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May 4, 2012

**BY HAND DELIVERY**

Ms. Ann Cole, Clerk  
Office of the Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

claim of confidentiality  
 notice of intent  
 request for confidentiality  
 filed by OPC

For DN 02875-12, which  
is in locked storage. You must be  
authorized to view this DN.-CLK

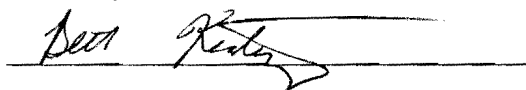
**Re: Docket 120058 -- Petition for approval of a negotiated renewable energy power purchase contract for power purchased with Rayonier Performance Fibers, LLC, by Florida Public Utilities Company.**

Dear Ms. Cole:

Enclosed for filing, please find the original and seven (7) copies of Florida Public Utilities Company's Request for Confidential Classification of certain information set forth in Revised Attachment B, the original version of which was submitted (under confidential cover) with its Petition for Approval of Negotiated Renewable Power Purchase Contract with Rayonier Performance Fibers, LLC. Revised Attachment B is now submitted in response to Commission Staff's First Set of Data Requests. Also enclosed with this Request for Confidentiality, consistent with Rule 25-22.006, F.A.C., are one highlighted and two redacted copies of the information for which confidential treatment is requested.

As always, please don't hesitate to contact me if you have any questions or concerns in this regard. Thank you for your kind assistance with this filing.

Sincerely,



Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301  
(850) 521-1706  
*Attorneys for Florida Public Utilities Company*

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DOCUMENT NUMBER-DATE

02874 MAY-4 2012

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Petition of Florida Public Utilities  
Company for Approval of Negotiated  
Renewable Energy Power Purchase  
Contract with Rayonier Performance  
Fibers, LLC**

Docket No.: 120058-EQ

Filed: May 4, 2012

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FLORIDA PUBLIC UTILITIES COMPANY'S REQUEST  
FOR CONFIDENTIAL CLASSIFICATION OF INFORMATION

Florida Public Utilities Company ("FPUC"), by and through its undersigned counsel, pursuant to Section 366.093, Florida Statutes, and consistent with Rule 25-22.006(4), Florida Administrative Code, hereby submits its Request for Confidential Classification of information contained in its Revised Attachment B, submitted in response to PSC Staff's First Data Requests in the above-referenced Docket. The original Attachment B, which was submitted with FPUC's Petition initiating this Docket, was granted confidential classification by Order No. PSC-12-0180-CFO-EQ, issued April 5, 2012. In support of this Request, FPUC states that:

1. FPUC requests confidential classification of information in Revised Attachment B, to the extent such information pertains to the rates, terms and conditions in the subject Contract between FPUC and Rayonier. The data set forth therein is data provided in the context of confidential contractual negotiations, updated per Staff's Data Request. Both FPUC and Rayonier treat the subject information as proprietary confidential business information consistent with the definition of that term in Section 366.093, Florida Statutes, and to the extent of FPUC's knowledge, this information has not otherwise been publicly disclosed.

2. The information for which FPUC seeks confidential classification meets the definition of “proprietary confidential business information” as set forth in Section 366.093(3), Florida Statutes, which provides:

(3) Proprietary confidential business information means information, regardless of form or characteristics, which is owned or controlled by the person or company, is intended to be and is treated by the person or company as private in that the disclosure of the information would cause harm to the ratepayers or the person’s or company’s business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order of a court or administrative body, or private agreement that provides that the information will not be released to the public. Proprietary confidential business information includes, but is not limited to:

- (a) Trade secrets.
- (b) Internal auditing controls and reports of internal auditors.
- (c) Security measures, systems, or procedures.
- (d) Information 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.
- (e) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.
- (f) Employee personnel information unrelated to compensation, duties, qualifications, or responsibilities.

