

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint by Allied Universal Corporation and Chemical Formulators, Inc. against Tampa Electric Company Docket No. 000061-EI

Request for Confidential Classification, Or, Alternatively, Amended Motion for Protective Order

Odyssey Manufacturing Company (Odyssey), pursuant to Order No. PSC-00-1598-PCO-EI; Fla. Admin. Code R. 28-106.206 and 25-22.006(6); Fla. R. Civ. P. 1.280(c)(7); and Section 366.093(2), Fla. Stat., requests that portions of a document be granted confidential classification and otherwise ordered withheld from public disclosure and disclosure to Allied Universal Corporation and Chemical Formulators, Inc. (Allied/CFI), and in support states the following.

- 1. By Order No. PSC-00-1598-PCO-EI, issued on September 6, 2000, Commissioner Jacobs, as Prehearing Officer, granted in part and denied in part Odyssey's June 15, 2000, Motion for Protective Order.
- 2. With regard to a Company Profile of Sentry Industries, Inc. (Sentry), pages 1318-0 through 1320-0 of Tampa Electric Company's March 10, 2000 submittal to the Commission, the Prehearing Officer granted Odyssey's motion only for "numbers representing monetary values." The Prehearing Officer further ruled that "if Odyssey believes additional information in the company profile qualifies for a protective order, Odyssey shall submit a copy of the document with the lines numbered, identify the specific line where the information is found, and provide a specific justification for each request in each line."
- 3. As indicated in their June 22, 2000 Response, Allied/CFI do not oppose Odyssey's June 15, 2000 motion, and do not seek disclosure of the documents and information which are the subject of the motion. Allied/CFI reiterated their non-objection at the July 6, 2000 Prehearing Conference. (TR 45)
- 4. At the Prehearing Conference, Odyssey requested an in camera inspection of the documents that are the subject of its June 15, 2000 motion. Staff counsel stated that an in camera inspection was not necessary, but that Staff needed an opportunity to verify the bates-stamp page numbers between the documents as identified by Odyssey in its motion and by Tampa Electric in its March 10, 2000 submittal. (TR 45-46) On that basis, the Prehearing Officer granted Odyssey's motion at the Prehearing Conference. (TR 46) Accordingly, Odyssey filed a Supplement to its motion on July DOCUMENT NUMBER-DATE

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- 18, 2000, which merely correlated the two systems of bates-stamp page references for the documents that are the subject of the motion.
- 5. The September 6, 2000 Order based its partial denial of Odyssey's motion in part on the grounds that "Odyssey did not provide a line by line or field by field justification, as required by Rule 25-22.006(a)," but "instead simply stated that discovery of the profile could harm Odyssey." Odyssey in fact alleged in its motion that "disclosure of this information to Complainants, direct competitors of Odyssey, would adversely impact Odyssey's ability to compete in its native market;" that such information had been treated as proprietary confidential business information, and that none of the documents are relevant to the claims of the Complainants in this proceeding, nor are they reasonably calculated to lead to the discovery of admissible evidence.
- 6. The September 6, 2000 Order also based its partial denial of Odyssey's motion in part on the grounds that "much of the information on the three page profile is generally available to the public, and therefore does not satisfy the confidentiality requirements. For example, Sentry's annual growth rate and the percentage of sales derived from SAF-T-CHLOR are on its web page. Because it is not confidential, it can not be withheld from discovery."
- 7. Odyssey accepts the Prehearing Officer's denial of protection of the third page of the Company Profile (page 1320-0). Odyssey believes additional information on the first and second page of the Company Profile (pages 1318-00 and 1319-0) qualifies for a protective order. Odyssey therefore submits herewith as Exhibit A a copy of pages 1318-00 and 1319-0 with the lines numbered, on which it specifically identifies the portions which it considers to be proprietary confidential business information (and on which the "monetary values" already protected by the September 6 Order are redacted), together with a specific justification for each request in each line, as Exhibit B.
- 8. The information identified is the percentage of Sentry's profit derived from the sale of SAF-T-CLOR; the percentage of Sentry's before tax profit; the number of its customers which account for a specified percentage of its sales; the names of five of its customers; its total number of customers; and the percentages of its sales represented by its largest customer and its largest municipal bid. Disclosure of such information to the Complainants or the public at large would impair Sentry's ability to compete in its native market by providing valuable market intelligence to its competitors regarding its margins, the identity of its key accounts, and the portion of its sales represented by its largest customers. This information could be used in a competitive manner as to product pricing and the selective targeting of Sentry's key accounts.
- 9. The information identified on pages 1318-00 and 1319-0 has been treated as proprietary confidential business information and has not been publicly disclosed. Such information is not on Sentry's web page. Such information is not relevant to the

claims of the Complainants in this proceeding, nor is it reasonably calculated to lead to the discovery of admissible evidence.

