questioning Tampa Electric Co.'s bid request for a company to ship coal mainly from the Midwest to Big Bend and Polk County power stations.

In July, Public Service Commission staff said the way Tampa Electric wrote its request for proposal steers the business to TECO Transport, a sister company. That could mean electric customers, who end up paying for fuel that utilities burn to generate electricity, won't get a fair deal. The

staff asked for seven changes to the request for proposal, but Tampa Electric rejected them.

Tampa Electric is reviewing bids, company spokesman Ross Bannister said. The company plans to award a five-year contract by the end of October.

TECO Transport has shipped coal for Tampa Electric for 40 years.

Dartland, a longtime consumer advocate, said the use of holding com-

See **ENERGY DEAL**, Page 4 ▶
Coal takes a lengthy journey.

ENERGY DEAL

Continued from Page 1

panies and subsidiaries to drive up reimbursable costs is an old trick but one authorities need to crack down on again.

"The question is, 'Are these costs fair or are they being inflated?'" Dartland said Thursday in Tallahassee.

He applauded the Public Service Commission staff for questioning the pending deal and hopes regulators will stand their ground if Tampa Electric proceeds with its plans and then attempts to pass transportation costs on to ratepayers. Dartland said it's important to put the company on notice before it decides.

Tampa Electric burns millions of tons of coal each year. The company needs a new contract in place to start taking shipments Jan. 1.

The coal is shipped in three stages: It travels on barges along the Ohio and Mississippi rivers to Davant, La. Overseas shipments also go to Davant. The coal, which comes in many grades, is then blended to specifications and stored, with some being transferred to ocean-going barges. Barges then cross the Gulf of Mexico to Tampa.

To simplify management of the operation and to minimize costs, Tampa Electric prefers for the three segments to be done by one company. However, shipping experts say TECO Transport is the only U.S. com-

pany that handles all three.

"TECO Transport has been economically providing our fuel transportation needs for decades," Bannister, the Tampa Electric spokesman, said. "The PSC always reviews these contracts to ensure competitive rates."

"People say it's a sweetheart deal for TECO Transport. Our response is: It's a sweetheart deal for ratepayers. They get reliable and responsible fuel transportation at competitive prices and have for years."

But Lynch, an economist and director of the Center for Economic Forecasting at the University of South Florida, disagreed. He said Tampa Electric is charging customers about \$66 more per year than it should.

Lynch, who served on the state's Electric Energy Regulation Advisory Commission until 2000, said his numbers are preliminary and based on published reports of Tampa Electric's previous cost per ton of coal and what Gulf Power the Panhandle and Lakeland Electric pay per ton for coal.

"It gives us a stick in the ground for a rough analysis," he said. "You then wind up getting \$50 million a year."

Bannister said Lynch's number can't be accurate because the bid process isn't complete so no one knows what the cost will be. He said the Public Service Commission will review the coal contract to make sure the costs are prudent.

Reporter David Wasson contributed to this report. Reporter Will Rodgers can be reached at 813-259-7870.

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** TOTAL PAGE.09 **

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P.09/09

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Public Inquiry

Florida Non Profit

CONSUMER FEDERATION OF THE SOUTHEAST, INC.

PRINCIPAL ADDRESS

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TALLAHASSEE FL 32302

MAILING ADDRESS

P O BOX 630
TALLAHASSEE FL 32302

Document Number
N03000008401

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NONE

Date Filed
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FL

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Registered Agent

Name & Address

CORPDIRECT AGENTS INC
103 N MERIDIAN ST
TALLAHASSEE FL 32301

Officer/Director Detail

Name & Address	Title
DARTLAND, WALTER PO BX 630 TALLAHASSEE FL 32302	D
SACHS, RON 118 N MONROE ST TALLAHASSEE FL 32301	D
UBBEN, MICHELLE 118 N MONROE ST TALLAHASSEE FL 32301	D

Annual Reports

Report Year	Filed Date
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09/29/2003 -- Domestic Non-Profit

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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition to determine
need for an electrical power
plant in Martin County by
Florida Power & Light Company.

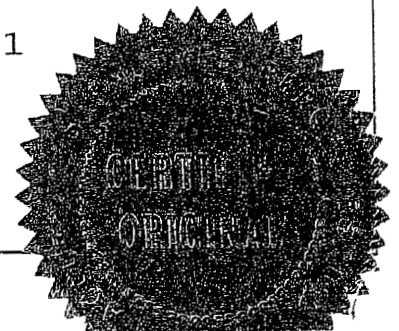
DOCKET NO. Q20262-EI

In re: Petition to determine
need for an electrical power
plant in Manatee County by
Florida Power & Light Company.