More specifically, the information for which FPUC seeks confidential classification falls into the following category: Information concerning bids or other contractual data, consistent with subsection (d) above, the disclosure of which would impair FPUC’s ability to contract for goods or services on favorable terms. In other words, the information identifies specific rate, term, or pricing methodology in the Contract. The disclosure of the pertinent information would be detrimental to business operations of the party that provided the information, and in the case of FPUC, would ultimately harm FPUC’s ratepayers.

3. The location of the information for which FPUC seeks confidential classification is set forth in the chart below, along with a restatement of the rationale pursuant to which confidentiality is requested.

<u>Page</u>	<u>Line/Section</u>	<u>Rationale</u>
<b>Revised Attachment B</b>	Highlighted numbers in Columns Year 2012 through Year 2022, all rows for Projected Cost, Projected Annual Savings, Net present Value of Annual Savings, as well as the percentage identified at Number 5 of the Assumptions.	Includes information concerning pricing and pricing methodology, the disclosure of which would impair FPUC's future efforts to negotiate and contract for goods and services on reasonable terms and conditions.

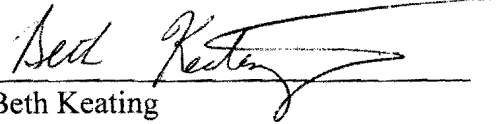
4. The information specified above is highly proprietary, competitive and contractual information that falls squarely within Sections 366.093(3)(d) and (e), Florida Statutes. Release of the referenced information as a public record would harm FPUC's business operations and ratepayers by impairing the Company's ability to effectively negotiate for goods and services. As such, FPUC requests that the Commission afford this information confidential classification and thus, exempt from Section 119.07, Florida Statutes. Included with this Request is a highlighted copy of Revised Attachment B. Also enclosed are two redacted copies of the same information.

6. FPUC asks that confidential classification be granted for a period of at least 18 months. Should the Commission no longer find that it needs to retain the information, FPUC respectfully requests that the confidential information be returned to the Company.

WHEREFORE, FPUC respectfully requests that the highlighted information contained in Revised Attachment B, included with FPUC's responses to Staff's First Data Requests be classified as "proprietary confidential business information," and thus, exempt from Section

119.07, Florida Statutes.

RESPECTFULLY SUBMITTED this 4th day of May, 2012.



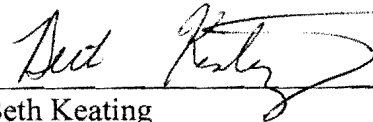
Beth Keating  
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215 South Monroe St., Suite 601  
Tallahassee, FL 32301  
(850) 521-1706

*Attorneys for FPUC*

**CERTIFICATE OF SERVICE**

I HEREBY ATTEST that a true and correct copy of the foregoing Request has been served upon the following by U.S. Mail this 4th Day of May, 2012:

William M. McHugh Associate General Counsel Rayonier Inc. 4474 Savannah Hwy. Jesup, GA 31545	Ms. Cheryl Martin, Director/Regulatory Affairs Florida Public Utilities Company 1641 Worthington Road, Suite 220 West Palm Beach, Fl 33409



Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301  
(850) 521-1706

**REDACTED**

Projected Savings - Rayonier Contract

Attachment B  
Revised

Projected MWh Purchased 16,980

	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022
Projected Cost per MWh - Rayonier Contract	[REDACTED]										
Projected Cost - Rayonier Contract	[REDACTED]										
Projected Cost per MWh - JEA Contract	[REDACTED]										
Projected Cost - JEA Contract	[REDACTED]										
Projected Cost per MWh - Future Contract	[REDACTED]										
Projected Cost - Future Contract	[REDACTED]										
Projected Annual Savings	[REDACTED]										
Net Present Value of Annual Savings	[REDACTED]										

Assumptions:

- 1) Power Purchase from Rayonier begins July 1, 2012
- 2) Projected Cost per MWh - Rayonier Contract reflects the projected average price over the entire year
- 3) Projected Cost from JEA and Future Power Provider remains constant over 10 year period
- 4) Provisions of Rayonier Contract will always result in savings compared to alternative purchases (Decremental Cost provision)
- 5) Discount rate for NPV calculation is assumed to be [REDACTED]

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