

**Florida
Power**
CORPORATION

JAMES A. MCGEE
SENIOR COUNSEL

June 25, 1999

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Docket No. 990723-EQ; Petition of Florida Power Corporation
for approval of an agreement to restructure existing
cogeneration contracts with Polk Power Partners, L.P.
and Orange Cogeneration Limited Partnership;
Request for Confidential Treatment.

Dear Ms. Bayo:

Enclosed for filing is the Supplemental Request of Florida Power Corporation for Confidential Classification of portions of revised Exhibits 2 and supplemental Exhibit 3 to the subject Petition. Attached to the Supplemental Request is an unredacted copy of the documents which highlights in transparent ink the confidential information subject to this request, and is contained in a separate envelope labeled "Confidential." **These documents should receive confidential treatment pending a decision on this request.** Two redacted copies of the Exhibits are also enclosed.

Please acknowledge your receipt and filing of the above on the enclosed copy of this letter and return same to me.

Very truly yours,

James A. McGee

JAM:ams
Enclosures

cc: D. Bruce May, Esquire

See DN 6932-99
DOCUMENT NUMBER - DATE
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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Florida Power Corporation for approval of an agreement to restructure existing cogeneration contracts with Polk Power Partners, L.P. and Orange Cogeneration Limited Partnership.

Docket No. 990723-EQ

Submitted for filing:
June 28, 1999

**SUPPLEMENTAL REQUEST FOR
CONFIDENTIAL CLASSIFICATION**

Florida Power Corporation (Florida Power or the Company) hereby supplements its request for confidential classification filed jointly with El Paso Power Services Company (El Paso) on June 4, 1999 and, pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., requests confidential classification of designated portions of revised Exhibit 2 to the above-captioned Petition of Florida Power and supplemental Exhibit 3 to the Petition. The confidential information subject to this supplemental request has been highlighted in transparent ink on Exhibits 2 and 3, which have been placed in a separate, attached envelope marked "Confidential" and should be given confidential treatment pending a decision on this request. In support of this supplemental request, Florida Power states as follows:

1. The original request for confidential classification filed on June 4, 1999 sought confidential treatment for designated portions of Exhibits 1 and 2 to the above-captioned Petition. Exhibit 1 is an Agreement between Florida Power and El Paso that amends and restates three Commission-approved contracts under which Florida Power currently purchases firm capacity and energy from qualifying

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facilities. The original request for confidential classification of portions of Exhibit 1 is unaffected by this supplemental request.

2. Exhibit 2 to the Petition is a calculation of the cost savings to Florida Power's customers from discounts provided by the Agreement to the capacity payments Florida Power would otherwise have been obligated to make under the three existing purchase power contracts. As described below, this exhibit has now been superseded and replaced by revised Exhibit 2, which was contemporaneously filed (in redacted format) with this supplemental request.

3. In addition, paragraph 8 of the Petition noted that Florida Power was performing an updated computer simulation to calculate the expected cost savings to customers from energy payments under the Agreement, and that when completed, the results would be filed as a supplemental exhibit to the Petition. This information has now been provided in supplemental Exhibit 3, which was included with revised Exhibit 2 in the contemporaneous filing.

4. The calculation of capacity savings in Exhibit 2 has been revised in two respects. First, the original exhibit calculated savings based on the amount of available capacity (184 MW initially) assuming that El Paso restructures an existing purchase power contract with Tampa Electric Company served from one of the generating facilities that will also serve Florida Power under the Agreement. At the request of Staff, revised Exhibit 2 includes a second version of the capacity savings calculation based on the amount of available capacity (160 MW initially) assuming that the existing Tampa Electric contract is not restructured. The other revision to Exhibit 2 is the correction of a rounding error in computing the amount of the discounted annual capacity payments.

5. As with the original Exhibit 2, confidential treatment is sought for the same three columns of annual data on each version of the revised exhibit that would disclose the capacity payment discount negotiated between Florida Power and El Paso. The justification for protecting this highly sensitive competitive information from public disclosure is contained in the original request for confidential classification and applies equally to the capacity discount information in revised Exhibit 2 as well as in the Agreement.

6. Consistent with revised Exhibit 2, supplemental Exhibit 3 calculates two versions of the energy savings expected to be provided under the Agreement, *i.e.*, with and without restructuring of the existing Tampa Electric contract. In addition, for convenience each version includes the capacity savings from the corresponding version of revised Exhibit 2, which allows the total customers savings (capacity and energy) provided by the Agreement to be shown in one place.

7. Confidential treatment is sought for four of the five columns of annual data on each version of supplemental Exhibit 3 (protection is not sought for net energy savings). The capacity savings column contains a repetition of the same sensitive figures from revised Exhibit 2 that are addressed in paragraph 5 above. The column listing total customer savings would also disclose capacity savings by subtracting the unprotected net energy savings information. The information in the make whole credit column would disclose details of this sensitive contractual provision negotiated between Florida Power and El Paso, which was also designated as confidential in the Agreement (Exhibit 1 to the Petition) submitted with the original request for confidential classification. The data in the replacement energy column would also disclose this make whole credit information, again by difference

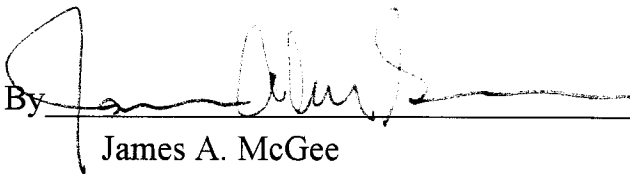
using the net energy savings figures. The justification for protecting this highly sensitive competitive information from public disclosure is contained in the original request for confidential classification and applies equally to the make whole credit information in Exhibit 3 as well as in the Agreement.

8. Except as modified by this supplemental request, the original request for confidential classification filed June 4, 1999 remains in full effect and its representations and allegations are incorporated herein by this reference. The undersigned has been authorized by counsel for El Paso to represent that El Paso concurs and joins in this supplemental request

WHEREFORE, Florida Power Corporation respectfully asks that the original request for confidential classification filed on June 4, 1999 be supplemented by this request and that the highlighted information in the attached copies of revised Exhibit 2 and supplemental Exhibit 3, and in the copy of Exhibit 1 attached to the original request, be classified as confidential.

Respectfully submitted,

OFFICE OF THE GENERAL COUNSEL
FLORIDA POWER CORPORATION

By 

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