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FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building
101 East Gaines Street
Tallahassee, Florida 32399-0850

M E M O R A N D U M

March 4, 1993

TO : DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM : DIVISION OF LEGAL SERVICES [CANZANO] *MP, R*
DIVISION OF ELECTRIC AND GAS [PUTRELL, FLOYD] *RT*

RE : DOCKET NO. 921167-EQ - PETITION FOR APPROVAL OF
SEPARATELY NEGOTIATED CONTRACT FOR PURCHASE OF FIRM
CAPACITY AND ENERGY FROM MONSANTO COMPANY BY GULF POWER
COMPANY

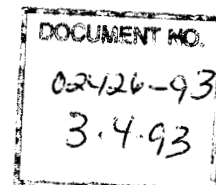
AGENDA: 03/16/93 - CONTROVERSIAL AGENDA - PARTIES MAY NOT
PARTICIPATE (REQUEST FOR ORAL ARGUMENT PENDING)

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: I:\PSC\LEG\WP\921167A.RCM

CASE BACKGROUND

On November 10, 1992, Gulf Power Company (Gulf) filed its petition for approval of a separately negotiated contract between Gulf and the Monsanto Chemical Company (Monsanto). On November 23, 1992, staff propounded Staff's First Set of Interrogatories to Gulf Power Company (Nos. 1-11). On December 22, 1992, Gulf filed a request for confidential treatment of certain portions of its responses to Items 6, 7, and 8 of these interrogatories. (Attachment 1). Commissioner Lauredo, the Prehearing Officer, denied Gulf's Request for Confidential Classification by Order No. PSC-93-0235-CFO-EQ, issued February 12, 1993. (Attachment 2) On February 24, 1993, Gulf filed a Motion for Reconsideration and a Request for Oral Argument concerning this Order. (Attachment 3).



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DISCUSSION OF ISSUES

ISSUE 1: Should Gulf Power Company's request for oral argument be granted?

RECOMMENDATION: No.

STAFF ANALYSIS: It is within the Commission's discretion to grant or deny Gulf's request for oral argument. Gulf has made its position quite clear in its written motion, and oral argument is not necessary to assist the Commission in its resolution of this matter. Accordingly, staff recommends that Gulf's request for oral argument be denied.

ISSUE 2: Should Gulf Power Company's Motion for Reconsideration of Order No. PSC-93-0235-CFO-EQ be granted?

RECOMMENDATION: No. Gulf Power Company has shown no fact or rule of law which the Prehearing Officer overlooked or failed to consider in making his decision.

STAFF ANALYSIS: Gulf has requested confidential treatment of certain information in its responses to Staff's First Set of Interrogatories to Gulf Power Company, Nos. 6, 7, and 8. These responses contain data relating to Gulf's 1996 avoided unit. Rule 25-17.0832(7), Florida Administrative Code, provides in part that

Upon request by a qualifying facility or any interested party, each utility shall provide within 30 days its most current projections of its future generation mix including type and timing of anticipated generation additions, and at least a 20-year projection of fuel forecasts, as well as any other information reasonably required by the qualifying facility to project future avoided cost prices.

The Order stated that Gulf would be required under the rule to supply such information as contained in the interrogatory responses to any qualifying facility or interested party that requests it.

In support of its February 24, 1993 Motion for Reconsideration, Gulf argues the following:

1) The Order cited Rule 25-17.0832(7), Florida Administrative Code, as the basis for denying Gulf's request for confidential treatment. The Order states that the information submitted under Gulf's request was not entitled to confidential classification because the rule requires Gulf to provide the same information upon request of a "qualifying facility or interested party."

2) The information for which Gulf seeks confidential treatment consists of actual calculated avoided cost prices for a 1996 generating unit. The Commission rule cited in the Order, however, only states that utilities must provide projections of data "reasonably required by the qualifying facility to project future avoided cost prices." The cited rule does not require disclosure or calculation of the actual full avoided cost prices. Thus the information for which Gulf seeks confidential treatment is not the same information a requesting QF would have be [sic] entitled to receive under the Commission's rule.