DOCKET NO. Q20263-EI

DEPOSITION OF: ERNEST W. BACH
TAKEN AT THE INSTANCE OF: Florida Power & Light Co.
DATE: October 1, 2002
TIME: Commenced at 4:12 p.m.
Recessed at 6:35 p.m.
LOCATION: 2450 Shumard Oak Boulevard
Tallahassee, Florida
REPORTED BY: MARY ALLEN NEEL, RPR
Notary Public, State
of Florida at Large

ACCURATE STENOGRAPHY REPORTERS, INC.
100 SALEM COURT
TALLAHASSEE, FLORIDA 32301
(850) 878-2221



000039

1 BY MR. HILL:

2 Q Do you know? Do you know who the largest
3 contributors have been?

4 A If you've got the records, you know better
5 than I do, because it's in front of you.

6 Q I'm asking if you know.

7 A Not dollars and cents wise, no.

8 Q You were involved in an issue regarding
9 deregulation of the telephone industry in Florida a
10 few years back; is that correct?

11 A That's correct.

12 Q And your principal opponent in that matter
13 would have been BellSouth, I guess; is that correct?

14 A Not necessarily. I think it was all the
15 local companies.

16 Q And you were in fact receiving donations
17 from AT&T at that time, were you not?

18 A That is correct.

19 Q Do you recall how much?

20 A No, I don't.

21 Q If I told you that it was in excess of
22 \$27,000, would you have any reason to doubt that it
23 was in excess of that amount?

24 A I have no idea whether it's within 1,000 or
25 within 5,000 or within 10,000.

1 Q You just don't know how much it was?

2 A You're talking about seven or eight years
3 ago.

4 Q So your recollection is that it was back in
5 the 1994 time frame?

6 A I believe that's correct.

7 Q Okay. Who have been the other corporate
8 contributors to FACT over the years in addition to
9 AT&T?

10 MR. TWOMEY: I'm going to object to that as
11 well, Mr. Hill. The issue of FACT's funding is
12 not relevant to the associational standing
13 issue, nor is it relevant to the needs
14 determination issue.

15 MR. HILL: Go ahead. You can answer.
16 Relevance is not a grounds for the instruction.

17 MR. TWOMEY: I'm instructing him not to
18 answer it. If you want to get an order or
19 whatever, that's fine.

20 MR. HILL: We'll come back to it, but the
21 burden is on you to get an order precluding the
22 discovery if you so desire.. But I'm going to
23 tell you that this is a matter of public record,
24 and therefore, your argument that it is somehow
25 grounds for a protective order is not well

1 founded, Mr. Twomey.

2 MR. TWOMEY: Okay.

3 MR. HILL: But you're nonetheless
4 instructing him not to answer?

5 MR. TWOMEY: Right.

6 BY MR. HILL:

7 Q Okay. What is the Florida Coalition for
8 Competition?

9 A That was an association on an issue.

10 Q What issue?

11 A Lower gas prices.

12 Q Were they a not-for-profit?

13 A That doesn't ring a bell, Florida Coalition
14 for Competition.

15 Q \$10,000 back in 1998. Does that help?

16 A I believe you'll find -- no, that wasn't
17 gas prices. I think you'll find that was part of
18 AT&T, continuing telephone issues.

19 Q When you say part of AT&T, are you saying
20 that that was money from AT&T in the Florida Coalition
21 for Competition?

22 A No. It was money from the Florida
23 Coalition for Competition on the AT&T and telephone
24 issues with the local companies.

25 Q Who is Krupa, K-r-u-p-a, Krupa Company?

1 A It's a consulting company.

2 Q where is it located?

3 A Virginia.

4 Q what kind of consulting does it do?

5 A You'll have to check with them for that.

6 Q You don't know?

7 A You'll have to ask them. They do general
8 consulting on issues.

9 Q Well, what did you consult with them on?

10 A Health care issues.

11 Q And they contributed a large amount of
12 money to FACT; correct?

13 A That's correct.

14 Q what sort of companies does Krupa
15 represent?

16 A You would have to check with Krupa on that.

17 Q Do they represent hospitals?

18 A You would have to check with Krupa on that.

19 Q Do they represent doctors?

20 A Same answer.

21 Q Do they represent consumer groups?

22 A Same answer.

23 Q You simply don't know who they represent?

24 A I don't know who the Krupa Company's list
25 of clients are, no.

1 Q Did you ever know?

2 A No.

3 Q Did you ever ask?

4 A No.

5 Q You just took the money?

6 A I worked for the money.

7 Q You had the Krupa Company contributing
8 approximately \$100,000 to FACT over the course of
9 about two years. Does that ring a bell?

