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May 31, 2017

HAND DELIVERY

Ms. Carlotta Stauffer, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

REDACTED

RECEIVED-FPSC
2017 MAY 31 PM 4: 15
COMMISSION
CLERK

Re: Docket No. 170070-EI – Petition for approval of revised standard offer for energy purchase from cogenerators and renewable generating facilities and standard offer contract for purchases of firm capacity and energy, by Florida Public Utilities Company.

Dear Ms. Stauffer:

Enclosed for filing, please find the original and seven (7) copies of Florida Public Utilities Company's Request for Confidential Classification of information contained in its Responses to the First Data Requests from Commission Staff in the referenced docket. Consistent with Rule 25022.006(4) Florida Administrative Code, a confidential/highlighted copy of the referenced material is included in the envelope marked "confidential" and two redacted copies have been provided as well.

Should you have any questions whatsoever, please do not hesitate to contact me. Thank you for your assistance in this matter.

Kind regards,



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

- COM _____
- AFD _____
- APA _____
- ECO _____
- ENG 7+ 1 redacted
- GCL _____
- IDM _____
- TEL _____
- CLK _____

MEK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of revised standard offer for energy purchase from cogenerators and renewable generating facilities and standard offer contract for purchases of firm capacity and energy, by Florida Public Utilities Company.

DOCKET NO. 170070-EI

DATED: May 31, 2017

REQUEST FOR CONFIDENTIAL CLASSIFICATION

Florida Public Utilities Company (“FPUC” or “Company”), by and through its undersigned counsel, pursuant to Section 366.093, Florida Statutes, and consistent with Rule 25-22.006(4), Florida Administrative Code, hereby submits its Request for Confidential Classification of information contained in the documents provided in response to Commission Staff’s First Data Requests in the instant docket. The documents contain proprietary confidential information regarding FPUC’s power purchase agreements, specifically contract rates, which FPUC, considers to be highly confidential and which has not otherwise been publicly disclosed. In support of this Request, FPUC states that:

1. The information contained in the Company’s data responses includes information pertaining to its power arrangements with its wholesale, all requirements providers, as well as information from which contractual information could be extrapolated. The information included in each of these documents is treated by the Company as competitively sensitive information and includes contractual information, the disclosure of which would impair FPUC’s ability to negotiate favorable rates in the future, which would be detrimental to the Company and its customers. The Company treats this information as confidential, as do its contract partners.

2. The information at issue is, as noted, considered proprietary confidential business information by FPUC, and has not otherwise been disclosed publicly. Disclosure of this information, particularly in the format requested, would publicly reveal information that could be used to extrapolate contract information that could adversely impact the Company and its ability to negotiate similar contracts in the future.
3. The information for which FPUC seeks confidential classification meets the definition of “proprietary confidential business information” as set forth in Section 366.093(3), Florida Statutes, which provides:
 - (3) Proprietary confidential business information means information, regardless of form or characteristics, which is owned or controlled by the person or company, is intended to be and is treated by the person or company as private in that the disclosure of the information would cause harm to the ratepayers or the person’s or company’s business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order of a court or administrative body, or private agreement that provides that the information will not be released to the public. Proprietary confidential business information includes, but is not limited to:
 - (a) Trade secrets.
 - (b) Internal auditing controls and reports of internal auditors.
 - (c) Security measures, systems, or procedures.
 - (d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.
 - (e) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.
 - (f) Employee personnel information unrelated to compensation, duties, qualifications, or responsibilities.
4. Specifically, FPUC seeks confidential classification for the highlighted information in

the following (lines/pages):

