

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas Adjustment) DOCKET NO. 950003-GU
(PGA) Clause) ORDER NO. PSC-95-0662-CFO-GU
_____) ISSUED: May 26, 1995

ORDER GRANTING PEOPLES GAS SYSTEM, INC.'S
REQUEST FOR CONFIDENTIAL TREATMENT
OF CERTAIN AUDIT WORKPAPERS

Pursuant to Rule 25-22.006(4), Florida Administrative Code, Peoples Gas System, Inc. (Peoples) has requested specified confidential treatment of portions of the Commission Staff's Audit Work Papers pertaining to the Commission Staff's PGA Audit for the twelve-months ending September 30, 1994 (Document Nos. 12963-94 and 13006-94). On April 21, 1995, Peoples filed a revised request for confidential treatment, Document Nos. 04042-95 and 04043-95.

Florida law presumes that documents submitted to governmental agencies shall be public records. The only exceptions to this presumption are the specific statutory exemptions provided in the law and exemptions granted by governmental agencies pursuant to the specific terms of a statutory provision. This presumption is based on the concept that government should operate in the "sunshine." It is the company's burden to demonstrate that the documents fall into one of the statutory examples set out in Section 366.093, Florida Statutes, or to demonstrate that the information is proprietary confidential information, the disclosure of which will cause the Company or its ratepayers harm.

The Florida Legislature has determined that "[i]nformation concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms" is proprietary confidential business information. Section 366.093(3)(d), Florida Statutes.

To establish that material is proprietary confidential business information under Section 366.093(3)(d), Florida Statutes, a utility must demonstrate (1) that the information is contractual data, and (2) that the disclosure of the data would impair the efforts of the utility to contract for goods or services on favorable terms. The Commission has previously recognized that this latter requirement does not necessitate the showing of actual impairment, or the more demanding standard of actual adverse results; instead, it must simply be shown that disclosure is "reasonably likely" to impair the company's contracting for goods or services on favorable terms.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

Peoples argues that many of the workpapers are copies of schedules which it has previously submitted to the Commission as part of its Purchased Gas Adjustment clause monthly filings. These pages have previously been granted confidentiality and justified on a line-by-line basis, therefore Peoples requests that the confidentiality of these documents be carried forward.

Other workpapers for which Peoples seeks confidential status contain the total cost of third party purchases made by Peoples during the period October 1993 to September 1994. Peoples argues that this information could be used to calculate the weighted average price which Peoples paid to its suppliers during the twelve-month period. Competing suppliers could use this information to potentially or actually control the pricing of gas either by all quoting a particular price or by adhering to a price offered by one of Peoples' suppliers. Disclosing this information might also make other suppliers less willing to make price concessions, thereby increasing the cost for Peoples' ratepayers. These same workpapers also contain amounts, which used either together or separately, would allow other suppliers to derive Peoples' total cost of third party purchases. This information would allow such suppliers to derive contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. Peoples notes that it has previously requested and received confidential treatment for this same type of information in its monthly Schedule A-1 filings.

In addition, Peoples also requests confidential treatment of information in the workpapers which were drawn from individual invoices Peoples submitted with its monthly filings. This information contains the total cost of each purchase and the names of Peoples' suppliers. To the extent that some of this information has already been granted confidential status in previous orders, Peoples incorporates by reference its monthly Requests for Confidential Treatment during the period October 1993 through September 1994. Peoples argues that the names of its suppliers should be protected in order to prevent third party intervention in Peoples' business relationships with its suppliers. Peoples also requests that certain corresponding entries which could be used to derive the total cost of an individual purchase be kept confidential.

Peoples argues that the information for which it seeks confidential treatment is treated by Peoples as confidential and has not been publicly disclosed.