3) As Gulf Power's request for confidential classification specifically stated, the capacity payments to be made under the proposed negotiated contract between Gulf and Monsanto

...are the result of a voluntary agreement between a willing seller and a willing buyer. Gulf has successfully negotiated price, terms and conditions with Monsanto that allow the Company to purchase the capacity specified in this contract at less than Gulf's full avoided cost.

(emphasis supplied). Gulf's efforts in negotiating these capacity payments at less than full avoided cost have resulted in significant savings to the Company and thus to the customer. It is the full avoided cost for a 1996 unit for which Gulf requests confidential classification, since disclosure of information revealing

the differential between the avoided cost and the negotiated price would frustrate the Company's ability to achieve similar savings in the future.

4. Since the information for which confidential treatment is sought is not, in fact, subject to disclosure to others on demand, and is treated as proprietary and confidential business information by the Company and since disclosure of the information could harm the Company's ratepayers in that it could affect the amount of savings, if any, the Company would be able to achieve in negotiations for the purchase of capacity from potential cogenerators in the future, the information is entitled to confidential treatment pursuant to Sections 366.093(3) and 366.093(3)(d), Florida Statutes (1992) and Rule 25-22.006, F.A.C.

The appropriate standard for review is that which is set forth in Diamond Cab Co. v. King, 146 So. 2d 889 (Fla. 1962). Gulf's arguments do not contain any material point of fact or law that the Commission overlooked or failed to consider in this case. The purpose of a motion for reconsideration is to bring to the attention of the Commission some material and relevant point of fact or law which was overlooked, or which it failed to consider when it rendered the order in the first instance. See Diamond Cab Co. v. King, 146 So.2d 889 (Fla. 1962); Pingree v. Quaintance, 394 So. 2d 161 (Fla. 1st DCA 1981). It is not an appropriate venue for rehashing matters which were already considered, or for raising immaterial matters which even if adopted would not materially change the outcome of the case.

Staff recommends that Gulf's Motion for Reconsideration be denied for the following reasons:

- 1) Gulf is merely reciting information found in the Order.
- 2) Gulf is restating its request and asserts that the rule does not require disclosure or calculation of the actual full avoided cost prices. Gulf simply disagrees with the Prehearing Officer's interpretation of the Commission's rule that this information is required to be disclosed by Gulf to qualifying facilities and interested parties, rather than asserting a point of

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fact or law that the Prehearing Officer overlooked or failed to consider. This Commission's interpretation of its own rules is entitled to great deference.

3) Gulf is merely restating its original request, with emphasis supplied.

4) This is not applicable because the information is information which is required by the rule to be disclosed to qualifying facilities and any interested parties upon request. Therefore, the information is not entitled to confidential treatment.

The arguments set forth by Gulf merely restate its original request or simply disagree with the Prehearing Officer's interpretation of this Commission's rule. Accordingly, staff believes that Gulf has not met the standard of review set forth in Diamond Cab. Thus, staff recommends that the Commission both affirm Order No. PSC-93-0235-CFO-EQ, and deny Gulf Power Company's Motion for Reconsideration.

DLC:bmi

ATTACHMENT 1
DOCKET NO. 921167-EQ
March 4, 1993

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of)
separately negotiated contract) Docket No: 921167-EQ
for purchase of firm capacity) Filed: Dec. 22, 1992
and energy from Monsanto Company)
by Gulf Power Company)
_____)

GULF POWER COMPANY'S REQUEST FOR CONFIDENTIAL TREATMENT
AND MOTION FOR PROTECTIVE ORDER AS TO PORTIONS OF
GULF'S RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES

GULF POWER COMPANY ["Gulf Power", "Gulf", or "the Company"], by and through its undersigned counsel and pursuant to Rule 25-22.006, Florida Administrative Code, requests confidential treatment for certain portions of its responses to Items 6, 7, and 8 of Staff's First Set of Interrogatories to Gulf Power Company (Nos. 1-11), and further requests that the Florida Public Service Commission enter a protective order specifying how the confidentiality of this information should be maintained during the course of this proceeding. As grounds for this Motion, the Company states:

1. Staff's First Set of Interrogatories were served on Gulf Power in the above docket on or about November 23, 1992. Items 6, 7 and 8 of those interrogatories state:

6. Please provide the calculation of the in-service cost of the unit to be deferred by the proposed negotiated contract with Monsanto. Show the avoided unit's year-by-year construction spending curve with yearly and accumulated AFUDC.
7. Please provide a table showing the development of the K-Factor for the unit to be deferred by the proposed negotiated contract with Monsanto. Include all the financial assumptions used in developing this table.