10 A That seems a little high.

11 Q But if you reported it, then --

12 A The time period I believe was longer than
13 that.

14 Q Well, according to your PAC contributions,
15 I have it starting in March of 1999 and going forward
16 to July of 2001, which is where this report ends. So
17 do you think they continued to contribute after July
18 2001?

19 A I don't have the forms in front of me, and
20 I can't answer that.

21 Q Okay. You think 100,000 is high, but you
22 don't exactly know?

23 A That's correct.

24 Q And just so I understand, what sort of work
25 did you do to earn the \$100,000 given you by the Krupa

1 Company?

2 A I did grassroots organizing similar to what
3 I'm doing now on the electric issue.

4 Q And they paid you \$100,000 for that?

5 A Again, I don't know if that total is
6 correct.

7 Q Well, whatever they paid you was for
8 grassroots organizing?

9 A Whatever they paid me for included probably
10 55 to 65% expenses over the years. So when you're
11 using that total dollar amount, let's use it in the
12 proper justification.

13 Q Well, I'll be glad to. So as I understand
14 it, whatever that paid you went, in your estimation,
15 55 to 65% to out-of-pocket expenses?

16 A That's correct.

17 Q So the other 45 to 35% went to compensation
18 to you; is that correct?

19 A I would have to check my accounts to see.

20 Q But based on that number, that's what we
21 can conclude, is that if 55% was for expenses, 45% was
22 to you?

23 A You may conclude what you want. Without
24 the documentation, I can't answer.

25 Q I'm asking for your understanding. You

1 MR. TWOMEY: Don't answer it.

2 MR. HILL: Attorney-client privilege?

3 MR. TWOMEY: Yes.

4 BY MR. HILL:

5 Q Are you paying Mr. Twomey for his services
6 in this matter?

7 MR. TWOMEY: Don't answer it.

8 BY MR. HILL:

9 Q Is anyone else other than FACT advancing
10 fees to Mr. Twomey in this matter?

11 MR. TWOMEY: Don't answer that either.

12 MR. HILL: All based on attorney-client
13 privilege?

14 MR. TWOMEY: Yes.

15 MR. HILL: Mr. Twomey, on the record, what
16 is the confidential attorney-client
17 communication that you're seeking to protect?

18 MR. TWOMEY: The case I cited,
19 notwithstanding your suggestion that it was
20 different and your representation to the
21 Commission, as I heard it, that it only had one
22 basis related to the criminal law. As I recall,
23 in fact, it gave three specific separate bases
24 for finding that who pays an attorney in a case,
25 and it wasn't confined, from my reading, to a

1 criminal case, was attorney-client. On that
2 basis.

3 MR. HILL: So you're basing it on -- it was
4 Corry vs. --

5 MR. TWOMEY: Corry v. Meggs, that's
6 correct.

7 MR. HILL: Let's off the record for a
8 second.

9 (Discussion off the record.)

10 BY MR. HILL:

11 Q I'm just going to run through them, and he
12 can object. Who is paying Mr. Twomey's attorney's
13 fees in this case?

14 A I have no idea.

15 MR. TWOMEY: Don't answer it.

16 THE WITNESS: Okay.

17 BY MR. HILL:

18 Q Is anyone other than FACT paying
19 Mr. Twomey's fees in this case?

20 MR. TWOMEY: Don't answer that.

21 BY MR. HILL:

22 Q Is anyone in the electrical power business
23 advancing or paying fees to Mr. Twomey in this case?

24 MR. TWOMEY: Don't answer that either.

25 BY MR. HILL:

1 Q Has Mr. Twomey submitted any bills for his
2 representation thus far to FACT?

3 MR. TWOMEY: The same, Mr. Bach. Don't
4 answer it.

5 BY MR. HILL:

6 Q Has FACT paid anything to Mr. Twomey thus
7 far?

8 MR. TWOMEY: Don't answer it.

9 BY MR. HILL:

10 Q Did you pay a retainer fee to Mr. Twomey
11 for this case?

12 MR. TWOMEY: Don't answer that either.

13 BY MR. HILL:

14 Q Who is Hill & Knowlton? Do you know?

15 A Hill & Knowlton?

16 Q Yes.

17 A I think it's a firm in Washington.

18 Q They've contributed to FACT; correct?

19 A Yes.

20 Q What do they do?

21 A What do they do?

22 Q Yes.

23 A I don't know.

24 Q Do you know why they contributed to FACT?

25 A Yes. We were involved Amendments IV, V,

1 and VI which were being voted on for the Florida
2 Constitution a number of years ago as a grassroots
3 effort.

