



ORIGINAL

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February 24, 2006

VIA HAND DELIVERY

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
Betty Easley Conference Center
2540 Shumard Oak Boulevard, Room 110
Tallahassee, FL 32399-0850

RECEIVED - FPSC
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COMMISSION
CLERK

060038-EI

**Re: Florida Power & Light Company's Request for
Confidential Classification of Certain Materials**

Dear Ms. Bayó:

Enclosed for filing please find the original and two (2) copies of Florida Power & Light Company's (FPL's) Request Confidential Classification of Certain Materials. The original includes Exhibits A, B, C and D. The two copies include only Exhibits B, C, and D.

Exhibit A contains the confidential information that is the subject of FPL's Request for Confidential Classification. Exhibit A is submitted for filing in a separate, sealed folder or carton marked "EXHIBIT A — CONFIDENTIAL". Exhibit B is an edited version of Exhibit A, in which the information FPL asserts is confidential has been blocked out; Exhibit C contains FPL's justification for its request for confidential classification. Exhibit D contains the affidavit in support of FPL's Request for Confidential Classification. Also included is a computer diskette containing the electronic version of FPL's Request for Confidential Classification and Exhibit C (both documents are in Microsoft Word format).

Pursuant to Rule 25-22.006(3)(a) of the Florida Administrative Code, FPL requests confidential treatment of the documents in Exhibit A pending disposition of FPL's Request for Confidential Classification.

- CMP _____
- COM _____
- CTR _____
- ECR 1
- GCL 1
- OPC _____
- RCA _____
- SCR _____
- SGA _____
- SEC 1
- DTH 1 conf records

RECEIVED & FILED

R.V.N.

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

01614 FEB 24 06

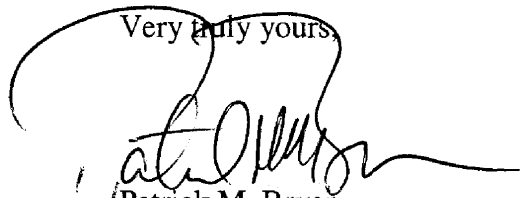
FPSC-COMMISSION CLERK

Ms. Blanco S. Bayo
Public Service Commission
February 24, 2006
Page 2 of 2

Finally, enclosed is an additional copy of FPL's Request for Confidential Classification. Please file stamp this additional copy and return to FPL at your convenience in the enclosed envelope.

Please do not hesitate to contact me should you have any questions regarding this filing. Thank you for your attention in this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Patrick M. Bryan', with a large, sweeping flourish that loops back over the text 'Very truly yours,'.

Patrick M. Bryan
Attorney
Florida Power & Light Company

PMB/bjw
Enclosures

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In re: Florida Power & Light Company's)
Request for Confidential Classification)
_____)

Docket No: 060000

Filed: February 24, 2006

**REQUEST FOR
CONFIDENTIAL CLASSIFICATION OF CERTAIN MATERIALS**

NOW, BEFORE THIS COMMISSION, through the undersigned counsel, comes Florida Power & Light Company ("FPL") and, pursuant to Rule 25-22.006, Florida Administrative Code, and Section 366.093 of the Florida Statutes, hereby requests confidential classification of certain materials provided to the Florida Public Service Commission ("FPSC" or "Commission") staff ("Staff"). In support of its request, FPL states as follows:

1. In January 2006, Staff requested access to a certain contract between FPL and KEMA, Inc. for a post-hurricane engineering analysis, which request was made outside of an inquiry. On January 17, FPL filed a Notice of Intent to Request Confidential Classification with respect to the KEMA contract. Pursuant to Rule 25-22.006(3)(a), Florida Administrative Code, FPL is required to file a formal request for confidential classification with respect to such contract to maintain continued confidential treatment of the contract.

2. The following exhibits are included herewith and made a part hereof.

(a) Exhibit A consists of all documents for which FPL seeks confidential treatment, whether in whole or in part. All information in Exhibit A that FPL asserts is entitled to confidential treatment has been highlighted. Exhibit A is submitted separately in a sealed folder marked "**CONFIDENTIAL**".