- 10. Odyssey requests that the specific portions of the document that is the subject of the instant filing, as well as the portions of the documents deemed confidential by the September 6, 2000, Order, be held confidential for a period of no less than eighteen months after issuance of the respective orders granting confidential classification, and that such documents in their unredacted form be returned to Odyssey no later than the conclusion of said eighteen-month periods.
- 11. Concurrently with the instant filing, Sentry is filing a Petition for Leave to Intervene in this proceeding. Sentry and Odyssey share a common founder, President and Chief Executive Officer. The documents for which a protective order is sought were submitted by Sentry, an established bleach manufacturer, to Tampa Electric in support of Odyssey's efforts to obtain an electric rate under Tampa Electric's commercial/industrial service rider, in order to show the record of accomplishment of the established company, since none existed at that time for Odyssey, a start-up company. In the event that the Prehearing Officer is not inclined to summarily grant the relief herein sought, Odyssey requests that the Prehearing Officer conduct an in camera proceeding to consider the instant request for confidential classification, or, alternatively, amended motion for protective order, and accord it and Sentry an opportunity to be heard in its support.

Wherefore Odyssey Manufacturing Company requests that the Prehearing Officer issue an order granting confidential classification of the information on pages 1318-00 and 1319-00 identified on Exhibits A and B hereto; and order that the document be redacted as proposed in Exhibit A, to the extent that the document is produced pursuant to an appropriate protective order; conduct an in camera proceeding to consider the instant request or motion at which Odyssey and Sentry Industries, Inc. may be heard; and grant such other relief as is just and reasonable on this matter.

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Attorney for Odyssey Manufacturing Company

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been sent by U.S. Mail to Harry W. Long, Jr., Esq., TECO Energy, Inc., P.O. Box 111, Tampa, FL 33601; and by hand-delivery to John R. Ellis, Esq. and Kenneth A. Hoffman, Esq., Rutledge, Ecenia, Purnell & Hoffman, 215 S. Monroe St., Suite 420, Tallahassee, FL 32301; James D. Beasley, Esq. and Lee L. Willis, Esq., Ausley & McMullen, 227 S. Calhoun St., Tallahassee, FL 32301; Patrick K. Wiggins, Esq., Wiggins & Villacorta, 2145 Delta Blvd., Suite 200, Tallahassee, FL 32303; and to Marlene K. Stern, Esq., Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, on this 18th day of September, 2000.

Your L. Schiefelbein

Docket No. 000061-EI

Exhibit A

Pages 1318-00 and 1319-00

Company Profile
Sentry Industries, Inc.

3 MISSION

- 4 Sentry Industries manufactures and distributes 10.5% sodium hypochlorite and distributes
- 5 related water treatment equipment and supplies. Sentry maintains the highest standards
- 6 for product quality and customer service.

7 PRODUCT LINE

- Roughly 75% of sales and profits are derived from the sale of SAF-T-CLOR
- 9 brand 10.5% sodium hypoclorite. Most industrial bleach is sold as a commodity chemical.
- 10 Creating a brand and backing it with superior customer service allows Sentry to command
- il a higher market price than generic hypochlorite. Muriatic acid, sodium bicarbonate and
- 12 chemical metering equipment are sold to the SAF-T-CLOR customer base.

13 HISTORY

- Jul Sentry opened in 1984 under the name U.S. Chlorine, Inc. The company had one truck,
- one employee and annual sales of There were five companies distributing bulk
- 16 sodium hypochlorite, with U.S. Chlorine being the sixth and smallest.
- 17 The company doubled it's volume for the first several years, then settled into a pattern of
- 187-15% annual growth. U.S. Chlorine grew to be the second largest producer in South
- 19 Florida, with a reputation for outstanding quality and service. Unfortunately, chemicals
- 20 and chlorine were causing public consternation outside of the pool industry, and in 1993
- at the name U.S. Chlorine was changed to Sentry Industries, and the U.S. Chlorine product
- 22 was changed to SAF-T-CLOR. The customers generally agreed that keeping a low public
- 23 profile was a good strategy, and the company image was enhanced.
- 24 USC Realty was also formed in 1993 to purchase the Sentry warehouse and a neighboring
- 25 rental building. A adjoining building was purchased in 1995. Sales in 1997 were
- ale approximately The company employs 23 people and runs 10 trucks out of the
- 27 original Miami facility. Employees have full health insurance coverage and participate in a
- 23 401(k) and profit sharing plan.
- 29 Employee turnover is almost non-existent. Sentry Industries and SAF-T-CLOR are
- 30 recognized as leaders in quality and service throughout the distribution area.