4 Q And what was Hill & Knowlton's interest in
5 that particular issue?

6 A I believe they were the company that was
7 handling the issue for the Save Our Everglades effort.

8 Q Who is EBIA? Do you remember that
9 contributor?

10 A I don't remember the relevance, and I don't
11 remember the date or what the contribution may have
12 been.

13 Q February 1997, \$1,600.

14 A No, I don't recall what that was for.

15 Q Do you know how much money FACT has spent
16 to date on this particular issue of the need
17 determination?

18 A No.

19 Q And you were very clear that the sources
20 did not include -- the sources of your funding did not
21 include anyone in the electric power business; is that
22 correct?

23 A Yes.

24 Q How about anybody in the energy field more
25 broadly?

1 MR. TWOMEY: Don't answer that.

2 MR. HILL: He has waived it by answering
3 the other question.

4 THE WITNESS: I'm not going to answer
5 that.

6 MR. HILL: Your position is --

7 MR. TWOMEY: Don't answer it.

8 MR. HILL: The sword and shield.

9 Give me just a second, and I'll see if we
10 can wrap this up.

11 (Short recess.)

12 (Deposition Exhibit 2 was marked for
13 identification.)

14 BY MR. HILL:

15 Q I've marked as Exhibit 2 to your deposition
16 a printout of campaign contributions for the Florida
17 Action Coalition Team, and I'm showing that to you
18 now. Have you ever seen this or a similar form
19 document?

20 A Yes.

21 Q To the best of your knowledge, does this
22 document accurately reflect the reported donations of
23 the Florida Action Coalition Team's PAC over the years
24 in question?

25 A It appears to be.

1 Florida. I sent him a couple of the affidavits, which
2 he made copies of on his own, which many of my
3 volunteers do, and went out and got the signatures
4 that he did get.

5 And can I make a follow-up with Greenfield
6 and his activities?

7 Q Well, you haven't stopped talking about it.

8 A Okay. Mr. Greenfield, as with some of the
9 other people -- and the reason this came to mind,
10 there are some other people here who signed on as
11 members on this issue who have also in the past gone
12 out and gotten petitions signed on other issues,
13 specifically Jane Cooper, that I can remember, Erica
14 Wallenthal. Margaret Kerns, who is in Fort Myers,
15 Erica Wallenthal in Margate, and Jane Cooper in
16 Coconut Creek, and I believe Rita Warren in North
17 Miami Beach, they've all done petition work in the
18 past on other issues, and it's the way we work on a
19 grassroots effort. I personally over the years have
20 gotten signed petitions, thousands of them on various
21 issues from people.

22 Q I want to ask you first about the --
23 Mr. Hill asked you about something in connection --
24 either he asked you or you responded in connection
25 with the BellSouth versus AT&T issue. Do you recall

1 that?

2 A I think that's what he said, yes.

3 Q You participated in that case?

4 A Yes, I did.

5 Q In your view, was there a side in that
6 dispute or litigation or legislation, whatever it was,
7 that was more beneficial to the consumer than the
8 other?

9 A Oh, definitely.

10 Q Which side were you on?

11 A We took side of anti-local telephone
12 companies. And the reason we tied in with AT&T was
13 because AT&T, who had an agenda --

14 MR. HILL: Objection. Nonresponsive to the
15 question.

16 BY MR. TWOMEY:

17 Q Go ahead.

18 A They had an agenda to get into local
19 competition. And the fact that they wanted to get
20 into local competition, which is what we wanted to see
21 in the telephone industry, competition, put us
22 together on that particular issue. So that's how we
23 linked up with AT&T, and that's definitely the side we
24 took, because we thought it was the most beneficial.
25 We were part of a group of grassroots organizations on

1 that one too, as I recall, including FCAN and AARP.

2 Q You mentioned in response to one of
3 Mr. Hill's questions something to do with the generic
4 drug negative formulary issue; is that correct?

5 A Yes.

6 Q What were the -- if you could expand upon
7 it just for a minute, was there, in your opinion, a
8 side that better favored the consumer generally, one
9 against the other, that is, one side of the issue
10 versus the other?

11 A Yes.

12 Q And which side were you on?

13 A I was on the side for eliminating the
14 Negative Formulary Committee and opening up the market
15 to more generic drugs.

16 Q And it was your testimony that there was a
17 benefit associated with being on that side, a benefit
18 to the public, Mr. Bach?

