Susan D. Ritenour Secretary and Treasurer and Regulatory Manager One Energy Place Pensacola, Florida 32520-0781

Tel 850.444.6231 Fax 850.444.6026 SDRITENO@southernco.com

ORIGINAL



May 1, 2007

Ms, Ann Cole, Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee FL 32399-0850

Dear Ms. Cole:

Re: Docket No. 070001-El

CMP ____

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Enclosed are an original and fifteen copies of Gulf Power Company's Request for Extended Confidential Classification in regard to Gulf's Power's response to COM requests numbered 5, 7, 8 and 12 of Commission Staff's First Request for CTR Production of Documents (1-12) issued to Gulf Power on October 6, 2005 in Docket 050001-EI, to be filed in the above referenced docket.

Sincerely,

OPC Susan D. Riterour RCA SCR

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Enclosures

cc: Beggs & Lane Jeffrey A. Stone, Esq.

DOCUMENT NUMBER-DATE

03697 MAY-25

FPSC-COMMISSION CLERK

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchased power cost recovery clause and generating performance incentive factor

Docket No.: 070001-EI Date: May 1, 2007

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REQUEST FOR EXTENDED CONFIDENTIAL CLASSIFICATION

GULF POWER COMPANY ("Gulf Power", "Gulf', or the "Company"), by and through its undersigned attorney and pursuant to Rule 25-22.006, Florida Administrative Code, hereby files a request that the Florida Public Service Commission enter an order extending the confidential classification for documents produced in response to requests numbered 5, 7, 8 and 12 of Commission Staff's First Request for Production of Documents (1-12) issued to Gulf Power on October 6, 2005 in Docket 050001-EI (the "confidential documents"). As grounds for this request, the Company states:

1. On October 20, 2005, Gulf filed its initial Request for Confidential Classification of certain documents produced in response to requests numbered 5, 7, 8 and 12 of Commission Staff's First Request for Production of Documents (1-12) issued to Gulf Power on October 6, 2005 in Docket 050001-EI.

2. On November 2, 2005, the Commission entered an order granting Gulf Power's request. See, PSC-05-1072-CFO-EI.

3. As provided in Section 366.093(4), Florida Statutes and by the Commission's Order, the confidential documents will be made public after a period of 18 months unless Gulf or another affected party shows, and the Commission finds, that the confidential documents continue to contain proprietary confidential business information.

4. Gulf hereby requests that the Commission enter an order extending the confidential classification of the confidential documents for an additional 18-month period.

03697 MAY-25

FPSC-COMMISSION CLERK

5. The confidential documents are entitled to continued confidential classification for the same reasons they were initially classified. In each case, the competitively sensitive nature of the confidential documents remains high, despite the passage of 18 months. As stated in Gulf's initial Request, the confidential documents contain proprietary and commercially sensitive information regarding competitive interests, trade secrets and contractual matters of Gulf Power, which if disclosed to the general public, would cause irreparable harm to Gulf Power and its customers. This information is entitled to continued confidential classification pursuant to §366.093(3)(a),(d) and (e), Florida Statutes.

6. The information provided in response to request numbered 5 of Commission Staff's First Request for Production of Documents (1-12) is entitled to confidential classification pursuant to Section 366.093(3)(a) and (e). The Company's response to request numbered 5 contains proprietary confidential business information regarding Gulf's competitive interests and contains trade secrets held confidential by Gulf Power Company. Specifically, the response contains the business plans for Gulf's generating plants. These business plans provide detailed information about financial, business and operational strategies for each of Gulf's generating plants. Disclosure of this information would give Gulf's competitors an unfair advantage when competing against Gulf in energy and capacity markets. This would undermine the market position of Gulf and its customers in nearly every market in which Gulf participates. In addition, information on Gulf's maintenance philosophy and financial goals are provided in the information. Gulf considers its maintenance philosophy and its overall financial, business and operational strategies to be trade secrets gained through years of experience in the electric utility business. Disclosure of this information would unfairly give Gulf's competitors the benefit of Gulf's experience and efforts.

