

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition for Approval of the )  
2014 Natural Gas Transportation Service )  
Agreement Between Florida City Gas and )  
Miami-Dade County, Through the Miami- )  
Dade Water and Sewer Department )  
\_\_\_\_\_ )

Docket No.: 13008440  
Filed: April 23, 2013

COMMISSION  
CLERK

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RECEIVED- FPSC

~~claim of confidentiality~~  
~~notice of intent~~

request for confidentiality  
filed by OPC

FLORIDA CITY GAS  
REQUEST FOR CONFIDENTIAL CLASSIFICATION

For DN 02131-13, which is in locked storage. You must be authorized to view this DN.-CLK

Florida City Gas ("FCG" or "Company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006(4), Florida Administrative Code, hereby submits its Request for Confidential Classification to the Florida Public Service Commission ("PSC" or "Commission") for certain FCG confidential information more particularly described below that is being concurrently submitted in connection with the Joint Petition For Approval of the 2014 Natural Gas Transportation Service Agreement between FCG and Miami-Dade County, Florida (the "County") through the Miami-Dade County Water and Sewer Department ("MDWASD") (the "Joint Petition"). In support of this Request, FCG hereby states:

1. As is more particularly described in the Joint Petition, FCG and MDWASD have negotiated a successor natural gas transportation agreement referred to by the parties as the "2014 TSA" which was negotiated pursuant to FCG's Load Enhancement Services rate schedule ("LES tariff"). The LES tariff provides certain preconditions by the customer that must be met in making a request for a non-tariffed, contract rate and specific requirements that FCG must comply with prior to the submission of a negotiated contract for approval by the Commission.

\_\_\_\_\_ FCG and MDWASD believe they have met each of their respective obligations in submitting the  
\_\_\_\_\_ 2014 TSA to the Commission for its review and approval.

2. In conducting its review and analysis for the 2014 TSA, FCG prepared a cost of

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service study analysis which contains proprietary and confidential business information reflecting trade secrets of the company. This information is contained in Exhibit D to the Joint Petition, which is 27 pages long, of which pages 3 through 27 in their entirety contain confidential information for which FCG now seeks protection. Pages 1 and 2 of Exhibit D do not contain confidential information and are not subject to this Request.

3. In addition to the Exhibit C FCG cost study, the rates and associated gas volumes within the 2014 TSA, Exhibit A to the Joint Petition, also reflect confidential and propriety contractual information. This information appears on pages 5 and 7 of the 2014 TSA.

4. The information in the 2014 TSA, Exhibit A, and the cost of service study, Exhibit C, for which FCG seeks confidential classification is information that the Company treats as confidential, and that 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.

5. Attachment 1 to this Request contains a chart reflecting the line-by-line or field-

by-field specific location and corresponding justification for the referenced confidential information. Release of the referenced confidential information as a public record would harm FCG's business operations and its ratepayers by impairing the Company's ability to effectively negotiate contracts. In particular, because the cost study methodology utilized by FCG in its cost study is unique to the service for MDWASD, public disclosure of this information would provide other customers with an advantage in any future negotiations with FCG for a contract rate under the LES tariff. While some of the numbers appearing on the cost study may be public information, the particular arrangement and compilation reflects confidential processes and analysis, and public disclosure of these numbers could enable a person to discern the methodology as well as ultimately calculate the bottom line cost rates appearing in the study. As is required by Rule 25-22.006(4)(d), Florida Administrative Code, all of the material, or the arrangement and methodology contained therein, for which confidential classification is sought is intended to be and is treated by FCG as private and has not been disclosed. As such, FCG requests that the Commission not make this information publically available and that it protect this information consistent the terms of Section 366.093 and Rule 25-22.006.

6. Included with this Request are copies of only the relevant pages of Exhibits A and D with the confidential information appropriately highlighted in yellow. Also attached to this Request are two redacted copies of these confidential pages; redacted copies of these pages also appear in the relevant exhibits to the Joint Petition.