19 A That's what I was going to ask. Yes,
20 definitely, cheaper drugs and more availability.

21 Q And you figured that would benefit senior
22 citizens and others; is that correct?

23 A Yes. As a matter of fact, it benefited my
24 father to the tune of \$35 a month.

25 MS. BROWN: Mike, may I interrupt for a

1 a white elephant for the citizens of Florida. And
2 right now I'm in contact with Senator Klein's staff
3 and with some activists down in that area, the Palm
4 Beach County area, and we intend later this year to
5 get involved in efforts to get that removed from the
6 constitution.

7 Q Is that it?

8 A That's it.

9 REDIRECT EXAMINATION

10 BY MR. HILL:

11 Q Okay. What I'm going to try to do is
12 remember, without benefit of the transcript, all the
13 questions that I asked and you refused to answer. I
14 think I remember the topics, and I think we should be
15 able to get them out, but I'm going to defer to the
16 transcript in the final analysis to make sure I get
17 them all, so let's try it here.

18 MR. TWOMEY: Wait. You listen to me before
19 you answer the question.

20 THE WITNESS: Okay.

21 BY MR. HILL:

22 Q How much money have you expended thus far
23 on this particular case?

24 MR. TWOMEY: I'm instructing you not to
25 answer it.

1 MR. HILL: On what grounds?

2 MR. TWOMEY: The same one. The ruling --
3 the Prehearing Officer's ruling doesn't change
4 the basis of our objection.

5 MR. HILL: So, in other words, you're not
6 following the Prehearing Officer's ruling?

7 MR. TWOMEY: That's correct.

8 MR. HILL: Okay. Let's just go through
9 them then.

10 BY MR. HILL:

11 Q Who is funding your efforts in this case?

12 MR. TWOMEY: Don't answer. Same
13 objection. The objection, and it will be the
14 objection for most of them that we have, is that
15 the Prehearing Officer's order, not this oral
16 one, said that in denying our motion for
17 protective order, nevertheless, this order
18 grants FP&L's request for discovery from FACT as
19 to all information not privileged that is
20 reasonably likely to lead to admissible
21 evidence. We will maintain that discussions
22 about payment of my fees are privileged,
23 attorney-client, notwithstanding your cases, and
24 rely upon the Corry v. Meggs case.

25 The questions, the remainder that we will

1 object to and not answer are based on the fact
2 that they are not likely to lead to admissible
3 evidence, because questions of funding are not
4 part of the issues and the standard on
5 associational representation.

6 MR. HILL: Mr. Twomey, maybe we can shorten
7 this if I can get a stipulation. If I ask him
8 the questions that I asked him before that he
9 refused or you instructed him not to answer,
10 your instruction would again be not to answer,
11 notwithstanding the ruling that we got from the
12 Hearing Officer?

13 MR. TWOMEY: Correct, correct.

14 MR. HILL: So you're not following the
15 Hearing Officer's ruling?

16 MR. TWOMEY: As we heard it from Martha
17 Brown; correct.

18 MR. HILL: Okay. I'm going to put on the
19 record what I heard her say. Ms. Brown said
20 that the Hearing Officer orders the witness to
21 answer questions as to funding, sources of
22 funding, and also payment of attorney's fees.
23 Is that a fair rendition of what she said?

24 MR. TWOMEY: I think that's generally
25 correct.

1 MR. HILL: And notwithstanding that ruling
2 that has been communicated through Ms. Brown,
3 you're continuing to instruct him not to answer?

4 MR. TWOMEY: Correct.

5 MR. HILL: I'm not going to try to
6 reconstruct all the questions. I think I set up
7 the record, and you're not going to argue that I
8 should have set it up again?

9 MR. TWOMEY: No, not at all, not at all.

10 MR. HILL: All right. Let me just ask a
11 couple of questions from your cross examination
12 and see if I can understand this.

13 BY MR. HILL:

14 Q You said that with regard to the AT&T/local
15 telephone issue, your interest jibed with the interest
16 of AT&T, and that's why you linked up; is that
17 correct?

18 A No. We linked up because the issue was
19 beneficial to the consumers, the telephone users of
20 the State of Florida. It happened to be that AT&T had
21 an association which was for more competition.

22 Q Okay. That's what I was trying to say, but
23 I accept your clarification.

24 A Well, mine works better.

25 Q And in addition to that, you do recognize

1 that AT&T paid you some \$20,000 to \$30,000? You could
2 add it up, but it's here on your PAC statement;
3 correct?

4 A I would agree to what's on the public
5 record.

6 Q So it just so happened that the issue was
7 in the interest of consumers, but also was resulting
8 in large payments from AT&T; correct?

9 A which is what put me in as part of the
10 lobbying team of 13 as opposed to 147 paid lobbyists
11 by the local telephone companies, yes.

