

ORIGINAL

Florida Power
CORPORATION

JAMES A. MCGEE
SENIOR COUNSEL

August 23, 1999

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 981890-EU;
Request for Confidential Classification.

Dear Ms. Bayó:

Enclosed for filing in the subject docket are an original and fifteen copies of Florida Power Corporation's Request for Confidential Classification. The request pertains to the Response to Staff's First Set of Interrogatories, which was enclosed with the Company's Notice of Intent to Request Confidential Classification filed on August 2, 1999, and has been designated DN 09057-99

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced document in WordPerfect format. Thank you for your assistance in this matter.

- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- MAS _____
- OPC _____
- PAI _____
- SEC _____
- WAW _____
- OTH _____

RECEIVED & FILED
[Signature]
FPSC BUREAU OF RECORDS

JAM/ams
Enclosures

Very truly yours,
[Signature]
James A. McGee

MAIL ROOM

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DOCUMENT NUMBER - DATE
09998 AUG 23 1999

FPSC - RECORDS/REPORTING

ORIGINAL

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SERVICE COMMISSION

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

99 AUG 23 AM 9:52

MAIL ROOM

In re: Generic investigation into the aggregate electric utility reserve margins planned for Peninsular Florida.

Docket No. 981890-EU

Submitted for filing:
August 23, 1999

REQUEST FOR CONFIDENTIAL CLASSIFICATION

Florida Power Corporation (Florida Power or the Company), pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., hereby requests confidential classification of the highlighted portions of its response to Staff's First Set of Interrogatories to Florida Power Corporation (the Response), which was enclosed with the Company's Notice of Intent to Request Confidential Classification filed in the above-captioned matter on August 2, 1999, and has been designated DN 09057-99. In support of its request, Florida Power states as follows:

Introduction

1. The increasingly competitive wholesale power market in which Florida Power operates has caused certain information contained in the Response to become commercially sensitive and justifies its protection from disclosure to the Company's competitors. Subsection 366.093(1) provides that any records "found by the commission to be propriety confidential business information shall be kept confidential and shall be exempt from s. 119.07(1) [requiring disclosure under the Public Records Act]." Subsection 366.093(3) states that "Propriety confidential business information includes, but is not limited to: *** (e) information relating to competitive interests, the disclosure of which would the competitive business of the

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provider of the information.” As explained below, the designated portions of Florida Power’s Response fall within this statutory category and, thus, constitute propriety confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

2. Attachment A hereto contains a justification matrix supporting Florida Power's request for confidential classification of the highlighted information in the Response submitted with its August 2, 1999 Notice of Intent. The information is identified on a page-by-page, column-by-column basis.

The Effect of the Competitive Wholesale Power Market

3. In any competitive market, the availability of information about competitors provides market participants a competitive advantage. This is increasingly true in the wholesale market for electricity. Florida Power, like other public utilities, is facing competition from wholesale power marketers and other non-traditional utilities. Consequently, commercial sensitivity of information about the Company has increased in recent years. Florida Power currently sells power in the wholesale market at cost-based rates within the State of Florida, and at market-based rates outside the state. The public availability of information about Florida Power’s costs and operations gives competing power suppliers a significant advantage in developing marketing strategies that target the Company’s existing and potential power sales customers.

4. The public availability of information about Florida Power’s costs and operations would be less objectionable if all market participants were subject to the same reporting and disclosure requirements. However, most of the Company’s competitors are non-traditional utilities that are not subject to the detailed reporting

requirements that apply to Florida Power and other public utilities. Consequently, Florida Power is operating in an environment in which its competitors have detailed commercial and financial information about the Company, but the Company has little or no such information about most of its competitors. The disparity in information makes it virtually impossible for the Company to compete as effectively as other market participants.

5. The designated information in the Response is directly relevant to the ability of Florida Power to compete effectively in the commercial marketplace for power sales. If potential customers know the details of the Company's generation and purchased power costs or operational characteristics, they will be able to develop offers to purchase power from the Company that minimize the Company's ability to obtain a contribution to its fixed costs. Competitors in the power sales market will be able to develop competing offers that undercut the Company's offers because they will have superior market information. Such unfair competition will adversely affect the public interest because it will allow competitors to raise their prices to just below the Company's cost-based prices, which would increase the prices that power purchasers must pay.

Consistency Considerations

6. The filing of similar information by other public utilities without requests for confidentiality does not justify denying Florida Power's request for such treatment. Each public utility must make its own determination about whether particular information is commercially sensitive or could otherwise cause it competitive harm. The decision of a public utility to not seek confidential classification of the supplemental information requested by Staff affects only the

utility that made that decision. Therefore, Florida Power cannot, and should not be required to, point to any special circumstances that justify treating this information differently from that of other public utilities. The Commission should evaluate each request from a utility for confidential classification independently, rather than basing its decision on what other utilities have done. This is far more fair than holding Florida Power captive to the decisions of other public utilities, as would be the case if the Commission were to deny confidential treatment for Florida Power on the ground that other utilities had not made similar requests.

WHEREFORE, Florida Power respectfully requests that the highlighted information in the Response previously submitted with its Notice of Intent and described in Attachment A hereto be classified as confidential for the reasons set forth above.

Respectfully submitted,

OFFICE OF THE GENERAL COUNSEL
FLORIDA POWER CORPORATION

By 

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ATTACHMENT A

JUSTIFICATION MATRIX FOR CONFIDENTIAL INFORMATION CONTAINED IN DN 09057-99, FPC'S RESPONSE TO STAFF'S FIRST SET OF INTERROGATORIES

Interrog	Rows	Columns	Justification
5	1999-2008	1999 LOLP Projections	Disclosure of LOLP results and the corresponding expected unserved energy would allow competitors to assess the reliability of the generation resources against which they must compete.
6	1999-2008	1999 EUE Projections	
13	77/78-97/98 (winter) 1978-1998 (summer)	3 (24 hr avg) - 16 (Wtd avg) 3 (Peak hr) - 10 (5 hr avg)	Disclosure of the detailed temperature components at and surrounding the time of FPC's winter and summer peak demand would allow competitors and potential capacity suppliers to determine the demand on FPC's capacity resources using readily available temperature forecasts and thus predict FPC's ability to make sales or its need to make purchases.
20	1978-1998 (summer)	1-3	Disclosure of the correlation between temperature at the time of summer and winter peak demand and the level of that peak demand, as well as weekly patterns of peak demand occurrence, would allow competitors and potential capacity suppliers to determine the demand on FPC's capacity resources using readily available temperature forecasts and thus predict FPC's ability to make sales or its need to make purchases.
21	1978/79 - 1997-98 (winter)	1-3	
44	all	1-2 and CR3 1999-2008	Individual unit performance data is highly sensitive competitive information. Disclosure of outage and availability factors would allow competitors and potential capacity suppliers to determine average system capacity availability and predict FPC's ability to make sales or its need to make purchases.
46	all	Projected EAF	

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail this 23rd day of August, 1999 to:

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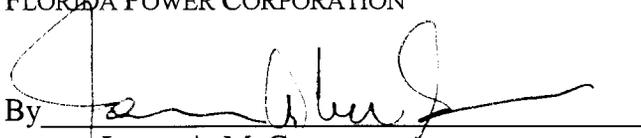
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