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March 31, 2004

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Blanca Bayo, Director
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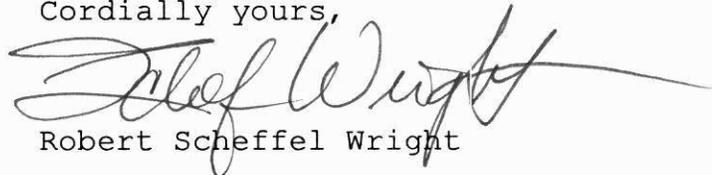
Re: Review of Tampa Electric Company's Waterborne
Transportation Contract and Related Benchmark, PSC Docket
No. 031033-EI - Filing of Missing Page 47 to Robert
L. Sansom's REDACTED Direct Testimony and Exhibits

Dear Ms. Bayo:

Enclosed for filing are the sixteen copies of page 47 of the
REDACTED direct testimony of Robert L. Sansom, Ph.D. The copies
that we filed yesterday, on behalf of CSX Transportation, were
inadvertently missing this page due to a then-unknown copier
malfunction. I sincerely apologize for any inconvenience. We
have also, on this date, served all persons on the service list
with a copy of the missing page. Please advise if we need to do
anything further to rectify this mistake.

As always, my thanks to you and to your professional Staff for
their kind and courteous assistance. If you have any questions,
please give me a call at (850)681-0311.

Cordially yours,


Robert Scheffel Wright

- AUS _____
- CAF _____
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Enclosures

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R.V.N.
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

04116 MAR 31 3

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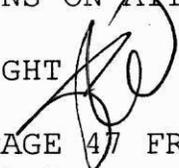
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MEMORANDUM

BY TELECOPIER AND U.S. MAIL

TO: ALL PERSONS ON ATTACHED SERVICE LIST

FROM: SCHEF WRIGHT 

SUBJECT: MISSING PAGE 47 FROM THE TESTIMONY OF ROBERT L. SANSOM, Ph.D.

DATE: MARCH 31, 2004

I discovered this morning that page 47 of Robert Sansom's direct testimony was missing from the copies that we filed and served yesterday. This was apparently due to an inadvertent copying malfunction, and I sincerely apologize. A copy of the subject page 47, which does not contain any confidential information, is attached; we are also mailing you each a copy of this page.

Again, I apologize for any inconvenience. If you have any questions, please give me a call.

Attachment

DOCUMENT NUMBER-DATE

04116 MAR 31 3

FPSC-COMMISSION CLERK

1 **Q. What is the percentage difference between your 961 miles and Ms. Wehle's 1,146 miles?**

2 A. By her method of calculation on mileage alone, her rate is overstated by $(1,146 - 961 = 185)$
3 divided by 961, or 19.3% if her result seeks to represent to the Commission what TECO
4 would pay for coal transportation from a rail transportation efficient coal mine to Big Bend.

5

6 **Q. Is mileage the whole story?**

7 A. No. I've testified earlier that high-sulfur Pitt 8 coal is a likely economical rail source coal for
8 Big Bend. It is over 1,100 miles by rail to these mines, but because CSXT offers lower rates
9 per ton mile for transportation from Northern Appalachia and because Pitt 8 coal has a
10 higher Btu/lb value, Pitt 8 coal, depending on market conditions, could be the preferred rail
11 source for TECO, just as it often is for Seminole.

12

13 **Q. Do you have any other problems with the benchmark?**

14 A. Yes. If you have a bona fide rail bid as TECO did in October 2002, that should be the
15 "benchmark" not some calculation using inaccurate data from an invalid origin.

16

CONCLUSIONS AND RECOMMENDATIONS

17

18 **Q. Please summarize the major conclusions of your testimony.**

19 A. TECO's coal procurement and coal transportation procurement practices were and are
20 imprudent. TECO's efforts to suppress and avoid rail vs. barge competition, both for coal
21 supply and for coal transportation, are costing TECO's customers millions of dollars per year.

22 As explained in my testimony, TECO's projected costs for coal transportation under its
23 contract with TECO Transport are unreasonable and imprudent. Even generously evaluating

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