12 Q And I take it that the same is true for the
13 opening up of the market to the generics? You saw
14 that position as benefiting the public; correct?

15 A Absolutely.

16 Q And additionally resulted in payments to
17 you of -- I want to say it's \$100,000 from this PAC
18 contributions list, but we'll take whatever is on
19 there. Correct?

20 A The amount, as I stated before, I have a
21 problem with, because there are other issues that I
22 have done work for which may be incorporated in that.
23 All of the monies received from Krupa were listed. As
24 I said before, that's why we had that. We were
25 registered as a PAC so everything would be open and

1 aboveboard. But that's not all money that was on one
2 particular issue, and it's also spread over a period
3 of years too.

4 Q But it happened that in that particular
5 instance, Krupa's interest in opening up the markets
6 coincided with what your view of the public interest
7 for the citizens of Florida was; correct?

8 A Yes.

9 Q That's what you're telling us?

10 A Yes.

11 Q And in this case, you told me that you have
12 generally gone along with the positions taken by the
13 IPPs because you see them as coincident or
14 complimentary to the best interests of the public and
15 your perceived constituency; correct?

16 A Absolutely, which is why those 77 people
17 when requested got on board.

18 Q But the question is, your perception is
19 that the IPPs' position best represents the interest
20 of the citizens that you purport to represent?

21 A That's obvious by the discussion going on
22 at the Public Service Commission right now.

23 Q So the answer to my question is yes?

24 A Yes.

25 Q And like the other cases in which your

1 perceived interest linked up with certain industry
2 members, you're being paid in this case by the IPPs,
3 are you not?

4 MR. TWOMEY: Don't answer that.

5 MR. HILL: Just as an update, they've
6 maintained -- they're refusing to follow the
7 order of the Prehearing Officer.

8 I don't have anything else at this time,
9 subject to what happens.

10 (Deposition recessed at 6:35 p.m.)

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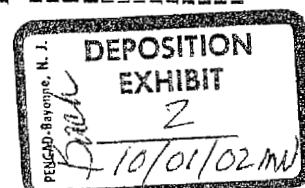
Campaign Contributions

Florida Action Coalition Team(PAC)

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Rpt Yr	Rpt Type	Date	Amount	Contributor Name	Address
1999	Q1		0.00		
1999	Q1		0.00		
1999	Q1		0.00		
1999	Q1		0.00		
1999	Q1		0.00		
1999	Q1		0.00		
1996	Q1	01/08/1996	20.00	BACH, E.	700 STARKEY R
1996	Q1	01/10/1996	559.25	HILL & KNOWLTON	
1996	Q1	02/10/1996	400.00	BACH, E.	700 STARKEY R
1996	Q1	02/13/1996	30.00	BACH, E.	700 STARKEY R
1996	Q1	02/23/1996	800.00	BACH, E.	700 STARKEY R
1996	Q1	03/06/1996	20.00	BACH, E.	700 STARKEY R
1996	Q1	03/11/1996	300.00	BACH, E.	700 STARKEY R
1996	Q1	03/19/1996	482.25	HILL & KNOWLTON	
1996	Q2	04/02/1996	200.00	BACH, ERNEST	700 STARKEY R
1996	Q2	04/29/1996	100.00	HABSBURG, ALFRED VON	4906 22 ST. C
1996	Q2	04/30/1996	1,000.00	AT & T	
1996	Q4	11/02/1996	280.00	BACH, ERNEST	PO BOX 100
1996	Q4	11/13/1996	1,050.00	BACH, ERNEST	PO BOX 100
1996	Q4	12/10/1996	925.00	BACH, ERNEST	PO BOX 100
1997	Q1	01/31/1997	701.92	STATE OF FLORIDA ATTORNEY GENE	
1997	Q1	02/18/1997	200.00	BACH, E.	700 STARKEY R
1997	Q1	02/25/1997	166.00	FLORIDA COALITION FOR COMPETITI	P.O. BOX 1054
1997	Q1	02/28/1997	1,661.00	EBIA	P.O. BOX 100
1997	Q1	03/13/1997	3,000.00	ATT	101 N. MADISO
1997	Q1	03/31/1997	3,000.00	ATT	101 N. MADISO
1997	Q2	05/12/1997	6,000.00	AT&T	
1997	Q2	06/26/1997	4,211.00	AT&T	
1997	Q2	06/27/1997	100.00	TAXPAYERS FOR COMMON	
1997	Q3	09/22/1997	507.52	ATT ORLANDO, FK	
1997	Q4	11/01/1997	2,569.98	BACH, ERNEST	700 STARKEY R
1998	Q2	04/16/1998	10,000.00	FLA. COALITON FOR COMPETITION	2020 APALACHE
1998	F2	07/29/1998	4,500.00	AT&T	9100 S. DADEL
1998	F3	08/18/1998	1,583.28	BACH, ERNEST WM.	700 STARVEY R
1999	Q1	02/03/1999	5,000.00	TAXPAYERS FOR COMMON SENS	
1999	Q1	03/26/1999	7,500.00	THE KRUPA CO.	
1999	Q2	05/06/1999	7,500.00	KRUPA COMPANIES	2774 WASHINGT
1999	Q3	07/19/1999	5,000.00	KRUPA CO. INC	2774 WASHINGT
1999	Q3	08/05/1999	5,000.00	TAXPAYERS FOR COMMON SENSE	651 PENNSYLV



