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CLAIM OF CONFIDENTIALITY NOTICE OF INTENT ✓ REQUEST FOR CONFIDENTIALITY —FILED BY OPC FOR DN 07-0, WHICH IS IN LOCKED STORAGE. YOU MUST BE AUTHORIZED TO VIEW THIS DN. - CLK

August 18, 2010



Suite 1200 106 East College Avenue Tallahassee, FL 32301 www.akerman.com

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### VIA HAND DELIVERY

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

#### Re: Docket No. 100003 – Purchased Gas Adjustment True-up

Dear Ms Cole:

Attached, please find Florida City Gas's Request for Confidential Treatment, along with one highlighted and two redacted copies of the confidential document, Staff Audit Control. No. 10-007-4-1.

Thank you very much for your assistance; and as always, if you have any questions or concerns, please don't hesitate to let me know.

COM \_\_\_\_\_ APA \_\_\_\_\_ CCR \_\_\_\_\_ CCL \_\_\_\_\_ RAD \_\_\_\_ SSC \_\_\_\_\_ ADM \_\_\_\_\_ OPC \_\_\_\_ CLK PENA \_\_\_\_\_ Enclosures

Sincerely

Beth Keating // AKERMAN SENTERFITT 106 East College Avenue, Suite 1200 Tallahassee, FL 32302-1877 Phone: (850) 521-8002

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#### **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Purchased Gas Adjustment ) (PGA) True-Up ) Docket No. 100003-GU Date Filed: August 18, 2007

#### **REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Florida City Gas ("Petitioner," "FCG," or "the Company"), by and through its undersigned counsel, and pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, hereby requests confidential classification of certain material provided to the Florida Public Service Commission auditors ("Commission," "PSC," or "Staff") in connection with FCG's Purchased Gas Adjustment ("PGA") True-Up, PSC Docket 100003-GU, and set forth in staff's audit workpapers, **Audit Control No. 10-007-4-1**. This information is similar to information provided in response to Staff requests in prior PGA dockets and deemed confidential in those dockets. <u>See e.g.</u> Order No. PSC-07-0845-CFO-GU, issued October 18, 2007, in Docket No. 060657-GU. Included with this Request is a highlighted copy of the confidential information being provided, as well as two copies of a public, redacted version of the document. In support of this Request, FCG states as follows:

1. Subsection 366.093(1), Florida Statutes, provides that upon request, records received by the PSC which are "found by the commission to be proprietary confidential business information shall be kept confidential and shall be exempt from s. 119.07(1)."

2. "Proprietary confidential business information" is defined as meaning "information, regardless of form or characteristics, which is owned or controlled by the ... company, is intended to be and is treated by the ... company as private in that the disclosure of the information would cause harm to the ratepayers or the company's business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order of a court or

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administrative body, or private agreement that provides that the information will not be released to the public." § 366.093(3), Fla. Stat.

3. Proprietary confidential business information includes information concerning "contractual data, the disclosure of which would impair the efforts of a public utility or its affiliates to contract for goods or services on favorable terms." § 366.093(3)(d), Fla. Stat.

4. The designated portions of the information being provided to the Commission fall within these statutory definitions, and therefore constitute proprietary confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

5. The audit workpapers contain information, including specific contractual information, prices, and pricing data, which has been treated by FCG as private and has not been publicly disclosed. These terms and data, if disclosed, would impair the efforts of FCG to contract for goods or services on favorable terms in the future. In fact, within the answer itself is a statement attesting to the confidential nature of the information being supplied to the Staff. The contractual terms and pricing data therein is therefore proprietary confidential business information and is entitled to protection under Section 366.093 and Rule 25-22.006.

6. Parts of the audit workpapers also contain "information relating to competitive interests, the disclosure of which would impair the competitive business if the provider of the information." Section 366.093(3)(e), Florida Statutes. Again, the responsive information itself indicates its own confidential nature.

7. Specifically, FCG seeks confidential treatment of specific information as set forth in Attachment A.

8. Pursuant to Section 366.093(4), Florida Statutes, and Rule 25-22.006(9), Florida Administrative Code, FCG requests that the information described above as proprietary

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confidential business information be protected from disclosure for a period of at least 18 months and all information should be returned to FCG as soon as the information is no longer necessary for the Commission to conduct its business.<sup>1</sup>

Respectfully submitted this 18<sup>th</sup> day of August, 2010.

