BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Gulf Power Company.

DOCKET NO. 130140-EI ORDER NO. PSC-13-0434-CFO-EI ISSUED: September 24, 2013

ORDER GRANTING GULF POWER COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION AND MOTION FOR TEMPORARY PROTECTIVE ORDER (DOCUMENT NO. 05413-13)

On September 12, 2013, pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), Gulf Power Company (Gulf) filed its Request for Confidential Classification and Motion for Protective Order regarding its responses to the Office of Public Counsel's (OPC) Second Request for Production of Documents Nos. 60, 61 and 63 (Document No. 05413-13). No objections to Gulf's Request for Confidential Classification and Motion for Protective Order have been filed.

Section 366.093(1), F.S., provides that "any records received by the commission which are shown and found by the commission to be proprietary confidential business information shall be kept confidential and shall be exempt from Section 119.07(1) [the Public Records Act]." Section 366.093(3), F.S., defines proprietary confidential business information as information that is intended to be and is treated by the company as private, in that disclosure of the information would cause harm to the company's ratepayers or business operations, and has not been voluntarily disclosed to the public. Sections 366.093(3)(d) and (e),F.S., state that proprietary confidential business information includes, but is not limited to, "[i]nformation 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" and "[i]nformation relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information."

Gulf contends that designated portions of its responses to OPC's Second Request for Production of Documents (POD) Nos. 60, 61 and 63 fall within these categories and, thus, constitute proprietary confidential business information entitled to protection under Section 366.093, F.S., and Rule 25-22.006, F.A.C. Gulf states that this information is intended to be and is treated by Gulf as private and has not been publicly disclosed.

OPC's POD No. 60 states "Work papers. Please provide copies of all documents, in Excel compatible format with all formulas functional and intact where possible, used to prepare the schedules supporting the application in this docket together with supporting work papers, including all work papers and documents supporting the 2013 budget and the 2014 forecast." In response to this request Gulf has produced sixty-two electronic files with the information it deems confidential highlighted. Twenty-five of these files contain contractual agreements for the purchase of short term and long term wholesale power, consulting agreements, lines of credit, rights-of-way leases and facility leases the disclosure of which would impair Gulf's ability to

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negotiate the lowest prices for services in future contracts and could result in potential suppliers refusing to enter into contracts with Gulf for the same services. Seven of these files contain employee compensation data including names, positions, salaries and promotion status the disclosure of which would provide Gulf's competitors the opportunity to recruit existing Gulf employees and impair Gulf's ability to retain qualified employees at the lowest possible compensation. Twenty-nine of these files contain pricing and planning justifications/scenarios related to infrastructure improvements, e.g., transmission lines, substations, transformers and breakers. Disclosure of this type of information could impair the security and reliability of Gulf's transmission and distribution system as well as result in higher prices for the component parts and labor necessary to complete this construction. One file contains allocation factors for affiliate transactions which if disclosed could allow competitors to compute Gulf's costs resulting in higher bids for necessary goods and services or the ability to manipulate the market with regard to energy sales.

OPC's response to POD Nos. 61 and 63 contains Gulf's performance pay program documentation and employee compensation data including names, positions, salaries and promotion status the disclosure of which would allow Gulf's competitors the opportunity to recruit existing Gulf employees and impair Gulf's ability to retain qualified employees at the lowest possible compensation.

Time Period For Confidential Classification

Gulf requests confidential classification for this information for a period of 18 months. According to Section 366.093(4), F.S., confidential classification may only extend for 18 months from the issuance of an Order granting confidential classification unless "the Commission finds, for good cause, that the protection from disclosure shall be for a specified longer period."

Upon review, it appears the above-referenced information satisfies the criteria set forth in Sections 366.093(3)(d), and (e), F.S., for classification as proprietary confidential business information. The information constitutes of information whose disclosure would adversely impact the competitive interests of the utility. Thus, the information identified in Document No. 05413-13 shall be granted confidential classification.

Pursuant to Section 366.093(4), F.S., the information for which confidential classification is granted herein shall remain protected from disclosure for a period of 18 months from the date of issuance of this Order. At the conclusion of the 18-month period, the confidential information will no longer be exempt from Section 119.07(1), F.S., unless Gulf or another affected person shows, and the Commission finds, that the records continue to contain proprietary confidential business information.

Motion for Temporary Protective Order

Gulf also seeks protection of the documents as provided in Section 366.093(2), F.S., and Rule 25-22.006(6), F.A.C., while the material is in the possession of the Office of Public Counsel (OPC). Section 366.093(2), F.S., directs that all records produced pursuant to a

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discovery request for which proprietary confidential status is requested shall be treated by any party subject to the public records law as confidential and exempt from the public records law. Section 119.07(1), F.S. Rule 25-22.006(6), F.A.C., codifies the Commission's policy regarding the protection of confidential information from public disclosure during the discovery process in a manner that is not overly burdensome to both parties. Rule 25-22.006(6)(a), F.A.C., in pertinent part, states:

In any formal proceeding before the Commission, any utility or other person may request a protective order protecting proprietary confidential business information from discovery. Upon a showing by a utility or other person and a finding by the Commission that the material is entitled to protection, the Commission shall enter a protective order limiting discovery in the manner provided for in Rule 1.280, Florida Rules of Civil Procedure.

In addition, Rule 25-22.006(6)(c), F.A.C., states that if a party allows OPC to inspect or take possession of utility information, then that "utility may request a temporary protective order exempting the information from section 119.07(1), F.S."

Upon consideration of Gulf's assertions of the confidential nature of the information contained in its responses to OPC's Second Request for Production of Documents Nos. 60, 61 and 63, Gulf's Motion for Temporary Protective Order is hereby granted. As a result, this information shall be protected from disclosure pursuant to Rule 25-22.006(6), F.A.C.

Based on the foregoing, it is

ORDERED by Commissioner Lisa Polak Edgar, as Prehearing Officer, that Gulf Power Company's Request for Confidential Classification of Document No. 05413-13 is granted. It is further

ORDERED that the information in Document No. 05413-13 for which confidential classification has been granted, shall remain protected from disclosure for a period of 18 months from the date of issuance of this Order. It is further

ORDERED that this Order shall be the only notification by the Commission to the parties of the date of declassification of the materials discussed herein.

ORDERED that the Motion for Temporary Protective Order filed by Gulf Power Company is granted.

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By ORDER of Commissioner Lisa Polak Edgar, as Prehearing Officer, this <u>24th</u> day of <u>September</u>, <u>2013</u>.

LISA POLAK EDGAR

Commissioner and Prehearing Officer Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

SBr

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.