(b) Exhibit B consists of edited versions of all documents for which FPL seeks confidential treatment. All information for which FPL requests confidential treatment has been redacted in Exhibit B.

(c) Exhibit C is a table containing a line-by-line and page-by-page identification of the information for which confidential treatment is sought and, with regard to each document or portions thereof, references to the specific statutory basis or bases for the claim of confidentiality and to the affidavits in support of the requested classification. Exhibit C is sometimes referred to hereinafter as the "Justification Table".

(d) Exhibit D includes the affidavit of Richard E. Brown.

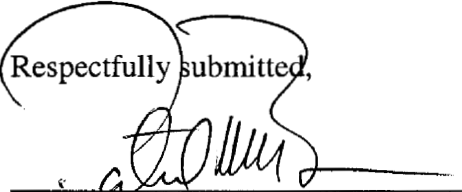
3. FPL submits that the highlighted information in Exhibit A is proprietary confidential business information within the meaning of Section 366.093(3), Florida Statutes. To the best of FPL's knowledge, the highlighted information has not been publicly disclosed. Pursuant to Section 366.093, Florida Statutes, such information is entitled to confidential treatment and is exempt from the disclosure provisions of the public records law. Thus, once the Commission determines that the information in question is proprietary confidential business information, the Commission is not required to engage in any further analysis or review such as weighing the harm of disclosure against the public interest in access to the information.

4. As the affidavit comprising Exhibit D indicates, certain highlighted information consists of information concerning bids or other contractual data, including contractual vendor data, such as pricing and other terms, the disclosure of which would impair the efforts of FPL to contract for goods and services on favorable terms in the future to the detriment of FPL and its customers. This information is protected by Section 366.093(3)(d), Florida Statutes. In addition, certain information is competitively sensitive insofar as FPL's contractors and vendors are

concerned insofar as disclosure of such information could afford their competitors an unfair advantage in competing for both FPL and non-FPL contracts. This information is protected by Section 366.093(3)(e), Florida Statutes.

5. Upon a finding by the Commission that the material in Exhibit A for which FPL seeks confidential treatment is proprietary confidential business information within the meaning of Section 366.093(3), pursuant to Section 366.093(4) such materials should not be declassified for a period of at least eighteen (18) months and should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business.

WHEREFORE, for the above and foregoing reasons, as more fully set forth in the supporting materials and affidavits included herewith, Florida Power & Light Company respectfully requests that its request for confidential classification be granted.

Respectfully submitted,


Patrick M. Bryan, Esquire
Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
(561) 304-5134 (Telephone)
(561) 691-7305 (Facsimile)
FL Bar No. 0457523

EXHIBIT B



2 based visualizations of findings such as pole breakage, wind speed, and any
3 identified correlations. The final report shall be first submitted as a preliminary draft
4 (in electronic form) to allow for FPL feedback and comments. After the preliminary
5 draft report is submitted, KEMA and FPL will schedule a series of up to three
6 management presentations to discuss and clarify the contents of the report. After the
7 final presentation, KEMA will incorporate all additional FPL comments, submit a final
8 report in electronic format, and close out the project.

9 2. Schedule and Pricing

10 KEMA is aware that FPL would like preliminary results for this project in early January
11 2006. Although this is ambitious for a project of this scope, KEMA feels that this
12 timeline is possible if FPL supplies requested data in a timely fashion, and the project is
13 approved such that it can be initiated quickly. If either of these two condition does not
14 occur, successful completion by early January is problematic.

15 This project is priced on a time and materials basis. Hourly rates are provided in Section
16 4, and consultant titles are provided in Section 3. KEMA also reserves the right to use
17 resources at the "Consultant" level or below if, in good faith, such use will allow the
18 project to be more efficiently completed and will allow the identified senior project team
19 to focus on issues requiring higher levels of expertise. Non-identified consultants at the
20 principal consultant level or higher will not be used without prior authorization from FPL.