Document	Page/Line/Location	Description	Rationale
Data Response No. 1, page 2	All lines, except last line, in columns titled "Annual Capacity Rate," "Total Capacity Payments," "Energy Rate," "Total Energy Payments," and "Total Payments."	Rates and Payment information from which contractual rates and terms could be extrapolated.	Reveals or could be used to extrapolate contract information, the disclosure of which would impair the Company's ability to contract for goods and services with other providers. The information is treated by FPUC as confidential and has otherwise not been publicly disclosed. (Section 366.093(d))
Data Response No. 1, page 3	All lines, except last line, in columns titled "Annual Capacity Rate," "Total Capacity Payments," "Energy Rate," "Total Energy Payments," and "Total Payments."	Rates and Payment information from which contractual rates and terms could be extrapolated.	Reveals or could be used to extrapolate contract information, the disclosure of which would impair the Company's ability to contract for goods and services with other providers. The information is treated by FPUC as confidential and has otherwise not been publicly disclosed. (Section 366.093(d))
Data Response No. 1, page 4	All lines, except last line, in columns titled "Energy Rate," "Total Energy Payments," and "Total Payments."	Rates and Payment information from which contractual rates and terms could be extrapolated.	Reveals or could be used to extrapolate contract information, the disclosure of which would impair the Company's ability to contract for goods and services with other providers. The information is treated by FPUC as confidential and has otherwise not been publicly disclosed. (Section 366.093(d))

Document	Page/Line/Location	Description	Rationale
Data Response No. 1, page 5	All lines, except last line, in columns titled "Energy Rate," "Total Energy Payments," and "Total Payments."	Rates and Payment information from which contractual rates and terms could be extrapolated.	Reveals or could be used to extrapolate contract information, the disclosure of which would impair the Company's ability to contract for goods and services with other providers. The information is treated by FPUC as confidential and has otherwise not been publicly disclosed. (Section 366.093(d))
Exhibit A, page 1	All lines 2018-2037 and all columns titled "Capacity," "Fuel/Energy" and "Transmission" in first data chart on page; all lines 2018-NPV(2018\$) and all columns titled "Annual Capacity Rate," "Total Capacity Payments," "Energy Rate," "Total Energy Payments," and "Total Payments" in second data chart on page	Rates and Payment information from which contractual rates and terms could be extrapolated.	Reveals or could be used to extrapolate contract information, the disclosure of which would impair the Company's ability to contract for goods and services with other providers. The information is treated by FPUC as confidential and has otherwise not been publicly disclosed. (Section 366.093(d))
Exhibit A, page 2	All lines 2018-2037 and all columns titled "As Available Energy-On Peak Off Peak," "As Available Energy Average," "Capacity," and "Transmission" in the first data chart on page; all lines 2018-NPV(2018\$) and all columns titled "Annual Capacity Rate," "Total Capacity Payments," "Energy Rate," "Total Energy Payments," and "Total Payments" in second data chart on	Rates and Payment information from which contractual rates and terms could be extrapolated.	Reveals or could be used to extrapolate contract information, the disclosure of which would impair the Company's ability to contract for goods and services with other providers. The information is treated by FPUC as confidential and has otherwise not been publicly disclosed. (Section 366.093(d))

Document	Page/Line/Location	Description	Rationale
Exhibit A, page 3	<p>page</p> <p>All lines 2018-2037 and all columns titled “Capacity,” “Environ.,” “Fuel,” and “Transmission” in the first data chart on page; all lines 2018-NPV(2018\$) and all columns titled “Energy Rate,” “Total Energy Payments,” and “Total Payments” in second data chart on page</p>	<p>Rates and Payment information from which contractual rates and terms could be extrapolated.</p>	<p>Reveals or could be used to extrapolate contract information, the disclosure of which would impair the Company’s ability to contract for goods and services with other providers. The information is treated by FPUC as confidential and has otherwise not been publicly disclosed. (Section 366.093(d))</p>
Exhibit A, page 4	<p>All lines 2018-2037 and all columns titled “As Available Energy Average,” “Capacity,” and “Transmission” in the first data chart on page; all lines 2018-NPV(2018\$) and all columns titled “Energy Rate,” “Total Energy Payments,” and “Total Payments” in second data chart on page</p>	<p>Rates and Payment information from which contractual rates and terms could be extrapolated.</p>	<p>Reveals or could be used to extrapolate contract information, the disclosure of which would impair the Company’s ability to contract for goods and services with other providers. The information is treated by FPUC as confidential and has otherwise not been publicly disclosed. (Section 366.093(d))</p>

5. The information at issue falls squarely under Section 366.093(3)(d), Florida Statutes. Release of the referenced information as a public record would harm FPUC’s business operations and ratepayers by impairing the Company’s ability to effectively negotiate for goods and services. As such, FPUC requests that the Commission afford this information confidential treatment and thus exempt from Section 119.07, Florida Statutes.

