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March 9, 2015

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

Re: Docket No. 150035-EI – Petition for approval of energy purchase agreements between Gulf Power Company and Gulf Coast Solar Center I, LLC, Gulf Coast Solar Center II, LLC, and Gulf Coast Solar Center III, LLC

Dear Ms. Stauffer:

Enclosed for filing in the above-referenced docket is Gulf Power Company's Request for Confidential Classification pertaining to certain portions of Gulf's response to Commission Staff's Second Data Request (Nos. 1-24). In addition to the "Confidential" DVD labeled as Exhibit "A", enclosed is a separate DVD containing a copy of Gulf Power's Request for Confidential Classification and Exhibit "B" in Microsoft Word format as prepared on a Windows based system.

Sincerely,

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Robert L. McGee, Jr. Regulatory and Pricing Manager

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Enclosures

cc: Beggs & Lane Jeffrey A. Stone, Esq.

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# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Approval of Energy Purchase Agreements between Gulf Power Company and Gulf Coast Solar Center I, LLC, Gulf Coast Solar Center II, LLC and Gulf Coast Solar Center III, LLC Docket No. Filed: 150035-EI March 10, 2015

**REQUEST FOR CONFIDENTIAL CLASSIFICATION** 

GULF POWER COMPANY ["Gulf Power", "Gulf", or the "Company"], by and through its undersigned attorneys and pursuant to Rule 25-22.006, Florida Administrative Code, hereby files a request that the Florida Public Service Commission enter an order protecting from public disclosure certain information submitted by Gulf Power in response to Commission Staff's Second Data Request to Gulf Power Company (Nos. 1-24) in the above-referenced docket. Confidential information submitted in response to Staff's Second Data Request has been segregated and placed upon the enclosed DVD bearing the label "CONFIDENTIAL" ("Confidential Information"). This DVD should be treated as confidential in its entirety. As grounds for this request, the Company states:

 Portions of information submitted by Gulf Power in response to question numbers 11, 15, 19, 20 and 23 of Commission Staff's Data Request constitute "proprietary confidential business information" as defined pursuant to section 366.093(3), Florida Statutes.

2. Information submitted in response to question 11 includes Gulf Power's projected avoided cost calculations. This information is not disclosed elsewhere in information submitted publicly by Gulf Power. Disclosure of the information in question would impair the efforts of Gulf Power to contract for goods and services on favorable terms. It is also information relating to the competitive interests of Gulf Power, the disclosure of which would impair the competitive business of Gulf Power. The information could be used by wholesale competitors and

competitive suppliers of power to Gulf Power to model the company's system and/or affect the Company's purchases from third party suppliers. As such, the information in question is entitled to confidential treatment pursuant to section 366.093(3)(e), Florida Statutes.

3. Information submitted in response to questions 15 and 20 consists of Gulf's fuel price forecast data which is utilized by the Company to, among other things, perform costeffectiveness analyses for purchased power agreements. This data was developed by Gulf, Southern Company Services, and their consultant, Charles Rivers Associates, using an extensive proprietary modeling analysis. These forecasts are based on non-public data, were developed at significant cost to the Company, and are considered proprietary by Gulf Power, Southern Company Services, and their consultant. This information reveals key inputs into the Company's decision-making process and is subject to extensive efforts to maintain its secrecy. Only select Company personnel with a "need to know" are granted access. Public disclosure of this information would enable competitors to access and utilize Gulf's forecasts without incurring costs to obtain similar information, thus bestowing an economic advantage upon such competitors at the cost of Gulf and its customers. Additionally, public disclosure of this information would enable vendors of commodities and services to tailor their pricing proposals to the Company's projections, resulting in higher costs for the Company and its customers. For example, if prospective fuel suppliers have access to such information, those suppliers will view the forecasted prices as the lower limit of what Gulf expects to pay and will offer to supply fuel at higher prices. Finally, the subject information is used in developing future generation strategies for Gulf. Generation wholesalers, power marketers or other competitors could utilize this information to tailor proposals with the intention of pricing products that could undermine the Company's market position. This information derives economic value from not being generally known to, and being readily ascertainable by proper means to, other persons who can obtain economic value from its disclosure or use. Protection of this information has taken on