FLORIDA CITY GAS

Beth Keating

Florida Bar No. 0022756 AKERMAN SENTERFITT 106 East College Avenue, Suite 1200 P.O. Box 1877 (32302) Tallahassee, FL 32301 (850) 224-9634 beth.keating@akerman.com

Attorneys for Florida City Gas

<sup>&</sup>lt;sup>1</sup> The confidential portions of the audit work papers were released by the auditor to FCG on July 26, 2010. This Request was therefore due on August 16. This audit was the first for the FCG Regulatory Analyst assigned to the case, and that analyst, inexperienced with the Commission's confidentiality procedures, miscalculated the due date. FCG therefore requests the Commission accept this Request as timely. As the filing is made just two days after July 26 and no jurisdictional or statutory timelines are implicated, no prejudice will result to any party.

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the foregoing Request for Confidential Classification, including a redacted copy of the document for which confidentiality is requested, has been furnished by electronic and U.S. Mail to Katherine E. Fleming, Esquire, Office of the General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, and that a copy of each has been furnished by U.S. Mail to the following parties of record this 18<sup>th</sup> day of August, 2010.

George Bachman Florida Public Utilities Company Post Office Box 3395 West Palm Beach, FL 33402-3395

Melvin Williams Florida City Gas 955 East Street Hialeah, FL 33013-3498

Macfarlane Ferguson Law Firm Ansley Watson, Jr. Post Office Box 1531 Tampa, FL 33601-1531 Paula K. Brown/Matthew R. Costa Regulatory Affairs People Gas System Post Office Box 111 Tampa, FL 33601-0111

JR Kelly/Patricia Christensen c/o The Florida Legislature Office of Public Counsel 111 W. Madison, Room 812 Tallahassee, FL 32399-1400

Elizabeth Wade/David Weaver Ten Peachtree Place, Location 1470 Atlanta, GA 30309

Beth Keating

Akerman Senterfitt Attorneys at Law 106 East College Avenue, Suite 1200 Tallahassee, FL 32301 (850) 224-9634

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## Attachment A

# Confidentiality Justification

DOCUMENT <sup>2</sup>	Line/Column <sup>3</sup>	RATIONALE
5-3, pp 1-5, Gas Purchase Procedures (pp 3-7).	Highlighted numbers on page 1, first paragraph, line 12; page 2, second paragraph, lines 2, 3, 7, 9, 11; page 3, first paragraph, lines 3 – 9; page 3, second paragraph, lines 1 - 10.	See paragraph 5 of the Request
44-1/1 Volume Recalculation (pp 8).	All numbers in all columns, including totals.	See paragraph 5 of the Request
44-1/1-1 Volume Reconciliation (pp 9).	All numbers chart with heading "FGT alloc delivery," and all numbers in "Baseload," "Swing/Fixed" and the far right tabulation columns.	See paragraph 5 of the Request
44-1/1-1/1 Delivery Quantity (pp 10).	All numbers in all rows and columns for daily scheduled deliveries.	See paragraph 5 of the Request
44-1/2 Storage Price Recalculation (pp 11).	All info in "Price/Gas Daily" and "WAC" columns	See paragraph 5 of the Request
44-1/3 Swing Gas Supply Price Recalculation (pp 12).	In second table, all numbers in "Negotiated \$" and "WAC" columns.	See paragraph 5 of the Request
44-1/3-1 Comparison of Delivery Quantity to Deal Tickets (pp 13).	All numbers in "Swing Delivered" and "Swing + Fuel @3.56%" columns.	See paragraph 5 of the Request
44-1/3-1/1 Deal Volume Reconciliation (pp 14).	All numbers in "Total Volume" column.	See paragraph 5 of the Request
44-1/3-2 May 23-26 Negotiated Price (pp 15).	N/A	N/A

 $<sup>^{2}</sup>$  The first reference in each column is to an audit workpaper number, as hand written by the auditor. Sequential page numbers were added to the workpapers for this Request for ease in reference.

<sup>&</sup>lt;sup>3</sup> Page references in this column are to the page numbers hand-written by the auditor on the subject pages.