6. Included with this Request is a highlighted copy of the referenced documents. Also enclosed are two redacted copies of the information.

7. FPUC asks that confidential classification be granted for a period of at least 18 months. Should the Commission no longer find that it needs to retain the information, FPUC respectfully requests that the confidential information be returned to the Company.

WHEREFORE, FPUC respectfully requests that:

- 1) the highlighted portions of the documents submitted in response to Staff's First Data Requests be classified as "proprietary confidential business information," and thus, exempt from Section 119.07, Florida Statutes; and
- 2) confidential classification be granted for a period of at least 18 months from the issuance of the Commission's Order.

RESPECTFULLY SUBMITTED this 31st day of May, 2017.


Beth Keating
Bar No. 0022756
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 618
Tallahassee, FL 32301
(850) 521-1706

Re: Docket No. 170070-EI – Petition for approval of revised standard offer for energy purchase from cogenerators and renewable generating facilities and standard offer contract for purchases of firm capacity and energy, by Florida Public Utilities Company.

The responses of Florida Public Utilities Company to Staff's First Data Requests are set forth below:

1. Please complete the following table describing payments to a renewable provider based on the proposed tariffs included in the Utility's revised standard offer contract. Please assume a renewable generator with a 10 MW output providing firm capacity with an in-service date of January 1, 2018, operating at the minimum capacity factor required for full capacity payments and a contract duration of 20 years. Please state the capacity factor assumed for the calculations. Please calculate the total Net Present Value (NPV) of all payments in 2018 dollars, and also provide an explanation of the method and rate used to calculate the NPV.

Company Response: Attached hereto is "Exhibit A," which includes the details of the methods and rates used for the four scenarios listed below. The explanation for each scenario is set forth below.

Please provide the completed table for each of the following four scenarios:

REDACTED

- Inside Northeast Florida Division

Company Response:

- The annual energy MWH amount is calculated based on a 10 MW renewable energy generator with an 80 % capacity factor.
- Annual Capacity Rate is based on the FPL Load Following capacity rate provided in the PPA.
- Energy Rate is based on the combined energy rate from the FPL Block and Load Following energy rates provided in the PPA.
- Total Capacity Payment is calculated on the 10 MW renewable energy generator and the Annual Capacity Rate plus avoided transmission line losses.
- Total Energy Rate is based on the Annual Energy MWH amount and the Energy Rate plus avoided transmission line losses.
- There is no avoided payment included for transmission charges.
- NPV for 2018 is shown using a 2% rate.

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080					
2019	70,080					
2020	70,080					
2021	70,080					
2022	70,080					
2023	70,080					
2024	70,080					
2025	70,080					
2026	70,080					
2027	70,080					
2028	70,080					
2029	70,080					
2030	70,080					
2031	70,080					
2032	70,080					
2033	70,080					
2034	70,080					
2035	70,080					
2036	70,080					
2037	70,080					
Total	1,401,600					
NPV (2018\$)						
Rate	2%					

- Delivering to interconnection for Northeast Florida Division

Company Response:

- The annual energy MWH amount is calculated based on a 10 MW renewable energy generator with an 80 % capacity factor.
- Annual Capacity Rate is based on the FPL Load Following capacity rate provided in the PPA.
- Energy Rate is based on the average as available energy rate from FPL who is the wholesale energy provider in the PPA.
- Total Capacity Payment is calculated on the 10 MW renewable energy generator and the Annual Capacity Rate.
- Total Energy Rate is based on the Annual Energy MWH amount and the average as available energy rate.
- There is no avoided payment included for transmission charges.
- NPV for 2018 is shown using a 2% rate.

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080					
2019	70,080					
2020	70,080					
2021	70,080					
2022	70,080					
2023	70,080					
2024	70,080					
2025	70,080					
2026	70,080					
2027	70,080					
2028	70,080					
2029	70,080					
2030	70,080					
2031	70,080					
2032	70,080					
2033	70,080					
2034	70,080					
2035	70,080					
2036	70,080					
2037	70,080					
Total	1,401,600					
NPV (2018\$)						
Rate	2%					

- Inside Northwest Florida Division

Company Response:

- The annual energy MWH amount is calculated based on a 10 MW renewable energy generator with an 80 % capacity factor.
- Annual Capacity Rate is based on the Gulf Power PPA which includes a minimum capacity rate calculation each month. Based on this agreement, the capacity cannot be avoided and is shown a “zero” the calculation.
- Energy Rate is based on the combined environmental and fuel components included in the Gulf Power PPA.
- Total Capacity Payment is calculated on the 10 MW renewable energy generator and the Annual Capacity Rate plus avoided transmission line losses.
- Total Energy Rate is based on the Annual Energy MWH amount and the Energy Rate plus avoided transmission line losses.
- There is no avoided payment included for transmission charges.
- NPV for 2018 is shown using a 2% rate.