The specific audit workpaper numbers and lines relating to the documents that petitioner has requested confidential treatment, together with my findings, are listed in the table which follows:

AUDIT WORKPAPERS

<u>Workpapers/Schedules</u>	<u>Page/Line/Column</u>	<u>Findings</u>
<u>2A Schedule A-1/MF-AO for March 31, 1994</u>	Lines 1-2, 6, 8a-8b, 9, 12-13a, 14a, 22-23, 26, 28a-28b, 29, 31-32a, 44b, and 48b	Grant
<u>2B Schedule A-1, For September 30, 1994</u>	Lines 1-5, 7-9, 15-19, 21-23, and 30-31	Grant
<u>10-8/1 to 10-8/6 Monthly Flex Down Schedule for Period October 1993 Through September 1994</u>	Line 46d	Grant
<u>10-8/7 to 10-8/12</u>	Line 31	Grant
<u>43-1A Cost of Gas, Open Access Report for March 31, 1994</u>	Lines 1, 3-4, 6-15, and 21-36 of Columns C and E, Lines 9-11 and 21-36 of Column A and Line 16 of Column E	Grant
<u>43-1B Cost of Gas, Open Access Report for September 30, 1994</u>	Lines 1-4, 8-15, and 20-33 of Columns C and E, Lines 10-12 and 20-33 of Column A and Line 16 of Column E	Grant
<u>41-3 Reconciliation of PGA Revenue to G/L</u>	Lines 801.1, 804.01, 804.02, and 804.05 of Columns Oct '93 to YTD '94	Grant

<u>2A Schedule A-1/MF- AO for March 31, 1994</u>	Lines 1-2, 6, 8a- 8b, 9, 12-13a, 14a, 22-23, 26, 28a-28b, 29, 31-32a, 44b, and 48b	Grant
<u>2B Schedule A-1, For September 30, 1994</u>	Lines 1-5, 7-9, 15-19, 21-23, and 30-31	Grant
<u>10-8/1 to 10-8/6 Monthly Flex Down Schedule for Period October 1993 Through September 1994</u>	Line 46d	Grant
<u>10-3/2 PGA Accounts from G/L for Six Month Period Ending September 30, 1994</u>	Lines 801.1, 804.01, 804.02, and 804.05 of Columns Apr '94 to Six Month Total	Grant
<u>10-3/1 PGA Accounts from G/L for Six Month Period Ending March 31, 1994</u>	Lines 801.1, 804.01, 804.02, 804.05 of Columns OCT '93 to Six Month Total	Grant
<u>10-3/3 Reconciliation of G/L to Filing Expense</u>	Lines 1-2, 5, and 7 of Columns Supplier Name and Corresponding Entry	Grant
10-3/4	Line 10 of Column Transportation Costs and Lines 11- 14 of Columns Supplier Name and Corresponding Entry	Grant
10-3/5	Line 15 of Columns Supplier Name and Corresponding Entry	Grant

<p>2A <u>Schedule A-1/MF-AO for March 31, 1994</u></p>	<p>Lines 1-2, 6, 8a-8b, 9, 12-13a, 14a, 22-23, 26, 28a-28b, 29, 31-32a, 44b, and 48b</p>	<p>Grant</p>
<p>2B <u>Schedule A-1, For September 30, 1994</u></p>	<p>Lines 1-5, 7-9, 15-19, 21-23, and 30-31</p>	<p>Grant</p>
<p>10-8/1 to 10-8/6 <u>Monthly Flex Down Schedule for Period October 1993 Through September 1994</u></p>	<p>Line 46d</p>	<p>Grant</p>
<p>10-3/3-5</p>	<p>Lines 1-15 of Columns Total Expenses Booked, Less Accrued Gas Purchases/Transp. Costs, and Prior Month Adjustment Entries</p>	<p>Grant</p>
<p>43A <u>Six Month Summary of Gas Purchases, Period Ending March 31, 1994</u></p>	<p>Lines 1-2, 6, 8a-8b, 9 and 12-13 of Columns 1 - 3, Lines 1-2, 6, 8a-8b, 9, 12-13 and 13a of Column 4, and Lines 1-2, 6, 8a-8b, 9, 12-13, 13a, and 14a of Columns 5 and 6, and in Columns 1 to 6 of the 6 Month Total</p>	<p>Grant</p>
<p>43B <u>Six Month Summary of Gas Purchases, Period Ending September 30, 1994</u></p>	<p>Lines 1-5 and 7-9 of Columns 1 - 6, April through September, and Columns 1-6 of 6 Month Total</p>	<p>Grant</p>

