

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for increase in wastewater rates in Charlotte County by Utilities, Inc. of Sandalhaven.

DOCKET NO. 150102-SU
ORDER NO. PSC-15-0561-CFO-SU
ISSUED: December 9, 2015

ORDER GRANTING UTILITIES, INC. OF SANDALHAVEN'S
REQUESTS FOR CONFIDENTIAL CLASSIFICATION
(DOCUMENT NOS. 03766-15, 05031-15)

On June 19, 2015, pursuant to Section 367.156, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), Utilities, Inc. of Sandalhaven (Sandalhaven) filed a Request for Confidential Classification (First Request) of portions of Utilities, Inc. and Subsidiaries December 31, 2014 and 2013 Consolidated Financial Statements (Document No. 03766-15). On August 11, 2015, Sandalhaven filed a Request for Confidential Classification of its response to Staff's First Data Request No. 21(b), portions of its 2006 IRS Form 1120, 2007 Schedule M-3(IRS Form 1120), 2008 Schedule M-3 (IRS Form 1120), and 2009 Schedule M-3 (IRS Form 1120)(Second Request)(Document No. 05031-15).

Request for Confidential Classification

Sandalhaven contends that designated portions of the information contained in its Utilities, Inc. and Subsidiaries December 31, 2014 and 2013 Consolidated Financial Statements and responses to Staff's First Data Request No. 21(b), as more specifically described in Exhibit A attached to its First and Second Requests, constitute proprietary confidential business information entitled to protection under Section 367.156(3)(a), (b), (d) and (e), F.S., and Rule 25-22.006, F.A.C. Exhibit A attached to Sandalhaven's First and Second Requests contains a detailed matrix providing justification and support for confidential classification of the information on a line-by-line, column-by-column basis. Sandalhaven asserts that this information is intended to be and is treated by Sandalhaven as private and has not been publicly disclosed.

The information provided in its December 31, 2014 and 2013 Consolidated Financial Statements consists of operating revenues, operating expenses, operating income, net income, assets, equity, long and short-term debt, liabilities deferred credits and other liabilities, contributions in aid of construction, advances in aid of construction, dividends, paid-in capital, retained earnings, cash flow information, income taxes, acquisitions and dispositions, property, plant, equipment, accounts receivable, goodwill, capital contributions, and lease payments. The 2006, 2007, 2008, and 2009 IRS Form 1120, Schedule M-3s are calculations that support the payment of income taxes on tap fees.

Ruling

Section 367.156(1), F.S., provides that records the Commission has found to contain proprietary business information shall be kept confidential and shall be exempt from Chapter 119, F.S. Section 367.156(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 367.156(3)(d) and (e), F.S., provide that proprietary confidential business information includes, but is not limited to:

(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.

Upon review, it appears the information provided in Sandalhaven's December 31, 2014 and 2013 Consolidated Financial Statements satisfies the criteria set forth in Sections 367.156(3)(d) and (e), F.S., for classification as proprietary confidential business information. The information described above and in both Exhibit As, attached to Sandalhaven's First and Second Requests, constitute financial information not available to the general public and could, if disclosed, adversely impact Sandalhaven's ability to conduct its business in the most cost-effective manner possible. With regard to the 2006, 2007, 2008, and 2009 IRS Form 1120, Schedule M-3s (Document No. 05031-15), federal tax returns are confidential pursuant to federal law, specifically, 26 U.S.C. Section 6103(a). That being the case, it is the Commission's policy to afford confidential treatment to federal income tax returns under the sections cited above.¹

Section 367.156(4), F.S., provides that any finding by the Commission that records contain proprietary confidential business information shall be effective for a period not to exceed 18 months, absent good cause shown. The information identified in Document Nos. 03766-15 and 05031-15 shall be granted confidential classification for a period of 18 months from the issuance of this Order.

Based on the foregoing, it is


ORDERED by Lisa Polak Edgar, as Prehearing Officer, that Utilities, Inc. of Sandalhaven's request for confidential treatment of portions of Document Nos. 03766-15 and 05031-15 is granted, as set forth herein. It is further

¹ Order No. PSC-02-1249-PCO-WU, issued on September 10, 2002, in Docket No. 992015-WU, In re: Application for limited proceeding to recover costs of water system improvements in Marion County by Sunshine Utilities of Central Florida, Inc.; Order No. PSC-08-0394-CFO-SU, issued on June 12, 2008, in Docket No. 070293-SU, In re: Application for increase in wastewater rates in Munroe County by K.W. Resort Utilities, Corp.

ORDERED that the information contained in Document Nos. 03766-15 and 05031-15, for which confidential classification has been granted, shall remain protected from disclosure for a period of up to 18 months from the date of issuance of this Order. 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 Lisa Polak Edgar, as Prehearing Officer, this 9th day of December, 2015.


LISA POLAK EDGAR
Commissioner and Prehearing Officer
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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

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appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.