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1999	Q4	10/07/1999	7,500.00	KRUPA CD'S	
1999	Q4	10/07/1999	2,500.00	KRUPA CD'S	
1999	Q4	10/07/1999	2,500.00	KRUPA CD'S	
2000	Q1	01/03/2000	2,500.00	KRUPA CO'S	2774 WASHINGT
2000	Q1	03/13/2000	3,690.35	KRUPA CO'S	2774 WASHINGT
2000	Q1	03/24/2000	100.00	FLA. SILVER HAIRE	9445 ROGER BL
2000	Q1	03/25/2000	3,288.83	KRUPA CO'S	2774 WASHINGT
2000	Q2	04/03/2000	7,500.00	KRUPA CO'S	2774 WASHINGT
2000	Q2	04/27/2000	15.00	ARVANITAS PEGGY	
2000	Q2	05/22/2000	7,500.00	KRUPA CO'S	2774 WASHINGT
2000	F1	07/31/2000	454.81	CAMPAIGNS ACCT. OF ERNEST WM.	P.O. BOX 100
2000	F3	08/18/2000	5,000.00	BARR LABS	2 QUAKER RD
2000	G3	10/15/2000	5,000.00	KRUPA CO.	2774 WASHINGT
2000	G3	10/28/2000	2,103.66	COALITION FOR LOWER GAS PRICES	P.O. BOX 69
2000	G3	10/28/2000	2,500.00	KRUPA CO'S	2774 WASHINGT
2000	Q4	11/02/2000	5,267.58	KRUPA CO'S	
2000	Q4	11/07/2000	2,702.04	KRUPA CO'S	
2000	Q4	12/01/2000	2,500.00	KRUPA CO'S	
2000	Q4	12/15/2000	1,344.33	COALITION FOR LOWER GAS PRICES	
2001	Q1	01/02/2001	2,500.00	KRUPA CO.	2774 WASHINGT
2001	Q1	02/01/2001	2,500.00	KRUPA CO.	2774 WASHINGT
2001	Q1	03/01/2001	2,500.00	KRUPA CO.	
2001	Q1	03/02/2001	5,000.00	KRUPA CO.	2774 WASHINGT
2001	Q2	04/02/2001	7,500.00	KRUPA CO'S	2774 WASHINGT
2001	Q2	05/01/2001	2,500.00	KRUPA CO'S	2774 WASHINGT
2001	Q2	05/04/2001	1,200.86	KRUPA CO'S	2774 WASHINGT
2001	Q2	05/06/2001	5,000.00	COALITION FOR LOWER GAS PRICES	PO BOX 69
2001	Q2	05/18/2001	2,428.70	COALITION FOR LOWER GAS PRICES	PO BOX 69
2001	Q2	06/21/2001	518.00	ABBOTT LABS	PO BOX 177
2001	Q3	07/16/2001	3,402.73	KRUPA CO'S.	2774 WASHINGT

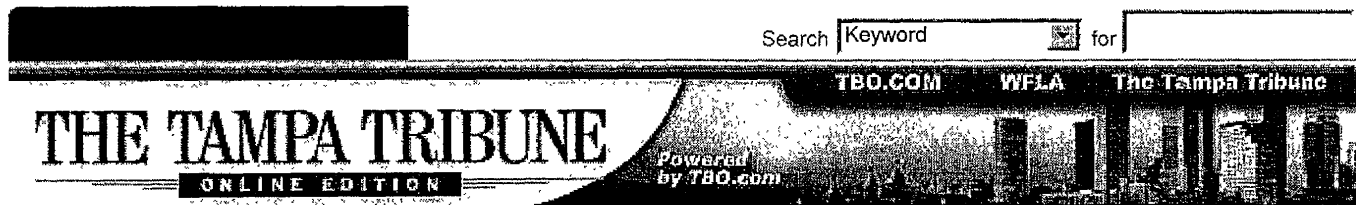
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Community News Main Page

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Coal Transport Plan

Published: Sep 12, 2003

The Florida Consumer Action Network has raised questions about Tampa Electric Co.'s proposed contract with its transportation subsidiary, TECO Transport (MoneySense, Aug. 29). We want to set the record straight.