<p>2A <u>Schedule A-1/MF-AO for March 31, 1994</u></p>	<p>Lines 1-2, 6, 8a-8b, 9, 12-13a, 14a, 22-23, 26, 28a-28b, 29, 31-32a, 44b, and 48b</p>	<p>Grant</p>
<p>2B <u>Schedule A-1, For September 30, 1994</u></p>	<p>Lines 1-5, 7-9, 15-19, 21-23, and 30-31</p>	<p>Grant</p>
<p>10-8/1 to 10-8/6 <u>Monthly Flex Down Schedule for Period October 1993 Through September 1994</u></p>	<p>Line 46d</p>	<p>Grant</p>
<p>43-3 <u>End Use Sales</u></p>	<p>Lines Schd A-7P <u>Demand, Pipe Comm. Chgs.</u>, Schd A-9 <u>G-Demand Cost</u>, Schd A-1 Line 6, 12, and 13 for the October Volume and Cost Columns, the November Volume and Cost Columns and the December Volume and Cost Columns</p> <p>Lines Schd A-7P <u>Demand, Pipe Comm. Chgs.</u>, and <u>Cashout Chgs.</u>, Schd A-1, Lines 6, 12, 13 and 13a for the January, February and March Volume and Cost Columns</p> <p>Lines Schd A-1, Lines 7, 8, and 9 for the April through September Volume and Cost Columns</p>	<p>Grant</p>

<u>2A Schedule A-1/MF-AO for March 31, 1994</u>	Lines 1-2, 6, 8a-8b, 9, 12-13a, 14a, 22-23, 26, 28a-28b, 29, 31-32a, 44b, and 48b	Grant
<u>2B Schedule A-1, For September 30, 1994</u>	Lines 1-5, 7-9, 15-19, 21-23, and 30-31	Grant
<u>10-8/1 to 10-8/6 Monthly Flex Down Schedule for Period October 1993 Through September 1994</u>	Line 46d	Grant
<u>44 PGA Accounts From F/L, Period Ending September 30, 1994</u>	Lines 801.1, 804.01, 804.02, and 804.05 of the Columns Oct '93 to Six Month Total and Apr '94 to Six Month Total	Grant
<u>44-1/ 1-3 G/L Reconciliation</u>	Lines 1-2, 5, 7, 11-15 of Columns Supplier Name and Corresponding Entry Line 10 of Column Transportation Costs and Lines 1-15 of Columns Total Expenses Booked, Less Accrued Gas Purchases/Transp. Costs, and Prior Month Adjustment Entries	Grant

Peoples requests that this information be held confidential for a period of 18 months, as allowed by Section 366.093(4), Florida Statutes. Peoples argues that this period is necessary to allow it and its affiliated companies to negotiate future gas purchase contracts. Should this information be revealed earlier, Peoples competitors would have access to information that would

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adversely affect Peoples ability to negotiate such contracts on favorable terms. It is noted that this time period will ultimately protect Peoples and its customers.

Based on the foregoing, it is therefore

ORDERED that Peoples Gas System, Inc.'s Request for Confidential Treatment of Certain Audit Workpapers, Document Nos. 12963-94, 13006-94, and 04043-95, as revised by Document No. 04042-95, is hereby granted. It is further

ORDERED that documents that are granted confidential treatment herein, for the first time, shall not be declassified for a period of eighteen (18) months from the date of the issuance of this Order, in the absence of a renewed request for confidentiality. It is further

ORDERED that documents that have been granted confidential treatment by previous Orders, shall be declassified on the date specified by the respective Order in which confidential treatment was originally granted. It is further

ORDERED that this Order will be the only notification by the Commission to the parties concerning the expiration of the confidentiality time period.

By ORDER of Commissioner J. Terry Deason, as Prehearing Officer, this 26th day of May, 1995.



J. TERRY DEASON, 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 120.59(4), 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.