BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Fuel and Purchased Power Cost Recovery Clause and Generating Performance Incentive Factor

FCL PPC

CP SC GA DM LK Docket No. 080001-EI Filed: September 8, 2008

FLORIDA PUBLIC UTILITIES COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

Florida Public Utilities Company ("FPUC" or "Company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, hereby submits this Request for Confidential Classification of information contained in Exhibits attached to the testimony of Curtis Young filed in this docket. In support of this Request, FPUC would state:

1. Florida Public Utilities Company purchases power from Gulf Power Company ("Gulf") and Jacksonville Electric Authority ("JEA") for distribution to its customers in the Northwest ("Marianna") and Northeast ("Fernandina Beach") Divisions respectively. Each of these agreements were the result of a competitive process which resulted in the Agreements which are in effect in the two Divisions.

2. The exhibits filed with the testimony in this docket consist of various schedules required by the Commission and provide the data supporting the calculations for the purchased power cost recovery factor to be applied to customer bills in 2009. Included in the exhibits for the Northwest Division are schedules the Company and its supplier considers to be proprietary, confidential business information as defined in Section 366.093, Florida Statutes. Specifically, Exhibit CDY-3 contains pricing information and calculations for purchases from Gulf which both FPUC and Gulf regard as and treat as proprietary and confidential.

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The pricing reflected in the Agreement was negotiated between the parties and has been maintained within the control of the companies and has not been publicly disclosed. Disclosure of the negotiated rates, either directly or indirectly, would cause harm to the Company, its customers and the vendor and its customers by impairing the ability of the Company to negotiate with other suppliers in the future on favorable terms.

3. Section 366.093(3), Florida Statutes, protects from public disclosure proprietary, confidential information, regardless of form, which is intended to be and is treated by the company as private. Subsections (d) and (e) specifically include contractual data and information relating to competitive interests as proprietary, confidential information subject to exemption from Section 119.07(1), Florida Statutes.

The data which has been identified as confidential in the exhibits and testimony is information within the terms of subsections (d) and (e). The information relates to costs of purchased power and including specific pricing information as well as calculations both the Company and Gulf Power consider and treat the information as proprietary, confidential business information.

4. Accompanying this request as Exhibit "A" are redacted copies of the identified documents with accompanying justification. Under separate cover, FPUC is providing a copy of the unedited documents with the confidential information highlighted pursuant to the requirements of the Commission. Exhibit "B" submitted under seal consists of the confidential information with the confidential portions highlighted.

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5. For the reasons cited, FPUC requests that the Commission determine that the information identified on Exhibit "B" be considered proprietary, confidential business information as defined in Section 366.093(3) (d) and (e), Florida Statutes and exempt from public disclosure.

DATED this 8th day of September, 2008.

Respectfully submitted, MESSER, CAPARELLO & SELF, P. A. Post Office Box 15579 Tallahassee, FL 32317 (850) 222-0720

NORMAN H. HORTON, JR., ESO.

Attorneys for Florida Public Utilities Company

EXHIBIT "A"

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Identification	<u>l</u>			<u>Justification</u>
Exh.	Page	<u>Lines</u>	<u>Columns</u>	
				The information
CDY-2	1/14	6	(a) & (c)	contained in the
		10	(a) & (c)	identified portions
		10a	(a) & (c)	of the schedules
		10b	(a) & (c)	is entitled to
		12	(a) & (c)	confidential
		13	(a) & (c)	treatment
		20	(a) & (c)	pursuant to
		24	(a) & (c)	Sec. 366.093(3)(d)
		25	(a)	and (e), Florida
		26	(a) & (c)	Statutes. The
		27	(a) & (c)	information relates to
CDY-3	2/14	41	(13)-(16)	contractual and
		42	(13)-(16)	pricing arrangements
		43	(13)-(16)	as set forth in
		45	(13)-(16)	the request.
		46	(13)-(16)	
		47	(13)	
CDY-3	4/14	3	(a)-(m)	
		3a	(a)-(m)	
CDY-4	5/14	all months and total	(8)-(10)	

EXHIBIT "B"

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Document filed under separate cover.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the foregoing have been served by U. S. Mail this 8th day of September, 2008 upon the following:

Lisa C. Bennett, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Patricia Ann Christensen Associate Public Counsel Office of the Public Counsel c/o The Florida Legislature 111 West Madison St., Rm 812 Tallahassee, FL 32399-1400

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Lt. Col. Karen White and Capt. Damund Williams AFCESA/ULT 139 Barnes Drive Tyndall Air Force Base, Florida 32403

