BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition to Determine)		
Need For the Gainesville Renewable)		
Energy Center in Alachua County)	DOCKET	NO
By Gainesville Regional Utilities)		
and Gainesville Renewable Energy)	FILED:	Ma
Center, LLC.)		
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DOCKET NO. 090451-EM

FILED: May 14, 2010

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GAINESVILLE REGIONAL UTILITIES' AND GAINESVILLE RENEWABLE ENERGY CENTER, LLC'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

Gainesville Regional Utilities ("GRU") and Gainesville

Renewable Energy Center, LLC ("GREC LLC"), collectively referred

to as "Petitioners," pursuant to Section 366.093, Florida

Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code

(F.A.C.), submit this Request for Confidential Classification of

certain information provided in the response to Intervenor

Stahmer's First Request for Production of Documents, Request No.

1 ("SPOD No. 1"). In support of this Request, Petitioners state:

- 1. On April 26, 2010, Petitioners filed a Notice of Intent to Request Confidential Classification ("Notice of Intent") for the following three documents that the Petitioners produced in response to SPOD No. 1:
 - a) A report by Haddad Resource Management, LLC

 ("HRM") dated February 2009 and entitled

 "Aggregate Construction Cost Index Evaluation

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- Performed for Gainesville Regional Utilities"
 ("HRM Report A");
- c) a "Draft Report" by HRM dated April 2009 and entitled "Aggregate Construction Index Calculation" ("HRM - Report C").

These three documents will be collectively referenced herein as the "Haddad Reports".

- 2. In response to concerns raised during the May 3, 2010 evidentiary hearing in this docket and in an effort to increase transparency, the Petitioners have significantly reduced the amount of information in the Haddad Reports for which they seek confidential classification. Accordingly, Petitioners hereby file this Request for Confidential Classification which seeks confidential classification for significantly less information than identified in the Notice of Intent. (The Petitioners note that they have "unredacted" part or all of approximately 125 lines within the Haddad Reports.)
- 3. The information for which Petitioners seek confidential classification is proprietary business information developed by GREC LLC concerning the construction cost indices used by GREC LLC to develop certain pricing terms in the Power Purchase Agreement for the Supply of Dependable Capacity Energy

and Environmental Attributes from a Biomass-Fired Power

Production Facility by and between Gainesville Renewable Energy

Center, LLC and the City of Gainesville Florida d/b/a Gainesville

Regional Utilities, dated as of April 29, 2009 (the "PPA").

Correspondingly, the Haddad Reports include confidential,

proprietary business information, the disclosure of which would

impair GREC LLC's competitive interests in its negotiations with

engineering, procurement, and construction ("EPC") contractors

for contracts to build the Gainesville Renewable Energy Center

Project (the "Project") by revealing to potential EPC contractors

key pricing terms of the PPA, which such EPC contractors would

likely then use as a "floor" in further negotiations, to the

direct economic harm of GREC LLC. By Order dated March 29, 2010,

the subject pricing terms in the PPA have already been granted

confidential classification by the Commission.

- 4. The following exhibits are included with this request:
 - a. Exhibit A is a table which identifies the portions of the Haddad Reports for which Petitioners seek confidential classification and the specific basis for seeking confidential treatment;
 - b. Exhibit B is a package containing two copies of a redacted version of the Haddad Reports for which Petitioners request confidential classification. The specific information for which confidential

- treatment is requested has been blocked out by opaque marker or other means;
- c. Exhibit C is a package containing an unredacted copy of the Haddad Reports for which Petitioners seek confidential treatment. Exhibit C is being submitted separately in a sealed envelope labeled "CONFIDENTIAL." In the unredacted version, the information asserted to be confidential is highlighted in yellow; and
- d. Exhibit D is the affidavit of Joshua H. Levine submitted in compliance with Rule 25-22.006(4)(d), F.A.C., and in support of the Petitioners' request.
- 5. The information described above and identified on Exhibit "A" qualifies for confidential classification under Section 366.093(3), Florida Statutes. GREC LLC is currently in discussions with EPC contractors concerning providing EPC services for the Project. The highlighted information in Exhibit C hereto includes information from which the EPC contractors could determine confidential pricing information. Disclosure of such information would harm GREC LLC's competitive business interests.
- 6. As noted above, in this Request, the Petitioners are seeking confidential protection for approximately 125 lines fewer

than they sought in their Notice of Intent. The remaining information for which confidentiality is sought through this Request satisfies the requirements of Section 366.093, Florida Statutes, because:

- a. it is owned or controlled by GREC LLC;
- b. it is intended to be and is treated by GREC LLC as private, confidential, proprietary business information;
- c. other than an inadvertent disclosure to the parties during the discovery process due to an electronic redaction failure, which GREC LLC is attempting to rectify, it has not been disclosed except pursuant to confidentiality agreements or legal process;
- d. disclosure of the information would impair GREC