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FPSC-RECORDS/REPORTING

8. Please provide the year-by-year value of deferral payments for the unit to be deferred by the proposed negotiated contract with Monsanto, for the life of the contract, in accordance with Rule 25-17.0832(5)(a), F.A.C. Show the breakdown for the fixed O&M portion of the value of deferral. Include the cumulative present worth of these payments.

2. Submitted concurrently with this Motion under separate cover as Exhibit "A" are Gulf Power's responses to Items 6, 7, and 8 of Staff's First Set of Interrogatories, with the information for which confidentiality is requested highlighted. Exhibit "A" should be kept confidential and exempt from public disclosure pending the Commission's ruling on this Motion. Attached hereto and incorporated herein as Exhibit "B" are two copies of the responses, with the confidential information edited out; Exhibit "B" may be made available for public inspection and review. Attached hereto and incorporated as Exhibit "C" is a line-by-line justification for the requested confidential treatment.

3. The material highlighted on Exhibit "A" is entitled to confidential treatment under Section 366.093(3)(d), Florida Statutes (1992). Specifically, the data for which confidential treatment is requested represents the capacity costs of a 1996 combustion turbine generating unit on which the proposed negotiated contract between Gulf Power and Monsanto is based. The capacity payments to be made under the proposed contract are the result of a voluntary agreement between a willing seller and a willing buyer. Gulf has successfully negotiated price, terms and conditions with Monsanto that allow the Company to purchase the capacity specified

in this contract at less than Gulf's full avoided cost. The savings Gulf has achieved inure to the benefit of Gulf's customers; however, disclosure of the actual avoided cost would hinder Gulf's ability to negotiate similar savings for its customers in future negotiations. Thus, the information is entitled to confidential treatment under Section 366.093(3)(d), Fla. Stat. (1992) ("...contractual data, disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms").

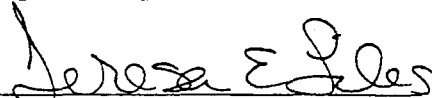
4. In addition to the specific statutory entitlement to confidentiality under Section 366.093(3)(d), the information should be maintained as confidential under the more general provisions of Section 366.093(3), in that "disclosure of the information would cause harm to the ratepayers...". As indicated above, Gulf's negotiation of the Monsanto contract based on less than its full avoided cost results in savings which will be passed to Gulf's customers. Gulf's ability to bargain successfully and achieve similar savings in the future depends upon the confidentiality of this information.

5. The information identified herein for which confidential treatment is requested is intended to be, and is treated by Gulf as, private and confidential. Although in part based on figures which have been made public in other contexts, the information for which confidential treatment is requested has not been disclosed to others either in connection with the Monsanto negotiations or otherwise.

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WHEREFORE, Gulf Power Company respectfully requests that the Commission deem the information identified on the attached exhibits as proprietary confidential business information and exempt from public disclosure. Gulf Power further requests that a protective order be entered that will allow the Company to maintain the confidentiality of the information during the course of this proceeding.

Respectfully submitted,



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(904) 432-2451
Attorneys for Gulf Power Company

DOCKET NO. 921167-EQ
March 4, 1993

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of)
separately negotiated contract) Docket No.: 921167-EQ
for purchase of firm capacity)
and energy from Monsanto Company)
by Gulf Power Company.)
_____)

CERTIFICATE OF SERVICE

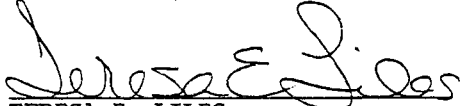
I HEREBY CERTIFY that a true and correct copy of the foregoing has been served by First Class U.S. Mail, Postage Prepaid, to the following addressees, this 21st day of December, 1992.