NORMAN H. HORTON IR

FLORIDA PUBLIC UTILITIES COMPANY FUEL AND PURCHASED POWER

SCHEDULE E1 PAGE 1 OF 2

COST RECOVERY CLAUSE CALCULATION ESTIMATED FOR THE PERIOD: JANUARY 2009 - DECEMBER 2009

MAR	ANNA (NORTHWEST DIVISION)	(a) DOLLARS	(b)	(c)
1	Fuel Cost of System Net Generation (E3)	UULLARS	<u>MWH</u> 0	CENTS/KWH
2	Nuclear Fuel Disposal Costs (E2)		Ŭ	
3	Coal Car Investment			
4	Adjustments to Fuel Cost			
5	TOTAL COST OF GENERATED POWER (LINE 1 THRU 4)	0	0	0.00000
6	Fuel Cost of Purchased Power (Exclusive of Economy) (E7)		341,182	0.00000
7	Energy Cost of Sched C & X Econ Purch (Broker) (E9)		041,102	
8	Energy Cost of Other Econ Purch (Non-Broker) (E9)			
9	Energy Cost of Sched E Economy Purch (E9)			
10	Demand & Transformation Cost of Purch Power (E2)		341,182	
10a	Demand Costs of Purchased Power		*	
10b	Transformation Energy & Customer Costs of Purchased Power		*	
11	Energy Payments to Qualifying Facilities (E8a)			
12	TOTAL COST OF PURCHASED POWER (LINE 6 THRU 11)		341,182	
13	TOTAL AVAILABLE KWH (LINE 5 + LINE 12)		341,182	
14	Fuel Cost of Economy Sales (E6)			
15	Gain on Economy Sales (E6)			
16	Fuel Cost of Unit Power Sales (SL2 Partpts) (E6)			
17	Fuel Cost of Other Power Sales			
18	TOTAL FUEL COST AND GAINS OF POWER SALES	0	0	0.00000
19	Net Inadvertent Interchange			
20	TOTAL FUEL & NET POWER TRANSACTIONS		<u> </u>	
	(LINE 5 + 12 + 18 + 19)			
21	Net Unbilled Sales	0 *	0	0.0000
22	Company Use	32,303 *	342	0.01012
23	T & D Losses	2,035,288 *	21,548	0.63744
24	SYSTEM MWH SALES		319,292	
25	Less Total Demand Cost Recovery	-	**	
26	Jurisdictional MWH Sales		319,292	
26a	Jurisdictional Loss Multiplier	1.00000	1.00000	
27	Jurisdictional MWH Sales Adjusted for Line Losses		319,292	
28	GPIF **			
29	TRUE-UP **	187,657	319,292	0.05877
30	TOTAL JURISDICTIONAL FUEL COST	20,921,878	319,292	6.55258
31	Revenue Tax Factor			1.00072
32	Fuel Factor Adjusted for Taxes			6.55730
33	FUEL FAC ROUNDED TO NEAREST .001 CENTS/KWH			6.557
			XHIBIT NO	
	* For Informational Purposes Only	F	OCKET NO080001-EI	
	** Calculation Based on Jurisdictional KWH Sales	((CDY-2)	

** Calculation Based on Jurisdictional KWH Sales

***Calculation on Schedule E1 Page 2

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(CDY-2) PAGE 1 OF 14

FLORIDA PUBLIC UTLITIES COMPANY FUEL FACTOR ADJUSTED FOR LINE LOSS MULTIPLIER ESTIMATED FOR THE PERIOD: JANUARY 2009 - DECEMBER 2009

MAI	RIANNA (NO	ORTHWEST DIV	<u>/ISKQN)</u>							
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
				(1)/((2)*4,380)			(3)*(4)	(1)*(5)	(6)/Total Col. (6) ((7)/Total Col. (7)
	Rate Schedule	KWH Sales	12 CP Load Factor	CP KW At Meter	Demand Loss Factor	Energy Loss Factor	CP KW At GEN.	KWH At GEN.	12 CP Demand Percentage	Energy Percentage
34	RS	140,499,804	61.971%	51,762.2	1.089	1.030	56,369.0	144,714,798	49.06%	44.00%
35	GS	27,774,955	64.200%	9,877.4	1.089	1.030	10,756.5	28,608,204	9.36%	8.70%
36	GSD	86,521,367	73.168%	26,997.8	1.089	1.030	29,400.6	89,117,008	25.58%	27.10%
37	GSLD	59,818,195	84.178%	16,224.1	1.089	1.030	17,668.0	61,612,741	15.37%	18.73%
38	OL, OL1	3,636,484	160.732%	516.5	1.089	1.030	562.5	3,745,579	0.49%	1.14%
39	SL1, SL2 & SL3	1,040,541	160.732%	147.8	1.089	1.030	161.0	1,071,757	0.14%	0.33%
40	TOTAL	319,291,346		105,525.8			114,917.6	328,870,087	100.00%	100.00%