 LLC's competitive business interests by revealing
 to its business competitors and EPC contractors
 unique, specifically negotiated business pricing
 terms within the PPA which have already been
 granted confidential classification, that would
 enable GREC LLC's business competitors and EPC
 contractors to compete against GREC LLC to GREC
 LLC's detriment, including by enabling such
 competitors to "reverse engineer" either unique or

- proprietary pricing structure information that GREC LLC developed for the PPA;
- e. disclosure of the information would impair GREC

 LLC's competitive business interests by revealing
 to potential EPC contractors for the Project

 pricing information and other contract provisions
 which could be used to establish a "floor" from
 which they could negotiate against GREC; and
- f. disclosure of the information would impair GREC

 LLC's competitive business interests by revealing
 to other potential vendors upon which GREC LLC

 must rely for goods and services necessary to GREC

 LLC's performance under the PPA, information that
 would adversely impact GREC LLC's ability to
 contract for such necessary goods and services on
 favorable terms.

Accordingly, the information is entitled to confidential classification pursuant to Section 366.093(3)(d) and (e), Florida Statutes.

7. Petitioners request that the information identified above be classified as "proprietary confidential business information" within the meaning of Section 366.093(3), Florida Statutes; that the information remain confidential for a period of at least 18 months as provided in Section 366.093(4), Florida

Statutes; and that the information be returned as soon as it is no longer necessary for the Commission to conduct its business.

WHEREFORE, for the foregoing reasons, Petitioners respectfully request that this Request for Confidential Classification be granted.

Respectfully submitted this 14th day of May, 2010.

Roy C. Young

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Attorneys for GREC and GRU

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served by hand delivery (*) or U.S. Mail this 14th day of May, 2010, on the following:

Erik Sayler/Martha Carter Brown* Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Paula H. Stahmer 4621 Clear Lake Drive Gainesville, Florida 32607 paulastahmer@aol.com

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J.R Kelly Office of Public Counsel 111 West Madison Street Room 812 Tallahassee, Florida 32399

Attorney

EXHIBIT A

JUSTIFICATION FOR CONFIDENTIAL TREATMENT OF INFORMATION

DOCUMENT	PAGE NO. or SECTION NO.	PORTION OF PAGE	STATUTORY JUSTIFICATION
HRM – Report A	3 of 6	Portion of L 10 Portion of L 15	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information
HRM – Report B	1 of 7	Portion of L 12 All of L 13	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information
HRM – Report B	4 of 7	Portion of L 18 All of L 19 Portion of L 20	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information
HRM – Report B	5 of 7	Entire page except the first two lines	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information
HRM – Report B	6 of 7	Entire page except the last three lines	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information
HRM – Report B	7 of 7	Portion of L 1 Portion of L 2 Portion of L 4 Portions of L 6 Portion of L 7 Portion of L 17	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information
HRM – Report C	1 of 5	Portion of L 13 All of LL 14-16 Portion of L 17	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information

HRM – Report C	2 of 5	Portion of LL 1-2 Portion of LL 6-7 Portion of L 10 Portion of LL 13- 14 Portion of L 21 Portion of L 22	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information
HRM – Report C	3 of 5	Portion of L 1 Portion of L 3 Portion of LL 5-6 Portion of LL 8-9 Portion of L 17 Portion of L 20 Portion of L 21 Portions of L 22	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information
HRM – Report C	4 of 5	Portion of L 4 Portion of L 6 Portion of L 8 Portion of L 18 All of L 19 Portion of L 20 Portion of L 21 Portion of L 22 Portion of L 24	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information
HRM – Report C	5 of 5	Portion of L 5 All of LL 6-7 Portion of L 9 Portion of L 10 All of L 11 Portion of L 12 Portion of L 13 Portion of L 14 Portion of L 15 Portion of L 16 Portion of L 17	§ 366.093(3)(d)&(e), Fla. Stat. – confidential, proprietary business information §§ 812.081(2) & 815.045, Fla. Stat. – trade secret information

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: May 14, 2010

TO: Roy C. Young 225 South Adams Street Suite 200 Tallahassee FL 323201

FROM: Diamond M. Williams, Office of Commission Clerk

RE: Acknowledgement of Confidential Filing in Docket Number <u>090451-EM</u>

This will acknowledge receipt of a CONFIDENTIAL DOCUMENT filed in the above-referenced docket.

Document Number <u>04092-10</u> has been assigned to this filing, which will be maintained in locked storage.

If you have any questions regarding this document, please contact Kim Peña, Records Management Assistant, at (850) 413-6393.