

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for confidential classification of portions of review of fuel procurement hedging practices of Florida's investor-owned electric utilities, by Progress Energy Florida, Inc.

DOCKET NO. 080437-EI
ORDER NO. PSC-08-0636-CFO-EI
ISSUED: October 1, 2008

ORDER GRANTING PROGRESS ENERGY FLORIDA, INC.'S REQUEST FOR
CONFIDENTIAL CLASSIFICATION OF DOCUMENT NOS. 05188-08,
05532-08 AND 06684-08 (CROSS REF. 05532-08)

On June 18, 2008, Progress Energy Florida, Inc. (PEF) requested that certain information contained in the Commission Draft Report titled Fuel Procurement Hedging Practices of Florida's Investor-Owned Utilities be exempted from public access in accordance with Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.). The portions of the Draft Report that are subject to the request are contained in Document No. 05188-08.

On June 26, 2008, PEF requested that certain portions of staff's audit workpapers and data request responses pertaining to the Fuel Procurement Hedging Practices of Florida's Investor-Owned Utilities be exempted from public access, also in accordance with Section 366.093, F.S., and Rule 25-22.006, F.A.C. The portions of the staff audit workpapers and data request responses that are subject to the request are contained in Document No. 05532-08.

PEF's justifications for the confidential treatment of the above-described requested information is contained on Attachment A to this Order, which is incorporated herein by reference.

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 [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. Section 366.093(3)(b)(d) and (e), F.S., provide that proprietary confidential business information includes, but is not limited to "[i]nternal auditing controls and reports of internal auditors," "[i]nformation concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliate 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."

PEF contends that the information falls within these categories and thus constitutes proprietary confidential business information entitled to protection under Section 366.093, F.S.,

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and Rule 25-22.006, F.A.C. PEF states that this information is intended to be and is treated by PEF as private and has not been publicly disclosed.

Upon review, it appears that the above-referenced information satisfies the criteria set forth in Section 366.093(3), F.S., for classification as proprietary confidential business information and shall be treated as confidential. The information constitutes “[i]nternal auditing controls and reports of internal auditors,” “[i]nformation concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliate to contract for goods or services on favorable terms,” or “[i]nformation relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.” Thus, this information is 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 PEF or another affected person shows, and the Commission finds, that the records continue to contain proprietary confidential business information.


Based on the foregoing, it is

ORDERED by Commissioner Nathan A. Skop, as Prehearing Officer, that Progress Energy Florida, Inc.’s Requests for Confidential Classification of Document Nos. 05188-08 and 05532-08 are hereby granted. Document No. 06684-08 (cross ref. 05532-08) is also granted confidential classification. It is further

ORDERED that pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, any confidentiality granted to the documents specified herein shall expire eighteen (18) months from the date of issuance of this Order in the absence of a renewed request for confidentiality pursuant to Section 366.093. It is further

ORDERED that this Order will be the only notification by the Commission to the parties concerning the expiration of the confidentiality time period.

By ORDER of Commissioner Nathan A. Skop, as Prehearing Officer, this 1st day of October, 2008.



NATHAN A. SKOP
Commissioner and Prehearing Officer

(S E A L)

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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, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) 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 25-22.060, 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.

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 Exhibit C

**PROGRESS ENERGY FLORIDA
 Confidentiality Justification Matrix**

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DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
FPSC Draft Report titled "Fuel Procurement Hedging Practices of Florida's Investor-Owned Utilities".	Page 64: Exhibit 26	§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.
	Page 65: Exhibit 27	
	Page 67: Exhibit 28	
	Page 67: Exhibit 29	
	Page 69: Exhibit 31	§366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.
	Page 70: Exhibit 32	
	Page 70: Exhibit 33	
	Page 71: Exhibit 34	
Page 75: Exhibit 35		

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**PROGRESS ENERGY FLORIDA
 Confidentiality Justification Matrix**

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
<p>Audit Work Papers related to Fuel Procurement Hedging Practices of Florida's Investor-Owned Utilities</p>		<p>§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p>
<p>*****</p>		
<p>PSC Document Summary & Control Log (DR1)</p>	<p>Page 7 (Q.7) – Summary of Contents: Lines 1-23.</p> <p>Page 7 (Q.7) – Conclusions: Lines 1-2.</p> <p>Page 8 (Q.7) – Follow-Up: Lines 1-3.</p>	<p>§366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>PSC Document Summary & Control Log (DR2)</p>	<p>Page 2 (Q.3) – Summary of Contents: percentages.</p> <p>Page 3 (Q.3) – Summary of Contents: percentages.</p> <p>Page 3 (Q.4) – Summary of Contents: threshold range.</p> <p>Page 5 (Q.7) – Summary of Contents: forecast/actual burn percentages.</p> <p>Page 6 (Q.8) – Summary of Contents: premiums.</p>	
<p>Bureau of Regulatory Review Workplan</p>	<p>Page 3 – Audit Notes: Lines 1-4.</p>	

<p><i>(Audit Work Papers cont.)</i></p> <p>Bureau of Regulatory Review Interview Summary</p> <p>Additional Audit Workpapers</p>	<p>Section (2) – Hedging: percentages in charts (2002-2008)</p> <p>Chart titled “<i>Percent of Natural Gas Hedged to Forecasted and Actual Burn</i>” (2003-2007)</p> <p>Chart titled “<i>Percent of No.6 and No.2 Oil Hedged to Forecasted and Actual Burn</i>” (2003-2007)</p> <p>Chart titled “<i>Monthly Average Price of Natural Gas Purchases</i>” (2003-2007)</p> <p>Chart titled “<i>Monthly Average Price of No.6 Fuel Oil</i>” (2003-2007)</p> <p>Chart titled “<i>Monthly Average Price of No.2 Fuel Oil</i>” (2003-2007)</p>	
<p>DOCUMENT/RESPONSES</p>	<p>PAGE/LINE</p>	<p>JUSTIFICATION</p>

<p>PEF Response to DR-1</p>	<p>Q.7a – Attachment B Q.7b – Attachment C Q.8 – Attachment D Q.9b – Financial hedging transactions chart Q.10b – Attachment E Q.12a – Attachment F Q.12b – Attachment G Q.13 – entire response (except 1st sentence).</p>	<p>§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms. §366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>PEF Response to DR-2</p>	<p>Exhibit B: Figures in Columns C, D & F. Exhibit C: Columns A, B, E & F. Exhibit F: Pages 1 and 2 (entire document). Exhibit G: Pages 1 and 2; Columns A, B, F, G & H. Exhibit I: compact disc (CD) Exhibit J: Page 1 (entire document). Exhibit L: Page 1 (entire document).</p>	<p>§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms. §366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>DOCUMENT/RESPONSES</p>	<p>PAGE/LINE</p>	<p>JUSTIFICATION</p>

<p>PEF Response to DR-3</p>	<p>Attachment A - "Avg. monthly financial hedge prices for 2003-2007" (entire document).</p> <p>Attachment B - "Avg. monthly purchase prices for 2003-2007" (entire document)</p>	<p>§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
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Response