		(10) 12/13 * (8)	(11) 1/13 * (9)	(12) (10) + (11)	(13) Fot. Col. 13 * (12	(14) (13)/(1)	(15) (14) * 1.00072 Demand Cost	(16)	(17) (15) + (16)
	Rate Schedule	12/13 Of 12 CP	1/13 Of Energy	emand Allocation Percentage	Demand Dollars	Demand Cost Recovery		Other Charges	Levelized Adjustment
41	RS	45.28%	3,39%	48.67%					\$0.10541
42	GS	8.64%	0.67%	9.31%					\$0,10412
43	GSD	23.61%	2.08%	25.69%					\$0.09971
44	GSLD	14.19%	1.44%	15.63%					\$0.09562
45	OL, OL1	0.45%	0.09%	0,54%					\$0.08264
46	SL1, SL2 & SL3	0.13%	0.03%	0.16%					\$0.08325
47	TOTAL	92.30%	7.70%	100.00%					

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 $(x_{i}) = \sum_{j=1}^{n} \sum_{i=1}^{n} (x_{i})^{j} (x_{i}$

	·	Allocation for Residential ((18)	Customers (19)	(20)	(21) (19) * (20)
	Rate Schedule	Allocation	Annual kWh	Levelized Adj.	Revenues
48	RS	Sales	140,499,804	\$0.10541	\$14,810,084
49	RS	<= 1,000kWh/mo.	98,062,400	\$0,10239	\$10,040,564
50	RS	> 1,000 kWh/mo.	42,437,404	\$0.11239	\$4,769,520
51	RS	Total Sales	140,499,804		\$14,810,084

(2) From Gulf Power Co. 2003 Load Research results.(4) From Fernandina Rate Case.

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EXHIBIT NO.____ DOCKET NO. __080001-EI FLORIDA PUBLIC UTILITIES COMPANY (CDY-3) PAGE 2 OF 14

SCHEDULE E2

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FLORIDA PUBLIC UTILITIES COMPANY MARIANNA (NORTHWEST DIVISION) FUEL & PURCHASED POWER COST RECOVERY CLAUSE CALCULATION

ESTIMATED FOR THE PERIOD: JANUARY 2009 - DECEMBER 2009

		(a)	(b)	(c) Estimate	(d)	(e)	(f)	(g)	(h)	(i)	Ø	(k)	(I)	(m)	
LINE NO.	-	2009 JANUARY	2009 FEBRUARY	2009 MARCH	2009 APRIL	2009 MAY	2009 JUNE	2009 JULY	2009 AUGUST	2009 SEPTEMBER	2009 OCTOBER	2009 NOVEMBER	2009 DECEMBER	total Period	LINE NO
1 1a 2 3 3a	FUEL COST OF SYSTEM GENERATION NUCLEAR FUEL DISPOSAL FUEL COST OF POWER SOLD FUEL COST OF PURCHASED POWER DEMAND & TRANSFORMATION CHARGE OF PURCHASED POWER													0 0 0	1 1a 2 3 3a
35 4	QUALIFYING FACILITIES ENERGY COST OF ECONOMY PURCHASES													0	3b 4
5	TOTAL FUEL & NET POWER TRANSACTIONS (SUM OF LINES A-1 THRU A-4)	2,902,016	2,496,016	2,424,270	2,380,364	2,710,848	2,914,950	3,054,498	2,906,076	2,976,082	2,735,440	2,249,854	2,475,475	32,225,891	5
6	LESS: TOTAL DEMAND COST RECOVERY	957,639	957,639	957,639	957,639	957,639	957,639	957,639	957,639	957,639	957,639	957,639	957,639	11,491,670	6
7	TOTAL OTHER COST TO BE RECOVERED	1,944,377	1,538,377	1,466,631	1,422,725	1,753,209	1,957,311	2,096,859	1,948,437	2,018,443	1,777,801	1,292,215	1,517,836	20,734,221	7
7a	SYSTEM KWH SOLD (MWH)	29,621	24,986	25,213	23,766	22,908	28,792	30,181	28,606	30,523	27,527	21,417	25,752	319,292	7a
7b	COST PER KWH SOLD (CENTS/KWH)	6.56418	6.15696	5.81696	5.98639	7.65326	6.79811	6.94761	6.81129	6.61286	6.45839	6.03359	5.89405	6.49381	7b
8	JURISDICTIONAL LOSS MULTIPLIER	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	8
9	JURISDICTIONAL COST (CENTS/KWH)	6.56418	6,15696	5.81696	5.98639	7.65326	6.79811	6.94761	6.81129	6.61286	6.45839	6.03359	5.89405	6.49381	9
10	GPIF (CENTS/KWH)														10
11	TRUE-UP (CENTS/KWH)	0.05877	0.05877	0.05877	0.05877	0.05877	0.05877	0.05877	0.05877	0.05877	0.05877	0.05877	0.05877	0.05877	11
12	TOTAL	6.62295	6.21573	5.87573	6.04516	7.71203	6.85688	7.00638	6.87006	6.67163	6.51716	6.09236	5.95282	6.55258	12
13	REVENUE TAX FACTOR 0.00072	0.00477	0.00448	0.00423	0.00435	0.00555	0.00494	0.00504	0.00495	0.00480	0.00469	0.00439	0.00429	0.00472	13
14	RECOVERY FACTOR ADJUSTED FOR TAXES	6.62772	6.22021	5.87996	6.04951	7.71758	6.86182	7.01142	6.87501	6.67643	6.52185	6.09675	5.95711	6.55730	14
15	RECOVERY FACTOR ROUNDED TO NEAREST .001 CENT/KWH	6.628	6.220	5.880	6.050	7.718	6.862	7.011	6.875	6.676	6.522	6.097	5.957	6.557	15

