BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of special gas transportation service agreement with RockTenn CP, LLC by Peoples Gas System. DOCKET NO. 140034-GU ORDER NO. PSC-14-0151-CFO-GU ISSUED: April 3, 2014

ORDER GRANTING PEOPLES GAS SYSTEM'S REQUEST FOR SPECIFIED CONFIDENTIAL CLASSIFICATION (DOCUMENT NO. 01174-14)

On March 17, 2014, pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), Peoples Gas System (Peoples) filed its request (Request) for specified confidential classification of portions of its responses to the Florida Public Service Commission (Commission) Staff's First Data Request (Data Request) Nos. 2, 4, 6, and 7 (Document No. 01174-14).

Peoples contends that designated portions of its responses to Data Request Nos. 2, 4, 6, and 7 fall within these categories and, thus, constitute proprietary confidential business information entitled to protection under Section 366.093, F.S., and Rule 25-22.006, F.A.C. Peoples' response to Data Request No. 2 contains total annual base rate revenue under Peoples' tariff rate for each of the three RockTenn paper mills. Peoples' response to Data Request No. 4 contains the annual quantity for each of the Panama City and Jacksonville mills. Peoples' response to Data Request No. 6 contains employee pay information, or information from which such pay information could be algebraically determined, as well as Peoples' calculation of the costs for each facility to bypass the Peoples' distribution system. Finally, Peoples' response to Data Request No. 7 contains the cost of service studies for RockTenn's Jacksonville and Panama City paper mills. Peoples states that this information is intended to be and is treated by both Peoples and RockTenn as private and has not been publicly disclosed.

Peoples contends that disclosure of this information would negatively impact Peoples' business operations, as well as ratepayers, by impairing its respective ability to negotiate favorable pricing in the future with other potential gas transportation customers. Further, Peoples asserts that disclosure of this information would allow Peoples' cost of service to be derived and give "target" numbers to its competitors and potential customers when negotiating transportation pricing to its detriment.

Peoples initially requested confidential classification for this information until two months after the expiration of the terms of its Amended and Restated Gas Transportation Agreement (Agreement) with RockTenn CP, LLC or for a period of 18 years for the Fernandina Beach paper mill and 8 years for the Jacksonville and Panama City paper mills. However, Peoples subsequently orally modified its Request to an 18-month period from the issuance date of the Order granting confidential classification.

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Ruling

Section 366.093(1), F.S., provides that records that the Commission has found to contain proprietary confidential business information shall be kept confidential and shall be exempt from Chapter 119, F.S. Section 366.093(3), F.S., defines proprietary confidential business information as information that is intended to be and is treated by the company as private, in that disclosure of the information would cause harm to the company's ratepayers or business operations, and that has not been voluntarily disclosed to the public. Section 366.093(3), F.S., provides, in pertinent part, that proprietary confidential business information includes, but is not limited to:

- (d) Information concerning bids and other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods and 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.

Upon review, it appears the above-referenced information satisfies the criteria set forth in Sections 366.093(3)(d) and (e), F.S., for classification as proprietary confidential business information. The information at issue appears to contain contract information, the disclosure of which would impair the utility's ability to negotiate the highest pricing for its gas transportation services to the competitive detriment of its ratepayers. Thus, the information identified in Document No. 01174-14 shall be granted confidential classification.

Pursuant to Section 366.093(4), F.S., the information for which confidential classification is granted herein shall remain protected from disclosure for a period of 18 months from the date of the issuance of this Order. At the conclusion of this period, the confidential information will no longer be exempt from Section 119.07(1), F.S., unless Peoples or another affected person shows, and the Commission finds, that the records continue to contain proprietary confidential business information.

Based on the foregoing, it is

ORDERED by Commissioner Julie I. Brown as Prehearing Officer, that Peoples Gas System's Request for Specified Confidential Classification of portions of Commission Staff's First Data Request Nos. 2, 4, 6, and 7, contained in Document No. 01174-14, is granted. It is further

ORDERED that the information in Document No. 01174-14 for which confidential classification has been granted, shall remain protected from disclosure for a period of 18 months from the date of issuance of this Order. It is further

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

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By ORDER of Commissioner Julie I. Brown, as Prehearing Officer, this <u>3rd</u> day of April 2014.

JULIE I. BROWN

Commissioner and Prehearing Officer Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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 25-22.0376, Florida Administrative Code; or (2) 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 Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, 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.