BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for authority to implement proposed commercial/industrial service rider on pilot/experimental basis by Gulf Power Company.

DOCKET NO. 960789-EI ORDER NO. PSC-98-0854-CFO-EI ISSUED: June 26, 1998

ORDER GRANTING CONFIDENTIAL CLASSIFICATION TO PORTIONS OF GULF
POWER COMPANY'S RESPONSE AND AMENDED RESPONSE TO STAFF'S
COMMERCIAL INDUSTRIAL SERVICE RIDER AUDIT REPORT
(DOCUMENT NOS. 01785-98, 01786-98, 02445-98 AND 03760-98)

Pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, Gulf Power Company (Gulf) requests confidential classification of the information contained in Document Nos. 01785-98, 01786-98, 02445-98 and 03760-98. An audit exit conference was held with the utility on January 30, 1998. The utility requested that the documents enumerated above be temporarily excepted from public access in accordance with the provisions of Rule 25-22.006 (3)(a)(2), Florida Administrative Code. On February 4, 1998, staff filed Document Nos. 01785-98, and 01786-98 consisting of a portion of the staff audit report and certain staff working papers prepared during the staff's audit of Gulf's Commercial Industrial Service Rider (CISR) approved by the Commission in Order No. PSC-96-1219-FOF-EI, issued September 24, 1996.

On February 20, 1998, the utility filed a timely request pursuant to Rule 25-22.006(3)(a)(1) and (2), Florida Administrative Code, that certain staff working papers obtained during the commercial industrial service rider audit receive confidential classification. The utility's filing included highlighted documents specifying confidential material (Document No. 02445-98) and edited documents for public inspection (Document No. 02444-98).

On April 1, 1998, after an inquiry from the technical staff, Gulf amended its filing to include in its request for confidential classification portions of Staff's Audit Report. Through error, Gulf had failed to request confidential classification of portions of the staff audit report. Gulf's amended request which is restricted to portions of staff's audit report includes highlighted copies of the audit report specifying the confidential material

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(Document No. 03760-98) and redacted copies of the report for public use (Document No. 03759-98).

Gulf asserts that the information contained in the audit workpapers is proprietary, confidential business information "the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. Gulf contends that this information is confidential and has been treated as such by the utility and its affiliates. Gulf maintains that this information has not been publicly disclosed.

The information for which Gulf seeks confidential classification is presented in the tables below:

TABLE 1: GULF'S ORIGINAL REQUEST FOR CONFIDENTIAL CLASSIFICATION OF STAFF AUDIT REPORT (DOCUMENT NOS. 01786-98 AND 02445-98)

WORKPAPER NUMBER	PAGE	LINE	COLUMN
2.0-2.4/5	ALL	1-4	ALL
7C LEAD	, 1	11-14, 16-18	ALL
7C	1	1-8	ALL
10-3/2	1	1-7, 9-15, 17- 18	ALL
10-3/4	1	ALL	ALL
10-3/5	1	1-4	ALL
10-4/4-1 TO 10-4/4/4-28	ALL 28 PAGES	ALL	ALL
10-4/5-1 TO 10-4/5-225	ALL 225 PAGES	ALL	ALL
41.1	1	4-24	ALL
41.2	1	1-18	ALL
41-1	1	1-20	A-M
41-1-1	1	1-20	A-P
41-2	1	1-20	ALL

41-4.0 TO 41- 4.4	ALL 5 PAGES	1-11	A-D
41-5	1	2, 10-12	ALL
		3-8	А-Н
		9	Н
41-8	1	1-5	B AND C
41-20.1 TO 41- 20.7	ALL 7 PAGES	ALL	ALL
41-20-1	1	ALL	ALL
41-30.1 TO 41- 30.16	ALL 16 PAGES	ALL	ALL
41-30-1.1 TO 41-30-1.4	ALL 4 PAGES	ALL	ALL
10-5, 10-5/1	1	1-4	ALL
10-5/2	1	1-12	ALL
10-6, 10-6/1	1	1-6	ALL
10-6/2	1	1-18	ALL
10-6/3	1	1-4, 5-19	A-G
10-7, 10-7/1	1	1-4	ALL
10-7/2	1	1-9	ALL
10-8/2	1	4-10	ALL

Gulf also seeks to protect the following information pertaining to its Amended Request for Confidential Classification to the staff audit:

TABLE 2: GULF'S AMENDED REQUEST FOR CONFIDENTIAL CLASSIFICATION OF STAFF AUDIT REPORT (DOCUMENT NOS. 01785-98 AND 03760-98)

WORKPAPER NUMBER	PAGE	LINE	COLUMN
REPORT	3	8-9, 12-13	ALL
REPORT	4	5-19, 21-28, 31-34	ALL
REPORT	5	1-4, 6-10	ALL
REPORT	6	1-17	A
		18-21	NOTES 1-4

Gulf asserts that the information described in the tables above relates to its CISR and its Customer Service Agreements (CSA) under the CISR. Gulf asserts that this information is entitled to confidential classification pursuant to Section 366.093(3)(e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interest of Gulf and the entity with which it has negotiated a CSA contract under Gulf asserts that the public disclosure of this the CISR. information may prevent Gulf from successfully negotiating CSAs with customers. Gulf maintains that the information it seeks to protect is regarded as sensitive and confidential by the CISR customers because its public disclosure would impact the customers' abilities to compete in their "native markets." Gulf maintains that in the event such information is made public, future potential CISR customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Gulf. Gulf asserts that this may lead to uneconomic bypass of Gulf's facilities. Gulf, therefore, requests that this information be classification pursuant to Section granted confidential 366.093(3)(e), Florida Statutes. Gulf contends that information is proprietary and commercially sensitive information not otherwise publicly available.

Gulf requests that this information be granted confidential classification for a period of 18 months from the date of the issuance of this Order as contemplated in Section 366.093(4), Florida Statutes.

Upon review, it appears as if the information described above is entitled to confidential classification pursuant to Section 366.093(3)(e), Florida Statutes as "information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information." The information contained in Document Nos. 01785-98, 01786-98, 02445-98 and 03760-98 relate to contractual arrangements between Gulf and the entities taking service under the CISR. Gulf has demonstrated that disclosure of the terms and conditions of the contracts could cause price convergence in CISR negotiations and reveal private, contractual information regarding the companies with which Gulf has negotiated such contracts. Gulf asserts that such revelation could lead to uneconomic bypass of Gulf facilities by potential CISR customers. The information shall therefore be granted confidential classification pursuant to Section 366.093(3)(e), Florida Statutes.

This information shall be granted confidential classification for a period of 18 months from the date of the issuance of this Order pursuant to Section 366.093(4), Florida Statues.

It is therefore

ORDERED by Commissioner J. Terry Deason, as Prehearing Officer, that the information contained in Document Nos. 01785-98, 01786-98, 02445-98 and 03760-98 is entitled to confidential classification. It is further

ORDERED that this information shall be granted confidential classification for a period of 18 months from the date of the issuance of this Order. It is further

ORDERED that this Order will be the only notification by the Commission to the parties of the date of declassification for this material.

By ORDER of Commissioner J. Terry Deason as Prehearing Officer, this <u>26th</u> Day of <u>June</u>, <u>1998</u>.

J. TERRY DEASON

Commissioner and Prehearing Officer

(SEAL)

GAJ

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or 3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060,

Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.