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EXHIBIT "A"

CONFIDENTIAL - PROVIDED UNDER SEPARATE COVER

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EXHIBIT "B"

DOCKET NO. 921167-EQ
March 4, 1993

Staff's 1st Set of
Interrogatories
Docket No. 921167-EQ
GULF POWER COMPANY
December 21, 1992
Response to Item 6
Page 1 of 2

6. Please provide the calculation of the in-service cost of the unit to be deferred by the proposed negotiated contract with Monsanto. Show the avoided unit's year-by-year construction spending curve with yearly and accumulated AFUDC.

Gulf's Response:

See attached table.

Staff's 1st Set of
 Interrogatories
 Docket No. 921167-EQ
 GULF POWER COMPANY
 December 21, 1992
 Response to Item 6
 Page 2 of 2

| | PROJECTED EXPENDITURE STREAM (\$) | | | | | | | |
|----|-----------------------------------|-----------------|------|------|------|------|------|-------|
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| 1 | | | | | | | | |
| 2 | | (1992) | | | | | | |
| 3 | | <u>Total \$</u> | 1992 | 1993 | 1994 | 1995 | 1996 | Total |
| 4 | Combustion | | | | | | | |
| 5 | Turbine & | | | | | | | |
| 6 | Balance of | | | | | | | |
| 7 | Plant | | | | | | | |
| 8 | Substation | | | | | | | |
| 9 | Transmission | | | | | | | |
| 10 | Engineering | | | | | | | |
| 11 | Total | | | | | | | |

Notes: These amounts are project expenditures with actual CF construction commencing in the latter half of 1995. Since actual construction is projected to be accomplished in eleven months, no AFUDC is incurred.

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Staff's 1st Set of
Interrogatories
Docket No. 921167-EQ
GULF POWER COMPANY
December 21, 1992
Response to Item 7
Page 1 of 3

7. Please provide a table showing the development of the K-Factor for the unit to be deferred by the proposed negotiated contract with Monsanto. Include all the financial assumptions used in developing this table.

Gulf's Response:

See attached table.

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Staff's 1st Set of
 Interrogatories
 Docket No. 921167-EQ
 GULF POWER COMPANY
 December 21, 1992
 Response to Item 7
 Page 2 of 3

INDIVIDUAL UTILITY FORM 2.2

GULF POWER COMPANY

FIXED CHARGE CALCULATIONS FOR DEVELOPMENT OF K FACTOR

UNIT TYPE: COMBUSTION TURBINE

(THOUSANDS OF DOLLARS)

| 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | | | | | | | | | | | | | | | | | | |
|------------|---------|---------|-------|------------|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Cumulative | Present | Present | Total | Range/Line | Fixed | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | Charges | | | | | | | | | | | | | | | | | |
| (13) | (12) | (11) | (10) | (9) | (8) | (7) | (6) | (5) | (4) | (3) | (2) | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) | (31) | (32) | (33) | (34) | (35) | (36) | (37) | (38) | (39) | (40) | (41) | (42) |

14796 - TOTAL CUMULATIVE PRESENT WORTH FIXED CHARGE/TOTAL INSTALL COST.

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March 4, 1993

Staff's 1st Set of
Interrogatories
Docket No. 921167-EQ
GULF POWER COMPANY
December 21, 1992
Response to Item 8
Page 1 of 2

8. Please provide the year-by-year value of deferral payments for the unit to be deferred by the proposed negotiated contract with Monsanto, for the life of the contract, in accordance with Rule 25-17.0832 (5) (a), F.A.C. Show the breakdown for the fixed income O&M portion of the value.

(Include the cumulation present worth of these items.)