21 Pre-approved travel expenses shall be charged to FPL at cost.

22 The first version of this proposal had an estimated cost of [REDACTED]. Based on
23 discussions in the kickoff meeting, FPL desires additional scope, which is reflected in
24 Section 1. Estimated costs for this scope increase is [REDACTED] for the maintenance
25 review, [REDACTED] for the historical pole failure analysis, and [REDACTED] for additional
26 management presentations. Therefore, the total estimated labor charge is [REDACTED].

27 The scope-of-work described in this document is general in nature, which is typical for a
28 time-and-material contract as opposed to a not-to-exceed price contract. However, FPL
29 desires a not-to-exceed price, which places additional risk on KEMA. Therefore, the not-
30 to-exceed price includes an approximate [REDACTED] adder, for a total not-to-exceed labor
31 price of [REDACTED]. Also, the scope of work in this document will correspond to a labor
32 effort not to exceed [REDACTED].



2 Estimated costs by task for this project are as follows:

3	Task	Cost Estimate
4	1. Kickoff meeting and data request	
5	2. Forensic Review	
6	2.1. Transmission Analysis Validation	
7	2.2. Distribution Statistical Analysis	
8	3. Standards Review	
9	3.1. FPL Standards	
10	3.2. Industry Benchmark Survey	
11	4. Quality Review	
12	5. Maintenance Review	
13	6. Final report and management	
14	presentation	
15	Not-to-exceed labor charges	

16 If FPL would prefer to reduce, augment, or alter the scope presented in this project,
 17 KEMA will be happy to provide an updated cost estimate, and to execute the new scope
 18 on the same time and materials basis described above.

19 3. Project Team

20 This project shall be led and managed by Dr. Richard Brown. All work shall be primarily
 21 performed by the project team described below, which includes world class expertise in
 22 reliability performance, statistical analysis, structural design, and quality auditing. Brief
 23 bios are now provided, and detailed resumes are available upon request.

24 **Dr. Richard Brown, Senior Principal Consultant.** Richard specializes in helping
 25 utilities improve business performance through management and technical consulting.
 26 He has published more than 60 technical papers related to reliability and asset
 27 management, is author of the book *Electric Power Distribution Reliability*, and has
 28 provided consulting services to most major utilities in the United States. He is a senior
 29 member of IEEE, chair of the Working Group on Distribution Planning and
 30 Implementation, and recipient of the Walter Fee Outstanding Young Engineer award
 31 (2003). Dr. Brown has a BSEE, MSEE, and PhD from the University of Washington, and
 32 an MBA from the University of North Carolina.

33 **Dr. M.L. Chan, Senior Principal Consultant.** Dr. Chan has more than 30 years of
 34 experience in helping utilities improve business performance through improved planning
 35 and investments. His areas of expertise covers asset management, system reliability,
 36 regulatory support, resource utilization, and system automation technology integration.
 37 Dr. Chan is the Chairman of IEEE Power System Planning and Implementation



2 4. KEMA Standard Rate Schedule

3 The following table lists the 2005 rate structure for KEMA Inc. For this project, standard
4 hourly rates apply. Premium rates typically apply for short-notice, small, or expert
5 testimony jobs. Rates are fixed within each project (subject to terms and conditions), but
6 are otherwise subject to change.

Column A *B* *C*

7 Consulting Title	Standard Hourly Rate	Premium Hourly Rate
8 Senior Executive Consultant		
9 Executive Consultant		
10 Senior Principal Consultant		
11 Principal Consultant		
12 Senior Consultant		
13 Consultant		
14 Principal Engineer/Principal Analyst		
15 Senior Engineer/Senior Analyst		
16 Engineer/Analyst		
17 Project Administrator		
18 Clerical		



2 2. Schedule and Pricing

3 KEMA is aware that FPL would like preliminary results for this project in early January 2006.
4 Although this is ambitious for a project of this scope, KEMA feels that this timeline is possible if
5 FPL supplies requested data in a timely fashion, and the project is approved such that it can be
6 initiated quickly. If either of these two conditions does not occur, successful completion by early
7 January is problematic.

