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IN REPLY REFER TO:

Ansley Watson, Jr. P.O. Box 1531 Tampa, Florida 33601 e-mail: <u>aw@macfar.com</u>

January 26, 2012

VIA HAND DELIVERY

Ann Cole Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 claim of confidentiality
notice of intent
request for confidentiality
filed by OPC

For DN 00537-12, which
is in locked storage. You must be
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COMMISSION
CLERK

Re: Docket No. 110277-GU -- Petition for approval of tariff modifications to extend service territory into Nassau and Okeechobee Counties by Florida Public Utilities Company

Dear Ms. Cole:

Enclosed for filing in the above docket on behalf of Peoples Gas System ("Peoples") are the original and 12 copies of Peoples' **Request for Confidential Treatment** with respect to portions of Exhibit 1 to the Joint Petition of Peoples, Florida Public Utilities Company and Peninsula Pipeline Company, Inc. being filed concurrently herewith in the above docket.

Also enclosed, in an envelope marked "CONFIDENTIAL," is a single copy of the referenced Exhibit 1 with the information for which confidential classification is sought being highlighted in yellow. The confidential information contained in the copy of Exhibit 1 attached to the Joint Petition referenced above has been redacted.

Thank you for your usual assistance.

Sincerely,
Unxlug Wats
Unxly Wats ANSLEY WATSON, JR

BOCUMENT NUMBER - DATE

00536 JAN26 º

FPSC-COMMISSION CLERK

Ann Cole, Commission Clerk January 26, 2012 Page 2

cc: Martha Barrera, Esquire Beth Keating, Esquire

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of tariff modifications to extend service territory into Nassau and Okeechobee Counties by Florida Public Utilities Company

DOCKET NO. 110277-GU

FILED: January 26, 2012

PEOPLES GAS SYSTEM'S REQUEST FOR CONFIDENTIAL TREATMENT

Pursuant to Section 366.093, *Florida Statutes*, Peoples Gas System ("Peoples" or the "Company"), submits the following Request for Confidential Treatment of a portion of Exhibit 1 to the Joint Petition Requesting Approval of Territorial Agreement and Associated Gas Transportation Agreement (the "special contract") which is submitted for filing in the above docket concurrently herewith:

- 1. Attached hereto as Exhibit A is a detailed justification for the requested confidential treatment of the highlighted portions of page 5 of the special contract.
- 2. The material for which confidential classification is sought is intended to be and is treated as private by Peoples, and has not been disclosed.
- 3. Peoples requests that the information for which it seeks confidential classification not be declassified until two months after the expiration of the term of the special contract. The detailed justification for non-disclosure of the highlighted portions of page 5 of the special contract (see Exhibit A attached hereto) also establishes good cause for the Commission's finding that the protection from disclosure should extend for a period longer than 18 months (see Section 366.093(4), *Florida Statutes*). The time period requested is necessary to protect the competitive information (*i.e.*, the level of the rates at which service will be provided to Peninsula Pipeline Company, Inc. ("PPC") under the special contract) from disclosure to Peoples' competitors and to other customers in order to

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allow Peoples, should it become necessary, to negotiate future gas service arrangements with other customers on favorable terms based on the specific factual circumstances of such customers. The period of time requested will ultimately protect Peoples and its customers by any such future arrangements being entered into based only on the facts and circumstances then applicable to the particular customer.

WHEREFORE, Peoples submits the foregoing as its request for confidential treatment of the information identified in Exhibit A.

Respectfully submitted,

Ansley Watson, Jr.

Macfarlane Ferguson & McMullen

P. O. Box 1531

Tampa, Florida 33601-1531 Telephone: (813) 273-4321 Facsimile: (813) 273-4396

E-mail: aw@macfar.com

Attorneys for Peoples Gas System

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Request for Confidential Treatment, filed on behalf of Peoples Gas System, has been furnished by regular U.S. Mail to Martha Barrera, Esquire, Office of General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, and Beth Keating, Esquire, Gunster, Yoakley & Stewart, P.A., 215 South Monroe Street, Suite 601, Tallahassee, Florida 32301-1839, this 26th day of January, 2012.

Ansley Watson, Jr.

GAS TRANSPORTATION AGREEMENT (the "special contract")

The only information in the special contract for which Peoples seeks specified confidential treatment, and non-disclosure pursuant to Chapter 119, *Florida Statutes*, is highlighted on page 5 of the special contract.

This information is the rates at which Peoples will provide gas service to PPC under the special contract. It is information directly relating to Peoples' competitive interests which, if made public, "would impair the competitive business" of Peoples in the event it should become necessary to negotiate similar arrangements with other customers or potential customers in the future. Section 366.093(3)(d), Florida Statutes. Disclosure of the specific levels of the rates at which Peoples will provide gas service to PPC would give other customers or potential customers a benchmark or target to use in negotiations with Peoples, notwithstanding that their particular circumstances may not be the same as, or even similar to, those of PPC (which prompted Peoples to enter into the special contract for which the Commission's approval is sought in this docket).

Disclosure of this information, which consists of the rates offered by Peoples to PPC, would damage Peoples in its ability to engage in possible future negotiations with this customer on rates and terms of service which are favorable to Peoples and its ratepayers, and hamper the Company in its ability to negotiate in the future with other customers and potential customers who may be contemplating either the bypass of Peoples' distribution system or switching to a fuel other than natural gas, or never choosing to use the Peoples' distribution system at all. It is reasonably likely that the end result of disclosing this information would be, at best, a reduction in revenues to Peoples and, at worst, a loss of future customers or potential customers to alternative suppliers, including those of an alternate fuel.