7. The information provided in response to request numbered 7 of Commission Staff's First Request for Production of Documents (1-12) is entitled to confidential classification pursuant to Section 366.093(3)(a), (d) and (e). The Company's response to request numbered 7 contains proprietary confidential business information regarding Gulf's competitive interests, contractual matters and trade secrets held confidential by Gulf Power Company. Specifically, the response contains three items 1) maintenance practices from Gulf's internal guide for maintenance and operation of its generating units, 2) a portion of a contract detailing maintenance activities for one of Gulf's generating units and 3) a portion of Gulf's Business Plan related to the maintenance of its generating units. The first item is an excerpt from Gulf's internal maintenance and operation guide. This information is entitled to confidential classification as a trade secret and its disclosure would harm Gulf's competitive interests. The internal practices related to maintenance and operation of a utility's generating units is gained and refined throughout time. Gulf has in the past and continues to expend resources to develop and fine-tune its maintenance practices on its generating units in an effort to provide reliable and cost-effective electricity to its customers. The knowledge gained by Gulf is considered a trade secret. Gulf competes in energy and capacity markets for the benefit of its customers. Disclosure of this information would impair Gulf's ability to effectively compete in these markets since it would give Gulf's competitors detailed insight into how Gulf operates and maintains its generating units. The second item, the Long Term Services Agreement with General Electric International, is entitled to confidential classification as contractual data, the disclosure of which would impair the efforts of Gulf Power to contract for future services agreements with equipment vendors, manufacturers and installers. The information provided is a portion of the actual contract language from a specific contract. This contract is still in effect today. Gulf and the

party with whom it has entered into the contract consider the terms of this contract to be confidential. The third item is an excerpt from one of the business plans already provided in the response to request numbered 5 and discussed in paragraph 6 above. This information is entitled to confidential classification for the reasons stated in paragraph 6 above.

8. The information provided by Gulf in response to request numbered 8 of Commission Staff's First Request for Production of Documents (1-12) is entitled to confidential classification pursuant to Section 366.093(3)(d) and (e). The Company's response to request numbered 8 contains proprietary confidential business information regarding Gulf's competitive interests and is contractual data held confidential by Gulf Power Company. Specifically, the response contains three contracts entered into by Gulf for the supply of natural gas. The disclosure of these contracts would impair the efforts of Gulf Power to contract for future natural gas supply. Both Gulf and the gas suppliers regard this information as confidential. If Gulf is required to disclose this information publicly, gas suppliers may decide not to contract with Gulf in the future because the terms of the agreement would be made public. In addition, public disclosure of the terms and pricing stated in this contract would undermine Gulf's competitive position in fuel markets.

9. The information provided in response to request numbered 12 of Commission Staff's First Request for Production of Documents (1-12) is entitled to confidential classification pursuant to Section 366.093(3)(d) and (e). The Company's response to request numbered 12 contains proprietary confidential business information regarding Gulf's competitive interests and is bid/contractual data held confidential by Gulf Power Company. Specifically, the response contains the actual request for bids for natural gas supply and the responses to that request received by Gulf. The disclosure of this bid information would impair the efforts of Gulf Power

to contract for future natural gas supply. Both Gulf and the gas suppliers regard this information as confidential. If Gulf is required to disclose this information publicly, gas suppliers may decide not to contract with Gulf in the future because the details of their bids and associated contractual terms would be made public.

10. The information filed pursuant to this Request is intended to be, and is treated as, confidential by the Gulf Power and has not been otherwise publicly disclosed.

11. Submitted as Exhibit "A" are copies of the confidential documents. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" are two (2) edited copies of the confidential documents which may be made available for public review and inspection. Attached as Exhibit "C" to this request is a line-by-line/field-by-field justification for the request for confidential classification.

WHEREFORE, Gulf Power Company respectfully requests that the Commission enter an order protecting the information highlighted on Exhibit "A" from public disclosure as proprietary confidential business information.

Respectfully submitted this 1st day of May, 2007.

JEFFREY A. STON Florida Bar No. 325953 RUSSELL A. BADDERS Florida Bar No. 007455 STEVEN R. GRIFFIN Florida Bar No. 627569 Beggs & Lane P. 0. Box 12950 Pensacola, FL 32591 (850) 432-2451 Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchased power cost recovery clause and generating performance incentive factor

Docket No.: 070001-EI Date: May 1, 2007

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REQUEST FOR CONFIDENTIAL CLASSIFICATION

EXHIBIT "A"

Provided to the Commission Clerk

under separate cover as confidential information

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EXHIBIT "B"

Staff's First Request for Production Of Documents Docket No.: 050001-EI GULF POWER COMPANY October 06, 2005 Item No. 5 Page 1 of 129

5. Please provide any document which memorializes budget and performance objectives for the following Southern Company plants for 2005 and 2006: Daniel; Scholtz; Crist; Smith; and Scherer.

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ANSWER:

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Attached are the Plant Business Plans for each plant outlining financial and business goals.

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The attachments provided in response to this request have been submitted pursuant to a Request for Confidential Classification

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Staff's First Request for Production of Documents Docket No.: 050001-EI GULF POWER COMPANY October 06, 2005 Item No. 7 Page 1 of 18

7. Please provide any document which Gulf Power relies upon for guidance regarding the timing and frequency of repairing and/or replacing equipment as part of a planned outage.

