

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment
(PGA) true-up.

DOCKET NO. 980003-GU
ORDER NO. PSC-98-0480-CFO-GU
ISSUED: April 2, 1998

ORDER GRANTING CONFIDENTIAL CLASSIFICATION TO PEOPLES GAS
SYSTEM'S DECEMBER, 1997, PURCHASED GAS ADJUSTMENT FILING
(DOCUMENT NO. 01047-98)

Pursuant to Section 366.093, Florida Statutes and Rule 25-22.006, Florida Administrative Code, Peoples Gas System (Peoples), requests confidential classification for portions of its December, 1997, Purchased Gas Adjustment (PGA) filings. Peoples asserts that this information is proprietary, confidential business information the disclosure of which would harm the company and its ratepayers. Peoples also contends that this information is:

confidential business information . . . which is owned or controlled by the . . . company [and] is intended to be and is treated by the . . . company as private in that disclosure of the information would cause harm to the ratepayers or . . . the company's business operations, and [this information] has not been disclosed
Section 366.093(3), Florida Statutes.

Peoples requests that this information be granted confidentiality for a period of 18 months from the date of the issuance of this Order. Peoples requests this amount of time in order to negotiate future contracts on favorable terms.

Peoples seeks confidential classification of three types of information through this request. The first type of information that Peoples seeks to protect is contractual information which, if made public, "would impair the efforts of the utility to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. Information of this type is found in Schedule A-3, lines 11, 15-23, Column L. Peoples contends that this schedule shows the quantities of gas that Peoples purchased from its suppliers during the month, as well as the cost of transportation for these purchases. Peoples maintains that these rates are not publicly known, but are the result of private negotiations between Peoples and numerous producers and gas marketing companies.

DOCUMENT NUMBER-DATE

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Peoples asserts that purchases are made at varying prices depending on the term of the arrangement, the time of year, the quantities involved, and the nature of the service (firm or interruptible). Peoples contends that the prices at which gas is available to it can vary from producer to producer or marketer to marketer, even when non price terms and conditions of the purchase are not significantly different.

The second type of information that Peoples seeks to protect is found in: schedule A-3, lines 11, 15-23, Columns E-K; and, Schedule A-3, lines 11-23, Column B. The information in lines 11, 15-23, Columns E-K is an algebraic function of the rate at which Peoples purchased gas. This information would permit a supplier to determine contractual information which, if made public, "would impair the efforts of the utility to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. The information contained in lines 11-13, Column B, reflects the names of suppliers. Disclosure of supplier names would either provide Peoples's competitors with a list of prospective suppliers, or permit a third party to interject itself as a middleman between Peoples and the supplier. In either case, Peoples suggests that the end result is reasonably likely to be increased gas prices, and therefore an increased cost of gas which Peoples must recover from its ratepayers.

Peoples also seeks confidential classification for the information contained in Schedule A-4, lines 1-11, Columns A-B because disclosure of this information would help to illustrate Peoples's supply infrastructure. Disclosing the receipt points would give competitors information that would allow them to buy or sell capacity at those points. The resulting increase or decrease in available capacity would affect the cost of gas transportation for a gas supply already secured. Peoples maintains that disclosing the supplier names would give competitors a list of prospective suppliers and invite the intervention of middlemen. In either case, Peoples contends, the end result is reasonably likely to be higher gas and transportation prices, and therefore an increased cost of gas which Peoples must recover from its ratepayers.