TECO is a good corporate citizen, in our opinion, because it has exceeded state and federal pollution control requirements at its power plants and has a renewable energy program. One of its corporate officers drives a hybrid car, and the company has been willing to work with environmental and consumer groups. TECO's vertically integrated corporate structure has helped keep power rates down for consumers. To be fair, Tampa Electric could do more on employee safety and had some bad luck, to say the least, on speculative power deals outside the state.

But the bottom line for consumers is to keep the air clean and electric bills low. The transport deal must meet Public Service Commission scrutiny, and as part of that process, the public counsel, which represents consumers, is looking closely at the deal. It may well be that the proposed barge contract is the best for consumers. TECO Transport was set up for this purpose.

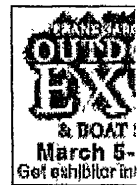
The campaign to sink the barge deal is questionable. It is being run by a Tallahassee public relations firm. Why? We won't know for sure until someone with a competing interest emerges. In the meantime, TECO deserves the benefit of the doubt, and the PSC process should run its course.

It is in the best interest of consumers to have a financially healthy utility that is an asset to the community. Let's make sure it stays that way.<

BILL NEWTONTampa

The writer is executive director of the Florida Consumer Action Network.

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TECO's deal with transport unit under scrutiny

Consumer advocates urge the state to stop a coal-shipping deal they say will overcharge Tampa Bay customers.

By LOUIS HAU, Times Staff Writer

© St. Petersburg Times

published August 29, 2003

Tampa Electric Co.'s longtime use of its sibling TECO Transport for its coal-shipping needs is costing its residential customers at least \$50-million a year in unnecessary costs, consumer representatives charged Thursday.

The claims come as Tampa Electric reviews bids - one of them from TECO Transport - for a new five-year coal-shipping contract to begin Jan. 1. Consumer groups Thursday echoed earlier concerns expressed by the state Office of Public Counsel that the bid requirements appeared worded to favor TECO Transport.

"We urge the governor, the attorney general, the Public Service Commission and TECO's own board of directors to halt this bad deal before Tampa Bay utility customers are saddled with these unnecessary costs for another five years," said Walter Dartland, formerly Dade County's official consumer advocate and a former deputy attorney general.

Other groups involved in the effort include Florida Public Interest Research Group and Florida Consumer Action Network. Their claim that Tampa Electric's TECO Transport contract is placing an unfair burden on the utility's customers is based on preliminary calculations made by Tim Lynch, director of Florida State University's Center for Economic Forecasting and Analysis.

Lynch came up with his \$50-million estimate by comparing TECO Transport's coal-shipping rates during the first four months of this year to those of Gulf Power Co. of Pensacola, which uses an unaffiliated




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company.

The organizing force behind Thursday's joint statement, which was released at a news conference in Tallahassee, was Ron Sachs Communications, a Tallahassee public-relations firm that sometimes does promotional work on consumer issues. Sachs senior vice president Michelle Ubben said the company doesn't have a client bankrolling a campaign about the TECO Transport contract but that one could turn up.

In addition to the economic analysis, consumer advocate Dartland questioned why Tampa Electric requires that all its coal shipments travel to a port in Davant, La., rather than directly to Tampa. "It's a real sweetheart deal," he said.


Tampa Electric spokesman Ross Bannister said Tampa Electric ships its coal to Davant in order to transfer it to vessels suitable for docking at the Big Bend Power Station near Apollo Beach. Bannister declined to comment on Lynch's comparisons of Tampa Electric's costs with those of Gulf Power because he said he wasn't familiar with Gulf Power's costs. In 2002, TECO Transport generated more than 40 percent of its revenue from its contract with Tampa Electric.

Tampa Electric will be permitted to pass on to consumers only fuel-related costs that the PSC determines to be "prudently incurred," PSC spokesman Kevin Bloom said.

The concerns of consumer advocates were enough to attract the attention of some Wall Street analysts. Lehman Brothers analyst Daniel Ford issued a research note Thursday saying increased regulatory scrutiny of Tampa Electric's coal-shipping contract "could complicate the company's planned sale" of TECO Transport, especially if the subsidiary fails to win the new contract. Ford estimated that a sale of TECO Transport "could bring at least \$300-million."

TECO's shares closed Thursday at \$11.85, up 8 cents.

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