8 This project is priced on a time and materials basis. Hourly rates are provided in Section 4, and
9 consultant titles are provided in Section 3. KEMA also reserves the right to use resources at the
10 "Consultant" level or below if, in good faith, such use will allow the project to be more
11 efficiently completed and will allow the identified senior project team to focus on issues
12 requiring higher levels of expertise. Non-identified consultants at the principal consultant level
13 or higher will not be used without prior authorization from FPL.

14 Pre-approved travel expenses shall be charged to FPL at cost.

15 Estimated costs by task for this project are as follows:

16 Task	16 Cost Estimate
17 1. Kickoff meeting and data request	
18 2. Forensic Review	
19 2.1. Transmission Analysis Validation	
20 2.2. Distribution Statistical Analysis	
21 3. Standards Review	
22 3.1. FPL Standards	
23 3.2. Industry Benchmark Survey	
24 4. Quality Review	
25 5. Final report and management presentation	
26 Estimated Labor Charge	
27 Estimated Travel Costs	
28 Estimated Total Cost	

29 If FPL would prefer to reduce, augment, or alter the scope presented in this project, KEMA will
30 be happy to provide an updated cost estimate, and to execute the new scope on the same time and
31 materials basis described above.



4. KEMA Standard Rate Schedule

The following table lists the 2005 rate structure for KEMA Inc. For this project, standard hourly rates apply. Premium rates typically apply for short-notice, small, or expert testimony jobs. Rates are fixed within each project (subject to terms and conditions), but are otherwise subject to change.

	<i>Column A</i>	<i>B</i>	<i>C</i>
	Consulting Title	Standard Hourly Rate	Premium Hourly Rate
7			
8			
9	Senior Executive Consultant		
10	Executive Consultant		
11	Senior Principal Consultant		
12	Principal Consultant		
13	Senior Consultant		
14	Consultant		
15	Principal Engineer/Principal Analyst		
16	Senior Engineer/Senior Analyst		
17	Engineer/Analyst		
18	Project Administrator		
19	Clerical		