Gulf's Response:

See attached table.

| 1 | | 2 | | 3 | | 4 | | 5 | | 6 | | 7 | | 8 | | 9 | | 10 | | 11 | | 12 | | 13 | | 14 | | 15 | | 16 | | 17 | | 18 | | 19 | |
|---------------------------------------|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|
| GULF POWER COMPANY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Summary of Firm Capacity Payments | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| To Supply Side Qualifying Facilities | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Unit Type: Combustion Turbine in 1996 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (1) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (2) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (3) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (4) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (5) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Contract Period | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NPV | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Avoided Capacity Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Avoided FOM Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Avoided Capital Cost | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cumulative Net Present Value = | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/1/96 to 5/31/97 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/1/97 to 5/31/98 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/1/98 to 5/31/99 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/1/99 to 5/31/00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/1/00 to 5/31/01 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/1/01 to 5/31/02 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/1/02 to 5/31/03 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/1/03 to 5/31/04 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6/1/04 to 5/31/05 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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EXHIBIT "C"

| <u>Line(s)</u> | <u>Column(s)</u> | <u>Justification</u> |
|----------------|------------------|--|
| Item 6: | | |
| Page 2 of 2: | | |
| 7-11 | 2-8 | Section 366.093(3)(d); disclosure of this information would also harm Gulf Power's customers by impairing Gulf's ability to achieve similar savings in future contract negotiations. |
| Item 7: | | |
| Page 2 of 3: | | |
| 12-41 | 3-13 | Section 366.093(3)(d); disclosure of this information would also harm Gulf Power's customers by impairing Gulf's ability to achieve similar savings in future contract negotiations. |
| Item 8: | | |
| Page 2 of 2: | | |
| 10-19 | 2-5 | Section 366.093(3)(d); disclosure of this information would also harm Gulf Power's customers by impairing Gulf's ability to achieve similar savings in future contract negotiations. |

'Lines are counted from the beginning of the response, not including the caption at the upper right corner.

ATTACHMENT 2
DOCKET NO. 921167-EQ
March 4, 1993

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for approval of) DOCKET NO. 921167-EQ
separately negotiated contract) ORDER NO. PSC-93-0235-CFO-EQ
for purchase of firm capacity) ISSUED: 02/12/93
and energy from Monsanto Company)
by Gulf Power Company.)

ORDER DENYING GULF POWER COMPANY'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION

BY THE COMMISSION:

On December 22, 1992, Gulf Power Company (Gulf) filed a request for confidential treatment for certain portions of its responses to Items 6, 7, and 8 of Staff's First Set of Interrogatories to Gulf Power Company (Nos. 1-11). The information is found in Document No. 14817-92.

There is a presumption in the law of the State of Florida 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 this Commission's view that a request for specified confidential classification of documents must meet a very high burden. The Company may fulfill its burden by demonstrating that the documents fall into one of the statutory examples set out in Section 366.093, Florida Statutes, or by demonstrating 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. We have 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

01671 FEB 12 88

FPSC-RECORDS/REPORTING

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ORDER NO. PSC-93-0235-CFO-EQ
DOCKET NO. 921167-EQ
PAGE 2

Gulf has requested confidential treatment of certain information in its responses to Staff's First Set of Interrogatories to Gulf Power Company, Nos. 6, 7, and 8. The interrogatory responses contain data relating to Gulf's 1996 avoided unit. Rule 25-17.0832(7), Florida Administrative Code, provides in part that

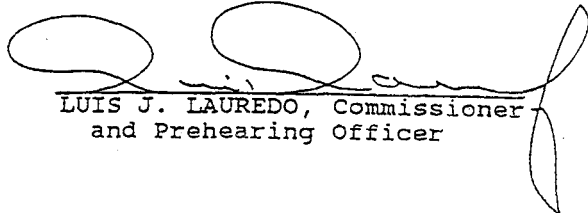
Upon request by a qualifying facility or any interested party, each utility shall provide within 30 days its most current projections of its future generation mix including type and timing of anticipated generation additions, and at least a 20-year projection of fuel forecasts, as well as any other information reasonably required by the qualifying facility to project future avoided cost prices.

The information contained in Gulf's interrogatory responses, Nos. 6, 7, and 8, is information that would be reasonably required by a qualifying facility or other party to project Gulf's future avoided cost. Thus, Gulf would be required to supply such information to any interested party that requests it. Accordingly, I find that this information shall not receive confidential status.

It is, therefore,

ORDERED by the Florida Public Service Commission that the request for confidential treatment by Gulf Power Company is denied, as discussed within the body of this Order.

By ORDER of Commissioner Luis J. Lauredo, as Prehearing Officer, this 12th day of February, 1993.