ANSWER:

Long Term Services Agreement with General Electric International Inc. which outlines the Scope of Inspections and Frequency of Inspections for Combined Cycle Unit. Other maintenance practices are outlined in Chapter VI Section B of the Playbook. Page 15 of the Plant Business Plans provided for Item No. 6 include timing and frequency of major equipment repair and inspection. The attachments provided in response to this request have been submitted pursuant to a Request for Confidential Classification

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Staff's First Request for Production of Documents Docket No.: 050001-EI GULF POWER COMPANY October 06, 2005 Item No. 8 Page 1 of 78

8. Please provide all contracts for natural gas supply that Gulf Power has entered into since December 15, 2004 to satisfy its natural gas 2006 requirements.

ANSWER:

Natural gas supply is contracted by Southern Company Services, Inc. as agent for Gulf Power as well as the other Southern Company operating companies. Since December 15, 2004, SCS has added three gas supply contracts that could be used for Gulf Power's generation needs as well as delivery to other plants. These contracts are attached. The attachments provided in response to this request have been submitted pursuant to a Request for Confidential Classification

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Staff's First Request for Production of Documents Docket No.: 050001-EI GULF POWER COMPANY October 06, 2005 Item No. 12 Page 1 of 4

12. Please provide the requests for proposals that Gulf Power has issued, and the responses received, that resulted in Gulf Power entering into the contracts referenced in Request for Production of Documents Nos. 8-11.

ANSWER:

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EXHIBIT C

Line-by-Line Field-by-Field Justification

Line(s)/Field(s)

Item Number 5 Pages 2 through 129, including all text, tables, charts and graphs.

Justification

This information is entitled to confidential classification pursuant to §366.093(3) (a) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 6.

Item Number 7 Pages 2 through 18, including all text, tables, charts and graphs.

Item Number 8 Pages 2 through 78, including all text, tables charts and graphs.

Item Number 12 Page 1, lines 1-8 Pages 2 through 4, including all text, tables, charts and graphs. This information is entitled to confidential classification pursuant to § 366.093(a),(d) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 7.

This information is entitled to confidential classification pursuant to § 366.093 (d) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set out in paragraph 8.

This information is entitled to confidential classification pursuant to § 366.093 (d) and (e), Florida Statutes. The basis for this information being Designated as confidential is more fully set out in paragraph 9.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished by U. S mail this _/__ day of May, 2007, on the following:

William G. Walker, III Vice President Florida Power & Light Co. 215 S. Monroe Street, Ste. 810 Tallahassee FL 32301-1859

John T. Burnett, Esq. Progress Energy Service Co. P. O. Box 14042 St. Petersburg FL 33733-4042

James W. Brew, Esq. Brickfield, Burchette, Ritts & Stone, P.C. 1025 Thomas Jefferson St., NW 8th Floor, West Tower Washington DC 20007

Paul Lewis, Jr. Progress Energy Florida, Inc. 106 E. College Ave., Ste. 800 Tallahassee FL 32301-7740

John W. McWhirter, Jr., Esq. McWhirter Reeves & Davidson 400 N Tampa St., Suite 2450 Tampa FL 33602 Cheryl Martin Florida Public Utilities Company P. O. Box 3395 West Palm Beach FL 33402-3395

R. Wade Litchfield, Esq. Florida Power & Light Company 700 Universe Boulevard Juno Beach FL 33408-0420

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Norman H. Horton, Jr., Esq. Messer, Caparello & Self, P.A. P. O. Box 15579 Tallahassee FL 32317 Lisa Bennett, Esq. FL Public Service Commission 2540 Shumard Oak Boulevard Tallahassee FL 32399-0863

Patricia Ann Christensen, Esq. Office of Public Counsel 111 W. Madison St., Room 812 Tallahassee FL 32399-1400

Paula K. Brown, Administrator Regulatory Coordiantion Tampa Electric Company P. O. Box 111 Tampa FL 33601

G. Sasso/J. Walls/D. Triplett Carlton, Fields, *et al.* P. O. Box 3239 Tampa FL 33601-3239

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State of Florida	Hublic Service Commizzion Capital Circle Office Center • 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 -M-E-M-O-R-A-N-D-U-M-
FROM: T. Hen	D. Rithaur
RE: Acknowled	Igment of Receipt of Confidential Filing
03698-07 This will acknowledge receipt of a CONFIDENTIAL DOCUMENT filed in Docket	
No. <u>070001 - E1</u> or (if filed in an undocketed matter) concerning	
RCC (extended) to responses 5,7,8 + 12 of FPSC, and	
filed on behalf of <u>Gulf Power / Ritchour</u> . The	
document will be maintained in locked storage.	

Any questions regarding this matter should be directed to Marguerite Lockard at (850) 413-6770.

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PSC/CCA019-C(Rev 12/06)

03698 MAY-25

DOCUMENT NUMBER-DATE

FPSC-COMMISSION CLERK