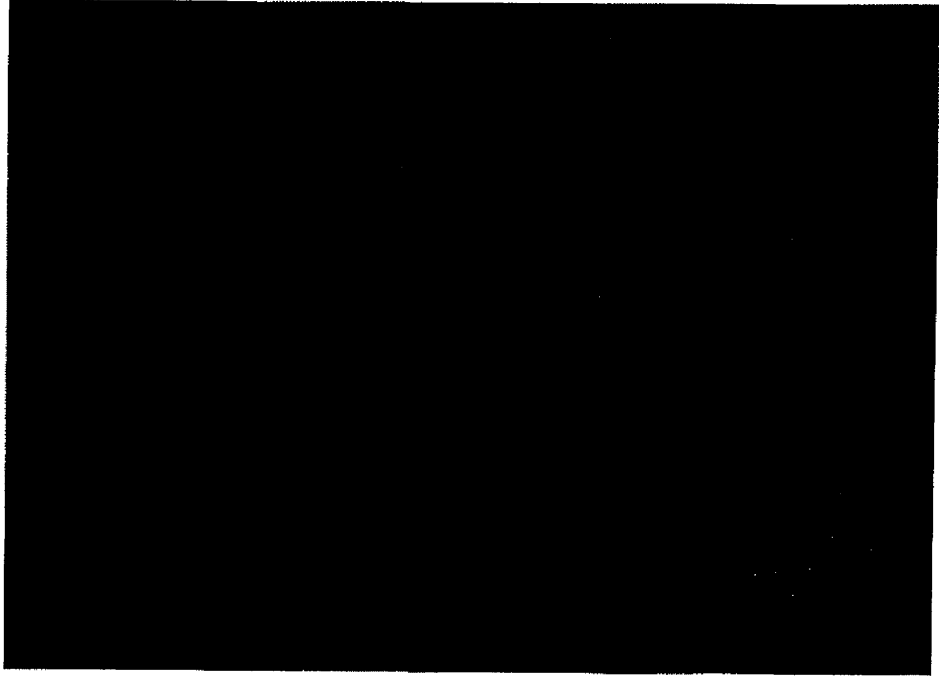
2 5. Terms and Conditions

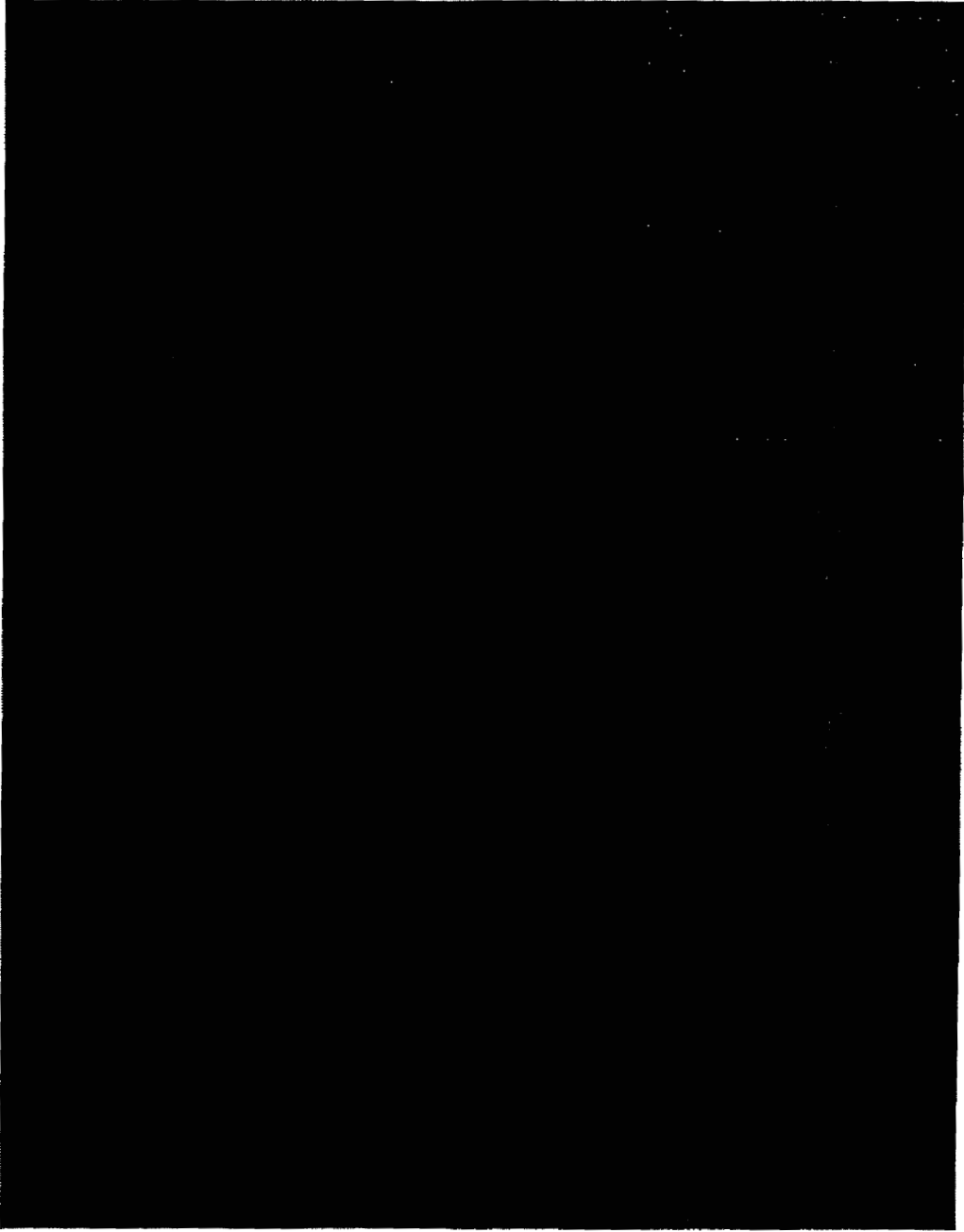
3 The following Terms and Conditions of Sale are applicable to and shall govern any and all
4 engineering, consulting, field testing, and laboratory testing services, including all certificates
5 and reports issued with respect to such services (hereinafter all referred to as "Services")
6 provided by KEMA Inc., (hereinafter called the "Seller") to the entity (hereinafter referred to as
7 the "Buyer") for whom such Services are performed.