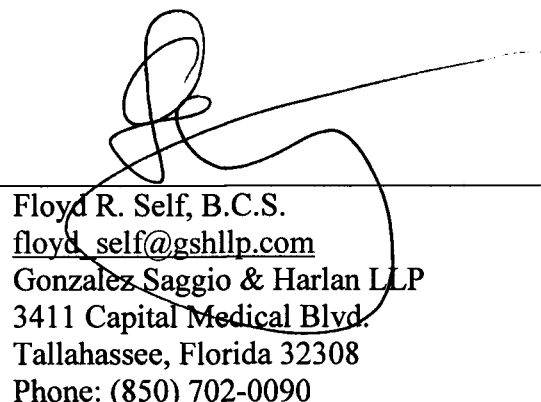
7. FCG requests that confidential classification be granted for a period of at least 18 months. Should the Commission no longer find that it needs to retain the information, FCG respectfully requests that the confidential information be returned to the Company.

WHEREFORE, FCG respectfully requests that the highlighted information contained in

Exhibits A and D to the Joint Petition be classified as "proprietary confidential business information," and thus, exempt from Section 119.07, Florida Statutes, for at least 18 months.

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Document	Page Nos.	Columns	Line Nos.	Statutory Justification
Exhibit A, 2014 TSA	5	Paragraph 3	3 and 4	These proprietary numbers contain customer-specific information, the take or pay minimum volumes under the 2014 TSA. Such customer-specific information is maintained by FCG as confidential and proprietary information and is not released to the public. These numbers, if made public, would negatively impact the competitive interests of the company (and hence ratepayers) in the company's negotiations of other agreements for it would provide those customers with information regarding the minimum take or pay requirements of the company.
Exhibit A, 2014 TSA	7	Rate Table in Paragraph 2	N/A	These proprietary numbers contain customer-specific information, volumes associated with each rate tier (including the take or pay minimum volumes for Tier 2), along with the corresponding rates for each tier under the 2014 TSA. Such customer-specific information is maintained by FCG as confidential and proprietary information and is not released to the public. These numbers, if made public, would negatively impact the competitive interests of the company (and hence ratepayers) in the company's negotiations of other agreements for it would provide those customers with information regarding the applicable rate tiers and corresponding rates.
Exhibit D, FCG Cost Study	3	A-H	1-18	These proprietary numbers contain customer-specific information, i.e., the 2014 TSA rate tiers, FCG cost rate per tier, the 2014 TSA rates by tier, the FCG margin in dollars, the FCG margin as a percentage, the MDWASD bypass rate, and the MDWASD bypass cost less the 2014 TSA rate. Such customer-specific information is maintained by FCG as confidential and proprietary information and is not released to the public. These numbers, if made public, would negatively impact the competitive interests of the company (and hence ratepayers) in the

				company's negotiations of other agreements for it would provide those customers with information regarding the applicable rate tiers, corresponding rates, and FCG's costs.
Exhibit D, FCG Cost Study	4-15	A-F	1-45	These proprietary numbers contain customer-specific information and FCG's cost study analysis and results for the 2014 TSA rates for years 2012-2017. While some of the numbers appearing on the cost study may be public information, the particular arrangement and compilation reflects confidential processes and analysis, and public disclosure of these numbers could enable a person to discern the methodology as well as ultimately calculate the bottom line cost rates appearing in the study. Such customer-specific information is maintained by FCG as confidential and proprietary information and is not released to the public. These numbers, if made public, would negatively impact the competitive interests of the company (and hence ratepayers) in the company's negotiations of other agreements for it would provide those customers with information regarding the applicable methodology used to develop contract rates, projections for inflation and other cost increases, and FCG's costs.
Exhibit D, FCG Cost Study	16-17	A-F	1-55	These proprietary numbers contain customer-specific information and FCG's cost study analysis and results for the 2014 TSA rates for year 2018. While some of the numbers appearing on the cost study may be public information, the particular arrangement and compilation reflects confidential processes and analysis, and public disclosure of these numbers could enable a person to discern the methodology as well as ultimately calculate the bottom line cost rates appearing in the study. Such customer-specific information is maintained by FCG as confidential and proprietary information and is not released to the public. These numbers, if made public, would negatively impact the competitive interests of the company (and hence ratepayers) in the company's negotiations of other agreements