LUIS J. LAUREDO, Commissioner
and Prehearing Officer

DLC:bmi

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ORDER NO. PSC-93-0235-CFO-EQ
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PAGE 3

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.

ATTACHMENT 3
DOCKET NO. 921167-EQ
March 4, 1993

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of)
separately negotiated contract) Docket No: 921167-EQ
for purchase of firm capacity) Date filed: 2/24/93
and energy from Monsanto Company)
by Gulf Power Company)

GULF POWER COMPANY'S MOTION FOR RECONSIDERATION
OF ORDER NO. PSC-93-0235-CFO-EQ DENYING
GULF'S REQUEST FOR CONFIDENTIAL CLASSIFICATION
AND REQUEST FOR ORAL ARGUMENT

GULF POWER COMPANY ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned counsel and pursuant to Rule 25-22.060 of the Florida Administrative Code, files this Motion for Reconsideration of Order No. 93-0235-CFO-EQ entered in the above docket on February 12, 1993 ("the Order"). Specifically, Gulf requests reconsideration of the decision to deny Gulf's request for confidential classification as to certain information requested in Staff's First Set of Interrogatories. As grounds for this Motion, the Company states:

1. The Order cited Rule 25-17.0832(7), Florida Administrative Code, as the basis for denying Gulf's request for confidential treatment. The Order states that the information submitted under Gulf's request was not entitled to confidential classification because the rule requires Gulf to provide the same information upon request of a "qualifying facility or interested party".

2. The information for which Gulf seeks confidential treatment consists of actual calculated avoided cost prices for a 1996 generating unit. The Commission rule cited in the Order, however, only states that utilities must provide projections of

data "reasonably required by the qualifying facility to project future avoided cost prices". The cited rule does not require disclosure or calculation of the actual full avoided cost prices. Thus the information for which Gulf seeks confidential treatment is not the same information a requesting QF would have be entitled to receive under the Commission's rule.

3. As Gulf Power's request for confidential classification specifically stated, the capacity payments to be made under the proposed negotiated contract between Gulf and Monsanto

...are the result of a voluntary agreement between a willing seller and a willing buyer. Gulf has successfully negotiated price, terms and conditions with Monsanto that allow the Company to purchase the capacity specified in this contract at less than Gulf's full avoided cost.

(emphasis supplied). Gulf's efforts in negotiating these capacity payments at less than full avoided cost have resulted in significant savings to the Company and thus to the customer. It is the full avoided cost for a 1996 unit for which Gulf requests confidential classification, since disclosure of information revealing the differential between the avoided cost and the negotiated price would frustrate the Company's ability to achieve similar savings in the future.

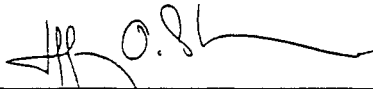
4. Since the information for which confidential treatment is sought is not, in fact, subject to disclosure to others on demand, and is treated as proprietary and confidential business information by the Company and since disclosure of the information could harm the Company's ratepayers in that it could

DOCKET NO. 921167-EQ
March 4, 1993

affect the amount of savings, if any, the Company would be able to achieve in negotiations for the purchase of capacity from potential cogenerators in the future, the information is entitled to confidential treatment pursuant to Sections 366.093(3) and 366.093(3)(d), Florida Statutes (1992) and Rule 25-22.006, F.A.C.

WHEREFORE, Gulf Power Company respectfully requests that the Florida Public Service Commission reconsider its Order No. PSC-93-0235-CFO-EQ, and upon such reconsideration, that the Commission grant Gulf's request for confidential treatment. Gulf further requests the opportunity to present oral argument in defense of its position on this motion.

Respectfully submitted this 24th day of February, 1993.



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DOCKET NO. 921167-EQ
March 4, 1993

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of)
separately negotiated contract for) Docket No. 921167-EG
purchase of firm capacity and)
energy from Monsanto Company by)
Gulf Power Company)
_____)

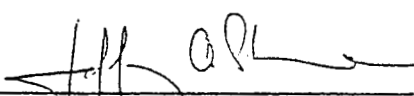
Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing has been furnished this 24th day of February 1993 by U. S. Mail to the following:

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