8 The applicability and content of these Terms and Conditions of Sale may not be varied by any
9 different or additional terms and conditions proposed by Buyer, and Seller hereby gives notice of
10 its objection to any different or additional terms and conditions proposed by Buyer. Seller's
11 performance of Services is expressly conditioned upon Buyer's assent to these Terms and
12 Conditions of Sale, and Buyer's assent shall be conclusively presumed upon (i) Buyer's delivery
13 to Seller of any information or other materials related to a request that Seller provide engineering
14 services or (ii) Buyer's delivery of equipment to Seller for laboratory or field testing.

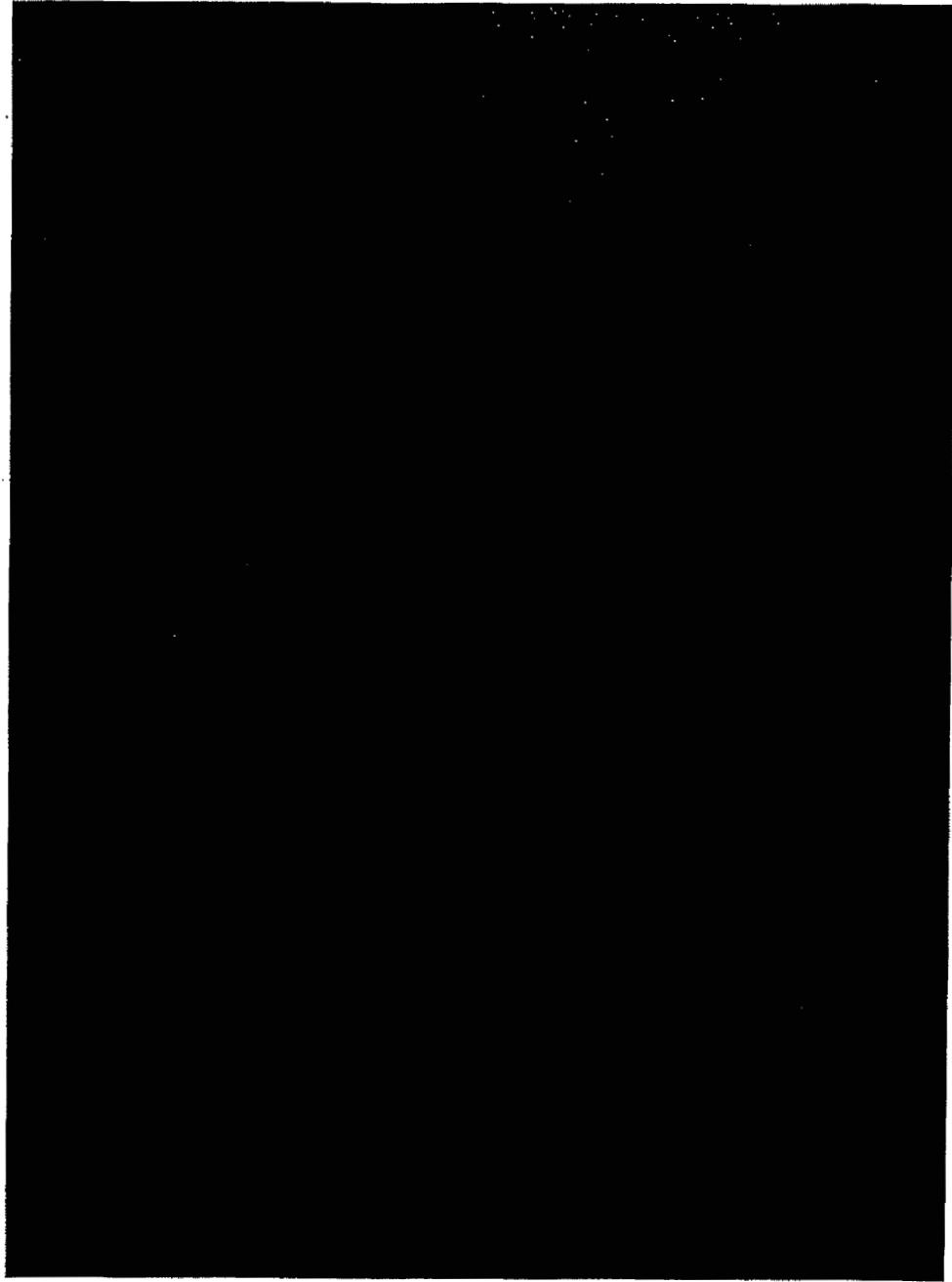
15 Except for pricing, scheduling, terms of payment, description of Services to be performed, and
16 other such terms specified in writing between the Seller and the Buyer with respect to a
17 particular order, these Terms and Conditions of Sale constitute the entire agreement between
18 Seller and Buyer and supersede all other communications between the parties, whether written or
19 oral.