				for it would provide those customers with information regarding the applicable methodology used to develop contract rates, projections for inflation and other cost increases, compounding of increased costs over time, CPI-U assumptions and adjustments, and FCG's costs.
Exhibit D, FCG Cost Study	18-27	A-F	1-65	These proprietary numbers contain customer-specific information and FCG's cost study analysis and results for the 2014 TSA rates for year 2018. While some of the numbers appearing on the cost study may be public information, the particular arrangement and compilation reflects confidential processes and analysis, and public disclosure of these numbers could enable a person to discern the methodology as well as ultimately calculate the bottom line cost rates appearing in the study. Such customer-specific information is maintained by FCG as confidential and proprietary information and is not released to the public. These numbers, if made public, would negatively impact the competitive interests of the company (and hence ratepayers) in the company's negotiations of other agreements for it would provide those customers with information regarding the applicable methodology used to develop contract rates, projections for inflation and other cost increases, compounding of increased costs over time, CPI-U assumptions and adjustments, CPI-U compounding, and FCG's costs.

2. Company may, from time to time, make deliveries to Customer in excess of the above stated MACQs. However, if Customer desires to increase the MACQ for any facility, Customer will provide Company with a written request. Within ninety (90) days of the date of such request, Company shall provide Customer with proposed terms and conditions under which Company will be willing to increase MACQ. Such terms shall include, but not be limited to, Customer's willingness to pay, if necessary, an appropriate contribution to the cost of construction of additional facilities.

3. Customer hereby agrees to tender on a take or pay basis for transportation on Company's systems, during each annual period, a volume of gas equal to or greater than the minimum annual volume of [REDACTED] therms per year at the Orr plant (combining the volumes for the two meters), and [REDACTED] therms per year at the Hialeah plant. These take or pay minimums for each plant shall be temporarily suspended when Customer advises Company of a service outage at a specific plant of more than 90 days, and the take or pay minimums shall be adjusted accordingly for that plant on a pro rata basis for the period of such outage.

4. The maximum daily contract quantity of gas ("MDCQ") Customer may have delivered to Company at the Points of Receipt, in the aggregate, for transportation by Company hereunder shall be 24,500 therms. During the Term of this Agreement, Customer may increase the MDCQ and/or the maximum deliveries designated herein for each Point of Receipt only with the prior consent of Company, and only upon such prior notice as Company may require under the circumstances.



**ARTICLE VII**

**RATES AND CHARGES FOR SERVICE**

1. For the Term of this Agreement, Customer shall pay Company each month the following transportation charges for services rendered under this Agreement. The rates set forth below are subject to the tax and other adjustment terms of Company's Tariff, as applicable to the Customer.

2. The applicable natural gas transportation rates for service to Customer by Company for the period January 1, 2014, through December 31, 2017 under this Agreement shall be as follows (for purposes of this Agreement, the volumes delivered through the two meters at Orr shall be combined cumulatively for the purpose of determining the applicable monthly rate and total annual therms for Orr):

Plant	Orr		Hialeah	
	Volume	Rate	Volume	Rate
Tier 1	█ million therms* to less than █ million therms	\$█	█ million therms* to less than █ million therms	\$█
Tier 2	█ million therms to less than █ million therms	\$█	█ million therms to less than █ million therms	\$█
Tier 3	█ million therms and higher	\$█	█ million therms and higher	\$█

\* This is the take or pay minimum billable volume for this plant except as may be adjusted.

3. Annual Price Increase. Beginning January 1, 2018, and continuing through December 31 2023, the rate for natural gas transported to the Customer's Orr and Hialeah plants by Company shall be increased effective January 1 for each year by the annual United States Bureau of Labor Statistics Consumer Price Index for All Urban Consumers ("CPI-U") as

**Exhibit D: CONFIDENTIAL  
FCG Cost Support  
Documentation  
(Redacted Version)**

**Pages 3-27 are  
Redacted in their Entirety**