added importance recently given data mining trends in the industry. Trade publications are increasingly scouring regulatory filings, compiling data and selling these packaged products to industry participants such as commodity suppliers. Consequently, this information is entitled to confidential classification pursuant to section 366.093(3)(a) and (e), Florida Statutes. The Commission has previously determined that Gulf's fuel price forecasting data constitutes proprietary confidential business information pursuant to section 366.093(3), Florida Statutes. See e.g., Order No. PSC-14-0368-CFO-EI.

4. Information submitted in response to questions 19 and 23 includes fuel forecasts which were developed by parties other than Southern Company and Charles River Associates and which were purchased by Southern Company Services through a paid subscription service. This information is subject to non-disclosure agreements and is regarded by the vendors as proprietary information. Public disclosure of this information would enable others in the marketplace to capitalize on this data without compensating the vendors for the same and could result in vendors charging higher prices, or refusing to do business with Gulf, out of concern that their data would be publicly disclosed. Public disclosure of this data would impair the competitive business interests of Gulf Power and its vendors and is therefore entitled to confidential classification pursuant to section 366.093(3)(e), Florida Statutes.

5. The information filed pursuant to this Request is intended to be, and is treated as, confidential by Gulf Power and, to this attorney's knowledge, has not been otherwise publicly disclosed.

Attached hereto as Exhibit "A" is a DVD containing the Confidential Information.
Attached hereto as Exhibit "B" is a justification for confidential treatment of the Confidential Information.

**WHEREFORE**, Gulf Power Company respectfully requests that the Commission enter an order protecting the information contained within Exhibit "A" from public disclosure as proprietary confidential business information.

Respectfully submitted this 9th day of March, 2015.

JEFFREY A. STONE Florida Bar No. 325953 RUSSELL A. BADDERS Florida Bar No. 007455 STEVEN R. GRIFFIN Florida Bar No. 0627569 Beggs & Lane P. O. Box 12950 Pensacola, FL 32591 (850) 432-2451 Attorneys for Gulf Power Company

# **REQUEST FOR CONFIDENTIAL CLASSIFICATION**

# EXHIBIT "A"

DVD provided to the Commission Clerk under separate cover as confidential information

# **EXHIBIT "B"**

# Line-by-Line/Field-by-Field Justification

#### Line(s)/Field(s)

# **Response to Request # 11**

See file titled: "DR2-11 Annual Average Avoided Costs\_CONF.xlsx."

#### **Response to Request # 15**

See file titled: "DR2-15 2014-2015 fuel price forecasts\_CONF.xlsx."

# **Response to Request # 19**

See file titled: "DR1-23e.Alternative Fuel Price forecasts-CONF.xlsx"

### **Response to Request # 20**

See file titled: "DR2-20 2014 Fuel Price Forecast Nominal\_CONF.xlsx"

## **Response to Request # 23**

See file titled: "DR2-23 Alternative Fuel Price forecasts Nominal Conf.xlsx"

# **Justification**

This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 2.

This information is entitled to confidential classification pursuant to §366.093(3) (a) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 3.

This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 4.

This information is entitled to confidential classification pursuant to §366.093(3)(a) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 3.

This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 4.

# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition for approval of energy purchase agreements between Gulf Power Company and Gulf Coast Solar Center I, LLC, Gulf Coast Solar Center II, LLC, and Gulf Coast Solar Center III, LLC

Docket No.: 150035-EI

# CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by overnight mail this 9th day of March, 2015 to the following:

Office of Public Counsel J. R. Kelly/P. Christensen Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 Christensen.patty@leg.state.fl.us Office of the General Counsel Lee Eng Tan 2540 Shumard Oak Blvd Tallahassee, FL 32399-0850 Itan@psc.state.fl.us Florida Industrial Power Users Group c/o Moyle Law Firm Jon C. Moyle, Jr. 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com

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