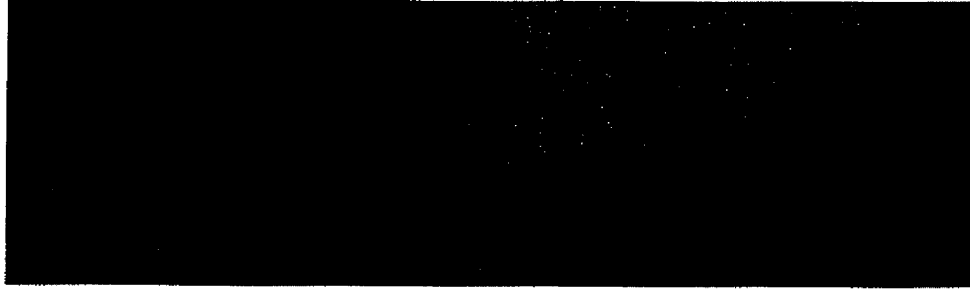
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KEMA







2 Richard E. Brown, PhD, PE
 3 Senior Principal Consultant
 4 3801 Lake Boone Trail, Suite 200
 5 Raleigh, NC 27607
 6 rebrown@kema.com
 7 919-593-2864 (voice)
 8 919-258-0844 (fax)

9 December 21st 2005

10 Michael Spoor, PE
 11 Reliability Manager
 12 Florida Power and Light Company
 13 9250 West Flagler Street
 14 Miami, FL 33174

15 **Subject: Scope Extension for Post Hurricane Wilma Analysis**

16 Mr. Spoor:

17 Based on discussions between KEMA and your management team, I propose the
 18 following scope extensions for our ongoing project: (subject to the same terms,
 19 conditions, and labor rates of the existing contract):

20	Scope Addition	Not-to-exceed Labor Cost
21	Data-level transmission assessment	[REDACTED]
22	Substation assessment	
23	Expert review of weather analysis	
24	TOTAL	

25 Specifics for these additions in scope are described in the remainder of this document.
 26 If acceptable, please inform LaMargo so that she can update the contract value.

