

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 980003-GU
ORDER NO. PSC-98-0547-CFO-GU
ISSUED: April 20, 1998

ORDER GRANTING CONFIDENTIAL CLASSIFICATION TO FLORIDA PUBLIC UTILITIES COMPANY FOR PORTIONS OF ITS PURCHASED GAS ADJUSTMENT FILING FOR JANUARY, 1998 (DOCUMENT NO. 02435-98)

Pursuant to Rule 25-22.006, Florida Administrative Code, and Section 366.093, Florida Statutes, Florida Public Utilities Company (FPUC) requests confidential classification for portions of its January, 1998, Purchased Gas Adjustment (PGA) Filing. FPUC asserts that the information contained in Document No. 02435-98 is confidential information and has not been publicly disclosed. FPUC requests that this information be granted confidential classification for a period of 18 months from the date of the issuance of this Order. FPUC asserts that this time period is necessary to allow FPUC to negotiate future gas purchase contracts on favorable terms. FPUC also maintains that information such as that contained in Document No. 02435-98 has previously been granted confidential classification by the Commission in Order No. PSC-96-0532-CFO-GU, issued April 15, 1996, in Docket No. 960003-GU.

INFORMATION FOR WHICH CONFIDENTIAL CLASSIFICATION IS SOUGHT

FPUC requests that the information described below be granted confidential classification:

SCHEDULES	PAGES	LINES	COLUMNS
A-1 SUPPORTING DETAIL	4A	6-14	VENDOR; INVOICE, CREDIT, CHECK, OR IDENTIFYING NUMBER; INVOICE AMOUNT; CLASSIFICATION BREAKDOWN

DOCUMENT NUMBER DATE

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REGISTRATION UNIT

SCHEDULES	PAGES	LINES	COLUMNS
A-3	6A-6B	1-94	PURCHASED FROM; SYSTEM SUPPLY; END USE; TOTAL PURCHASED; COMMODITY COST/THIRD PARTY; OTHER CHARGE ACA/GRI/FUEL; TOTAL CENTS PER THERM
A-4	7	1-37	PRODUCER NAME; RECEIPT POINT; GROSS AMOUNT; NET AMOUNT; MONTHLY GROSS; MONTHLY NET; WELLHEAD PRICE; CITYGATE PRICE

FPUC asserts that the information contained within these columns represents either negotiated gas supply packages or information from which the cost of such packages may be derived. These packages are purchased from suppliers other than Florida Gas Transmission Company (FGT). These purchase prices vary based on the operational flexibility of each contract. This information also contains the names of gas suppliers from which FPUC is purchasing gas supplies. FPUC maintains that the release of supplier names would be detrimental to the interests of FPUC and its customers because it would provide a competitor with a list of FPUC's suppliers. FPUC contends that this information concerns both the volumes purchased and the costs by gas supply source. FPUC maintains that releasing such information could provide competing gas suppliers with an advantage over FPUC. FPUC asserts that disclosure of this information may render suppliers less likely to make price concessions. FPUC maintains that the release of such information has the potential to encourage price fixing by gas suppliers. Potentially, according to FPUC, the release of the aforementioned information may result in higher gas costs which would have to be passed along to FPUC's customers. This, according to FPUC, "would impair the efforts of the public utility or its

affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

FPUC also requests confidential classification of the following:

ITEMS	PAGES	LINES	COLUMNS
GAS INVOICES	15-17	1-80	ALL

FPUC claims that it is necessary to keep all natural gas supply invoices and related transactions confidential with the exception of the FGT invoices and transactions. The identity of the individual gas suppliers could be determined by any person familiar with the format, fonts and type sizes used by each gas supplier in constructing their invoices. As such, FPUC requests that every element of all gas supply invoices, with the exception of FGT invoices, be kept confidential to comply with the terms of FPUC's gas supply contracts. FPUC asserts that the disclosure of any portion of this information would be detrimental to FPUC and its customers because it would provide a competitor with a list of FPUC's suppliers. According to FPUC, the releasing of such information could provide competing gas suppliers with an advantage over FPUC. FPUC asserts that if this information is disclosed, suppliers may be less likely to make price concessions. Release of such information has the potential to lead to inflated price fixing by gas suppliers. Potentially, according to FPUC, release of the aforementioned information may result in higher gas costs which would have to be passed along to FPUC's customers. FPUC also contends that it is contractually obligated to keep confidential all material terms of its gas supply agreements and transactions between its gas suppliers and the company. Each gas invoice represents negotiated gas supply packages purchased from suppliers other than FGT. These prices vary based on the operational flexibility of each contract.

FPUC also requests confidential classification of the following information:

ITEMS	PAGES	LINES	COLUMNS
IMBALANCE RESOLUTIONS	18, 19, 23	1-80	ALL

ITEMS	PAGES	LINES	COLUMNS
IMBALANCE RESOLUTIONS	20, 21, 22	13-16	A-C
IMBALANCE RESOLUTIONS	20	23	A-H
IMBALANCE RESOLUTIONS	20	25	F, H
IMBALANCE RESOLUTIONS	21	23-24	A-H
IMBALANCE RESOLUTIONS	21	26	F, H
IMBALANCE RESOLUTIONS	21	33, 38	A-C, F-H
IMBALANCE RESOLUTIONS	22	23-25	A-H
IMBALANCE RESOLUTIONS	22	27	F, H

FPUC maintains that the imbalance resolutions represent transactions by FPUC. These transactions affect FPUC's PGA for imbalances traded and as an alternative to FGT's cashout program. According to FPUC, Transactions of these types are with other pipeline customers. For competitive purposes only, FPUC must be assured that no other pipeline customer will be able to ascertain the parties involved in these transactions with FPU or the prices of the components of such transactions or the quantities involved in these transactions. Otherwise, according to FPUC, future transactions of this type may be put at undue risk. FPUC asserts that this information is contractual information which, if made public, "would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

CONCLUSION

Upon review, it appears that the information described above is contractual information the disclosure of which "would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d),

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Florida Statutes. This information reveals bids and contract terms which allow FPUC to negotiate for the lowest possible natural gas prices. If this information were not protected, market forces would prevent FPUC from negotiating from a position of strength. The likely result would be higher rates for FPUC's ratepayers. This information shall be granted confidential classification for a period of 18 months from the date of the issuance of this Order in accordance with the provisions of Section 366.093(4), Florida Statutes.

It is therefore

ORDERED by Commissioner Susan F. Clark, as Prehearing Officer, that the information described within the body of this Order and contained in Document No. 02435-98 is granted confidential classification. It is further

ORDERED that the information described within the body of this Order and contained in Document No. 02435-98 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 notice by the Commission to the parties of the declassification date of this document.

By ORDER of Commissioner Susan F. Clark, as Prehearing Officer, this 20th Day of April, 1998.



SUSAN F. CLARK
Commissioner and Prehearing Officer

(S E A L)

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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.