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080	\$0.00	\$0			
2019	70,080	\$0.00	\$0			
2020	70,080	\$0.00	\$0			
2021	70,080	\$0.00	\$0			
2022	70,080	\$0.00	\$0			
2023	70,080	\$0.00	\$0			
2024	70,080	\$0.00	\$0			
2025	70,080	\$0.00	\$0			
2026	70,080	\$0.00	\$0			
2027	70,080	\$0.00	\$0			
2028	70,080	\$0.00	\$0			
2029	70,080	\$0.00	\$0			
2030	70,080	\$0.00	\$0			
2031	70,080	\$0.00	\$0			
2032	70,080	\$0.00	\$0			
2033	70,080	\$0.00	\$0			
2034	70,080	\$0.00	\$0			
2035	70,080	\$0.00	\$0			
2036	70,080	\$0.00	\$0			
2037	70,080	\$0.00	\$0			
Total	1,401,600		\$0			
NPV (2018\$)			\$0			
Rate	2%					

- Delivering to interconnection for Northwest Florida Division

Company Response:

- The annual energy MWH amount is calculated based on a 10 MW renewable energy generator with an 80 % capacity factor.
- Annual Capacity Rate is based on the Gulf Power PPA which includes a minimum capacity rate calculation each month. Based on this agreement, the capacity cannot be avoided and is shown a “zero” the calculation.
- Energy Rate is based on the combined environmental and fuel components included in the Gulf Power PPA.
- Total Capacity Payment is calculated on the 10 MW renewable energy generator and the Annual Capacity Rate.
- Total Energy Rate is based on the Annual Energy MWH amount and the average as available energy rate.
- There is no avoided payment included for transmission charges.
- NPV for 2018 is shown using a 2% rate.

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080	\$0.00	\$0			
2019	70,080	\$0.00	\$0			
2020	70,080	\$0.00	\$0			
2021	70,080	\$0.00	\$0			
2022	70,080	\$0.00	\$0			
2023	70,080	\$0.00	\$0			
2024	70,080	\$0.00	\$0			
2025	70,080	\$0.00	\$0			
2026	70,080	\$0.00	\$0			
2027	70,080	\$0.00	\$0			
2028	70,080	\$0.00	\$0			
2029	70,080	\$0.00	\$0			
2030	70,080	\$0.00	\$0			
2031	70,080	\$0.00	\$0			
2032	70,080	\$0.00	\$0			
2033	70,080	\$0.00	\$0			
2034	70,080	\$0.00	\$0			
2035	70,080	\$0.00	\$0			
2036	70,080	\$0.00	\$0			
2037	70,080	\$0.00	\$0			
Total	1,401,600		\$0			
NPV (2018\$)			\$0			
Rate	2%					

Currently Approved Standard Offer Contract (provider located inside the Northeast Florida Division Service Territory)
 Effective January 1, 2018

Firm Capacity Amount (MW)	10
Capacity Factor	80%
Resulting Energy (MWH)	70,080

FPL Full Requirements Supplier	
Avoided Transmission Losses	1.5%

	Capacity (\$/KW-Mo.)	Fuel/Energy (\$/MWH)	Transmission (\$/KW-Mo.)
2018			
2019			
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080					
2019	70,080					
2020	70,080					
2021	70,080					
2022	70,080					
2023	70,080					
2024	70,080					
2025	70,080					
2026	70,080					
2027	70,080					
2028	70,080					
2029	70,080					
2030	70,080					
2031	70,080					
2032	70,080					
2033	70,080					
2034	70,080					
2035	70,080					
2036	70,080					
2037	70,080					
Total	1,401,600					
NPV (2018\$)						
Rate	2%					