Peoples also seeks confidential classification for its: Open Access Report, lines 9-11, 27-43, Column A; Invoices for December pages 4 of 13, lines 1 and 3, 5 of 13, lines 1 and 3, 6 of 13, lines 1-4, 6, 18, and 7 of 13, lines 1, 2-5 and 7-9, and page 13 of 13, in its entirety; Accruals Schedule page 1, lines 1, 8-9, 16,

page 2, lines 1 and 15, page 3, lines 1 and 15, page 4, lines 1 and 15, page 5, lines 1-2 and 15, page 6, lines 1, 8-9 and 15, page 8, lines 1 and 15, Columns B and D, "Thrm/Acrd," and Column A, "Supplier," for all pages and lines; November Acc. Recon. pages 1-6, lines 1, 3, 5, 7, 9, 11, 13, 15, 17, 19 and 21, Column A, "Supplier"; November Invoices pages 1-10, entire sheets; Prior Month Adjustments page 1 of 9, lines 1, 3, 5-6, page 2 of 9, line 1, page 3 of 9, line 1, page 4 of 9, line 1 and 6, Column "Supplier" for all pages and lines; Prior Month Adjustments, Invoices page 9 of 9, for the entire sheet, because disclosing the supplier names and identifying information would give competitors a list of prospective suppliers and invite the intervention of middlemen. Additionally, Peoples seeks to protect all related information which, if revealed, would tend to indicate the identity of the gas supplier. In either case, Peoples contends, the end result is reasonably likely to be higher gas and transportation prices, and, therefore, an increased cost of gas which Peoples must recover from its ratepayers.

The third type of information that Peoples seeks to protect is information relating to rates. Peoples seeks confidential classification of the information contained in: Schedule A-4, lines 1-11, 19, Columns C-H; Open Access Report, lines 9, 25-37, 40-41, Columns C and E; Invoices for December pages 7 of 13, lines 10-11, dealing with rates, and line 23 dealing with therms/amounts; December Invoice page 13 of 13. Peoples requests that December Invoice page 13 of 13 be granted confidential classification in its entirety because of the large amount of proprietary information that this page contains regarding rates and supplier names and facts. Peoples also requests that rate related information contained in its: Accruals Schedule at page 1, lines 1 and 9, page 2, line 1, page 3, line 1, page 4, line 1, page 5, line 1 and 2, page 6, lines 1 and 9, page 7, line 1, page 8, line 1, all at Column C, "Rate"; November Acc. Recon., pages 1-6, lines 1-22, Column D, "Rate," November Acc. Recon., pages 1-6, lines 1-22, 93-95, Columns C and E, "Thrm/Dollr"; November Invoices pages 1-10, entire sheet; Prior Month Adjustment, page 4 of 9, lines 1 and 11, "rate," page 4 of 9, lines 1-11, 24-25, "Therms/Amounts"; Prior Month Adjustments Invoices page 9 of 9, be granted confidential classification because this information relates to rates and supplier specific information.

Upon review, the information for which Peoples seeks confidential classification appears to be proprietary, confidential business information the disclosure of which could harm Peoples and

ORDER NO. PSC-98-0480-CFO-GU
DOCKET NO. 980003-GU
PAGE 4

its ratepayers. Peoples request for confidential treatment, therefore, is granted. Pursuant to Section 366.093(4), Florida Statutes, the information for which confidential treatment is granted shall be held confidential for a period of 18 months from the date of the issuance of this Order.

It is therefore

ORDERED by Commissioner Susan F. Clark, as Prehearing Officer, that the information discussed within the body of this Order and contained within Document No. 01047-98, is granted confidential classification. It is further

ORDERED that the information discussed within the body of this Order and contained within Document No. 01047-98 is granted confidential classification for a period of 18 months from the date of the issuance of this Order. It is further

ORDERED that this Order shall be the only notification by the Commission to the parties of the declassification date of the materials discussed herein.

By ORDER of Commissioner Susan F. Clark, as Prehearing Officer, this 2nd Day of April, 1998.



SUSAN F. CLARK
Commissioner and Prehearing Officer

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ORDER NO. PSC-98-0480-CFO-GU
DOCKET NO. 980003-GU
PAGE 5

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: 1) reconsideration within 10 days pursuant to Rule 25-22.038(2), Florida Administrative Code, if issued by a Prehearing Officer; 2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or 3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.