31 DISTRIBUTION

- 32 Shipping costs limit the Sentry distribution area. At the inception of U.S. Chlorine, it was
- 33 decided to service the line connecting Sarasota, Orlando, Daytona Beach and all points
- 34 south. Sentry still has the same boundaries. SAF-T-CLOR is usually purchased in less

- than truckload quantities. Full truckloads can be shipped anywhere in Florida on a F.O.B.
- a cost plus shipping formula.

3 PROCESS DESCRIPTION

- 4 Sentry operates a Powell Continuous Bleach Plant with chlorine and caustic rail cars
- 5 purchased from Occidental Chemical and Olin. Finished product is filtered to less than
- one micron to eliminate quality variance due to impurities in the water or caustic soda.
- 7 The plant is 100% internal recycle, which means that anything that is spilled or separated
- 3 is recycled back into the finished product and sold.

9 FINANCIAL DATA

10 Sentry makes before tax profit as a Subchapter S corporation. USC Realty also 11 shows a profit as a LLC. Sentry has outstanding equipment loans with PFM Sales and 12 First National Bank of Homestead. USC Realty has mortgages with Capital Bank and 13 Milyn Corporation. Sentry also has a credit line with capital Bank secured by 14 inventory and receivable. The line covers seasonal fluctuations in the swimming pool 15 business. Financial statements for both companies have been provided separately.

16 CUSTOMER BASE

- Approximately customers account for of Sentry sales.

 A are virtually unknown outside of the swimming pool industry. Sentry also

 Cosupplies Customers, hoping

 At that some will grow. The largest customer represents less than of sales. The largest

 Communicipal bid is less than to of sales.
- 23 Sentry installs a storage tank and containment basin at the customers site. Refilling the 24 tank by anyone other than Sentry is a violation of federal pesticide regulations. As long as 25 Sentry refills the tank on timely basis, the customer has neither the cause nor opportunity 24 to remove the tank and buy from a competitor. Demand is so consistent that most 27 customers have a predetermined delivery schedule.

28 HUMAN RESOURCES

- 29 Sentry is fortunate to have qualified people throughout the organization. Biographical
- 30 Data Sheets are attached for a few key employees. Sentry's success is attributed to
- 3) management, technical expertise including safety and good customer relations.
- 32. Approximately half the employees work in the distribution part of the business. The
- 33 drivers are carefully selected to be courteous, responsible and honest. The customer
- 34 interface including the order desk and the accounting department runs so well that several
- 35 customers have said." Sentcy is the nicest company they have ever bought something
- 36_ from"_

Docket No. 000061-EI

Exhibit B

Line by Line Justification

Line	Nature of Information Redacted	Justification
	PAGE 1318-00	
8	Percentage of Sentry's profit derived from sale of SAF-T-CLOR	A
15	Amount of sales by Sentry	В
26	Amount of sales by Sentry	В
	PAGE 1319-00	
10	Percentage of Sentry's before tax profit	A
13	Amount of credit line	В
17	Number of largest customers	\mathbf{c}
17	Percentage of sales represented by largest customers	c
18-19	Names of large customers and information regarding their market position in their own native market which could be used to ascerta	nin
	their identity	C
20	Names of large customers	\mathbf{c}
20	Total number of customers	\mathbf{c}
21	Percentage of sales represented by largest customer	C
22	Percentage of sales represented by largest municipal bid	c
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Justification

A: Disclosure of Sentry's percentage of profits derived from sales of SAF-T-CLOR and before tax profit margin could impair Sentry's ability to compete in its native market as a bleach manufacturer and distributor, because disclosure of such information could enable its competitors to adjust product pricing in a manner detrimental to Sentry.

B: Order No. PSC-00-1598-PCO-EI authorized redaction of all "numbers representing monetary values" on this document.

C: Disclosure of the identities of Sentry's largest customers, the percentages of sales represented by large customers and its largest municipal bid, and the total number of customers could impair Sentry's ability to compete in its native market, because disclosure of such information could enable its competitors to selectively target their own marketing and sales efforts in a manner designed to cause the maximum loss of market share of Sentry.