Currently Approved Standard Offer Contract (provider located outside the Northeast Florida Division Service Territory)
 Effective January 1, 2018

Firm Capacity Amount (MW)	10
Capacity Factor	80%
Resulting Energy (MWH)	70,080

FPL Full Requirements Supplier	
Avoided Transmission Losses	1.5%

	As Available Energy (\$/MWH)		As Available Energy (\$/MWH)	Capacity	Transmission
	On Peak	Off Peak	Average (\$/MWH)	\$/KW-MO.	\$/KW-MO.
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
2028					
2029					
2030					
2031					
2032					
2033					
2034					
2035					
2036					
2037					

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080					
2019	70,080					
2020	70,080					
2021	70,080					
2022	70,080					
2023	70,080					
2024	70,080					
2025	70,080					
2026	70,080					
2027	70,080					
2028	70,080					
2029	70,080					
2030	70,080					
2031	70,080					
2032	70,080					
2033	70,080					
2034	70,080					
2035	70,080					
2036	70,080					
2037	70,080					
Total	1,401,600					
NPV (2018\$)						
Rate	2%					

Currently Approved Standard Offer Contract (provider located inside the Northwest Florida Division Service Territory)
 Effective January 1, 2018

Firm Capacity Amount (MW)	10
Capacity Factor	80%
Resulting Energy (MWH)	70,080

Gulf Power Full Requirements Supplier	
Avoided Transmission Losses	1.5%

	Capacity (\$/KW)	Environ. (\$/KWH)	Fuel (\$/KWH)	Transm. (\$/KW)
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080	\$0.00	\$0			
2019	70,080	\$0.00	\$0			
2020	70,080	\$0.00	\$0			
2021	70,080	\$0.00	\$0			
2022	70,080	\$0.00	\$0			
2023	70,080	\$0.00	\$0			
2024	70,080	\$0.00	\$0			
2025	70,080	\$0.00	\$0			
2026	70,080	\$0.00	\$0			
2027	70,080	\$0.00	\$0			
2028	70,080	\$0.00	\$0			
2029	70,080	\$0.00	\$0			
2030	70,080	\$0.00	\$0			
2031	70,080	\$0.00	\$0			
2032	70,080	\$0.00	\$0			
2033	70,080	\$0.00	\$0			
2034	70,080	\$0.00	\$0			
2035	70,080	\$0.00	\$0			
2036	70,080	\$0.00	\$0			
2037	70,080	\$0.00	\$0			
Total	1,401,600		\$0			
NPV (2018\$)			\$0			
Rate	2%					

Currently Approved Standard Offer Contract (provider located outside the Northwest Florida Division Service Territory)
 Effective January 1, 2018

Firm Capacity Amount (MW)	10
Capacity Factor	80%
Resulting Energy (MWH)	70,080

Gulf Power Full Requirements Supplier	
Avoided Transmission Losses	1.5%

		As Available Energy (\$/MWH)	Capacity	Transmission
		Average (\$/MWH)	\$/KW-MO.	\$/KW-MO.
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				

Year	Annual Energy MWH	Annual Capacity Rate \$/KW-Mo	Total Capacity Payments \$	Energy Rate \$/MWH	Total Energy Payments \$	Total Payments \$
2018	70,080	\$0.00	\$0			
2019	70,080	\$0.00	\$0			
2020	70,080	\$0.00	\$0			
2021	70,080	\$0.00	\$0			
2022	70,080	\$0.00	\$0			
2023	70,080	\$0.00	\$0			
2024	70,080	\$0.00	\$0			
2025	70,080	\$0.00	\$0			
2026	70,080	\$0.00	\$0			
2027	70,080	\$0.00	\$0			
2028	70,080	\$0.00	\$0			
2029	70,080	\$0.00	\$0			
2030	70,080	\$0.00	\$0			
2031	70,080	\$0.00	\$0			
2032	70,080	\$0.00	\$0			
2033	70,080	\$0.00	\$0			
2034	70,080	\$0.00	\$0			
2035	70,080	\$0.00	\$0			
2036	70,080	\$0.00	\$0			
2037	70,080	\$0.00	\$0			
Total	1,401,600		\$0			
NPV (2018\$)			\$0			
Rate	2%					