EXHIBIT NO. DOCKET NO. 080001-EI FLORIDA PUBLIC UTILITIES COMPANY (CDY-3) PAGE 4 OF 14

SCHEDULE E7

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FLORIDA PUBLIC UTILITIES COMPANY MARIANNA (NORTHWEST DIVISION) PURCHASED POWER (EXCLUSIVE OF ECONOMY ENERGY PURCHASES)

ESTIMATED FOR THE PERIOD: JANUARY 2009 - DECEMBER 2009

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
MONTH	PURCHASED FROM	TYPE & SCHEDULE	TOTAL KWH PURCHASED	kwh For other Utilities		kwh For Firm	CENTS/KWH (A) FUEL COST	(B) TOTAL COST	TOTAL \$ FOR FUEL ADJ. (7) x (8) (A)	
										1

JANUARY FEBRUARY MARCH APRIL MAY JUNE JULY AUGUST SEPTEMBER OCTOBER	2009 2009 2009 2009 2009 2009 2009 2009	GULF POWER COMPANY GULF POWER COMPANY	RE RE RE RE RE RE RE RE RE	32,170,000 25,170,000 23,933,000 23,176,000 28,874,000 32,393,000 34,799,000 32,240,000 33,447,000 29,298,000			32,170,000 25,170,000 23,933,000 23,176,000 28,874,000 32,393,000 34,799,000 32,240,000 33,447,000 29,298,000		
NOVEMBER DECEMBER	2009 2009	GULF POWER COMPANY GULF POWER COMPANY	RE RE	20,896,000 24,786,000			20,896,000 24,786,000		·
TOTAL				341,182,000	o	0	341,182,000		

EXHIBIT NO. _____ DOCKET NO. _080001-EI FLORIDA PUBLIC UTILITIES COMPANY (CDY-3) PAGE 5 OF 14 COMMISSIONERS: MATTHEW M. CARTER II, CHAIRMAN LISA POLAK EDGAR KATRINA J. MCMURRIAN NANCY ARGENZIANO NATHAN A. SKOP

STATE OF FLORIDA



OFFICE OF COMMISSION CLERK ANN COLE COMMISSION CLERK (850) 413-6770

Huhlic Service Commission

ACKNOWLEDGEMENT

DATE: September 8, 2009

TO: Norman H. Horton, Messer Law Firm

FROM: **Ruth Nettles, Office of Commission Clerk**

RE: Acknowledgement of Receipt of Confidential Filing

This will acknowledge receipt of a CONFIDENTIAL DOCUMENT filed in Docket Number 080001 or, if filed in an undocketed matter, concerning information contained in Exhibits attached to the testimony of Curtin Young, and filed on behalf of Florida Public Utilities. The document will be maintained in locked storage.

If you have any questions regarding this document, please contact Marguerite Lockard -psc-commission clerk LPC 4 N NOT 8 - DALL 90 Deputy Clerk, at (850) 413-6770. တု

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