DOCUMENT <sup>2</sup>	Line/Column <sup>3</sup>	RATIONALE
44-1/4 Transportation Demand (pp 16).	All info in "Rate" and "Amount" columns; auditor's hand-written tabulation of A, B and total values shown.	See paragraph 5 of the Request
44-1/5 Invoice Back-Up (pp 17).	Paragraph 1, line 2, highlighted item; paragraph 3, last two lines, highlighted item.	See paragraph 5 of the Request
44-1/6 Bay Gas Transportation Rates (pp 18).	Invoice total amount, invoice identifier and account number information.	See paragraphs 2, 5 and 6 of the Request
44-2 May 2009 Gas Market Report Index Price (pp 19).	N/A	N/A
44-2/1 Sequent Purchase Compared to Index Pricing (pp 20).	All info in "Sequent Purchase Price," "FOM price" and "Difference" columns; words below table indicating above/below and FOM index and delta.	See paragraph 5 of the Request
44-2/1-1 Purchase Invoice (pp 21-22).	"Premium" information in antecedent table; pipeline identifying information; handwritten auditor tabulations at above chart; all numbers in "GDA Plus Premium," "GDA v. Index," "Amount," "Total due," columns.	See paragraph 5 of the Request
44-3 Transportation Rates (pp 23).	N/A	N/A
44-4 Extraction Program (pp 24).	N/A	N/A
44-4/1 Extraction Program (pp 25-33).	Pages 2 – 9, all rows and lines.	See paragraphs 2, 5 and 6 of the Request. This data is also a trade secret, under Section 366.093(3)(a), F.S., as it includes proprietary methodology and code information of Sequent.

DOCUMENT <sup>2</sup>	Line/Column <sup>3</sup>	RATIONALE
44-4/1-1 Sequent Purchase Compared to Index Pricing (pp 34-45).	For all pages, all numbers in the "Sequent Purchase Price," "FOM price" and "Difference" columns, the above/below information and delta for the "FOM Index" and the auditor's handwritten tabulations at the far right of the tables. Also, on the first page, the auditor's hand written tabulations.	See paragraph 5 of the Request
44-5 Actual Compared to Market (pp 46).	All numbers in "Price," "Actual Cost," Market WAC," and "Difference" columns	See paragraph 5 of the Request
44-5/1 Actual Gas Cost Schedule (pp 47-48).	Page 1, all numbers in "Net Notnl Value/Actual Cost" column. Page 2, all numbers in "Deal wtd Price," MTM Wtd Price," "Volume," and Net Notnl Value/Actual Cost" columns; all auditor handwritten tabulations.	See paragraph 5 of the Request
44-6 Sequent to Florida City Gas Swing Gas Comparison (pp 49-50).	All numbers in "Price" and "Amount" columns and auditor's handwritten tabulations.	See paragraph 5 of the Request
44-6/1 Revised Sequent to Florida City Gas Swing Gas Comparison (pp 51-52).	All numbers in all "Price" and "Amount" columns.	See paragraph 5 of the Request
44-6/2 Swing Gas Detail Schedule (pp 53).	All numbers in all "Price" and "Amount" columns, auditor's handwritten value for B.	See paragraph 5 of the Request
45p2 Off System Sales Reporting (pp 54).	N/A	N/A
45-1 Off System Sales Revenue Calculation Schedule (pp 55).	All numbers in all columns, other than dates.	See paragraph 5 of the Request
45-1/1 Apr 08 to Mar 09 Net Margin Schedule (pp 56-67).	All amounts in all "Dollars" columns.	See paragraph 5 of the Request
45-2 Off System Sales Revenue Calculation Schedule (pp 68).	All numbers in all columns, other than dates.	See paragraph 5 of the Request

<b>DOCUMENT<sup>2</sup></b>	Line/Column <sup>3</sup>	RATIONALE
45-2/1 May 09 Net Margin Schedule (pp 69).	All amounts in all "Dollars" columns.	See paragraph 5 of the Request

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

Beth Keating 106 E. College Avenue Suite 1200 Tallahassee FL 32301

Re: Acknowledgement of Confidential Filing in Docket No. 100003-GU

This will acknowledge receipt by the Florida Public Service Commission, Office of Commission Clerk, of a CONFIDENTIAL DOCUMENT filed on August 18, 2010, in the above-referenced docket.

Document Number 06866-10 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.