27 Best regards,

28 Richard E. Brown
 29 KEMA offers client the proposal detailed above
 30 Richard E. Brown

EXHIBIT C

COMPANY:
TITLE:

**Florida Power & Light Company
List of Confidential Documents
Provided to FPSC Staff Jan.17, 2006
Outside of an Inquiry**

Workpaper No.	Description	No. of Pages	Conf Y/N	Line No/Col No.	Florida Statute 366.093(3) Subsection	Affiant
1	KEMA Proposal for Post-Hurricane Wilma Engineering Analysis November 30, 2005	1	Y	Page 4 of 8 Line Nos. 22, 24, 25, 26, 30, 31, 32	d, e	Richard Brown
2	KEMA Proposal for Post-Hurricane Wilma Engineering Analysis November 30, 2005	1	Y	Page 5 of 8 Column B, Line Nos. 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15	d, e	Richard Brown
3	KEMA Proposal for Post-Hurricane Wilma Engineering Analysis November 30, 2005	1	Y	Page 8 of 8 Columns B & C Line Nos. 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19	d, e	Richard Brown
4	KEMA Proposal for Post-Hurricane Wilma Engineering Analysis November 18, 2005	1	Y	Page 4 of 11 Column B Line Nos. 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28	d, e	Richard Brown

Workpaper No.	Description	No. of Pages	Conf Y/N	Line No/Col No.	Florida Statute 366.093(3) Subsection	Affiant
5	KEMA Proposal for Post-Hurricane Wilma Engineering Analysis November 18, 2005	1	Y	Page 7 of 11 Column B & C Line Nos. 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19	d, e	Richard Brown
6	KEMA Proposal for Post-Hurricane Wilma Engineering Analysis November 18, 2005	1	Y	Page 8 of 11 Line Nos. 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41	d, e	Richard Brown
7	KEMA Proposal for Post-Hurricane Wilma Engineering Analysis November 18, 2005	1	Y	Page 9 of 11 Total Page	d, e	Richard Brown
8	KEMA Proposal for Post-Hurricane Wilma Engineering Analysis November 18, 2005	1	Y	Page 10 of 11 Total Page	d, e	Richard Brown
9	KEMA Proposal for Post-Hurricane Wilma Engineering Analysis November 18, 2005	1	Y	Page 11 of 11 Total Page	d, e	Richard Brown
10	KEMA Scope Extension for Post Hurricane Wilma Analyses Dec. 21, 2005	1	Y	Page 1 of 2 Column B Line Nos. 21, 22, 23, 24	d, e	Richard Brown

EXHIBIT D

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In re: Florida Power & Light Company's)
Request for Confidential Classification)
_____)

Docket No: 060000
Filed: February 24, 2006

STATE OF FLORIDA)
)
COUNTY OF PALM BEACH)

AFFIDAVIT OF RICHARD E. BROWN

BEFORE ME, the undersigned authority, personally appeared Richard E. Brown first duly sworn, deposes and says:

1. My name is Richard E. Brown. I am currently employed by KEMA, Inc. as a Senior Principal Consultant. My business address is 3801 Lake Boone Trail, Suite 200, Raleigh, NC 27607. I have personal knowledge of the matters stated in this affidavit.

2. With respect to Exhibit C, I have reviewed the documents and information for which I am listed as Affiant and which are included in Exhibit A to FPL's Request for Confidential Classification of Materials. Documents or materials that I have reviewed and which are asserted by FPL to be proprietary confidential business information include but are not limited to: information concerning bids or other contractual data and information relating to competitive interests. This information, if made public, would cause harm to the ratepayers or FPL's business operations and/or would impair the competitive business of the provider of the information. To the best of my knowledge, FPL and KEMA have maintained the confidentiality of these documents and materials.

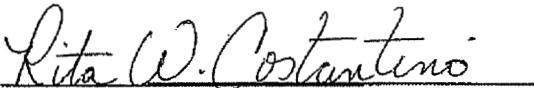
3. Consistent with the provisions of the Florida Administrative Code, such materials should remain confidential for a period of not less than 18 months. In addition, they should be

returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents.

4. Affiant says nothing further.


Richard E. Brown

SWORN TO AND SUBSCRIBED before me this 24 day of February 2005, by Richard E. Brown, who is personally known to me or who has produced _____ (type of identification) as identification and who did take an oath.


Notary Public

My Commission Expires:

