

One Energy Place
Pensacola, Florida 32520

Tel 850.444.6000



December 3, 1997

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0870

960789 -EI

Dear Ms. Bayo:

RE: Request for Confidential Classification
Quarterly CISR Report for the Third Quarter 1997

Enclosed are an original and fifteen copies of Gulf Power Company's Request for Confidential Classification for the Quarterly CISR Report for the Third Quarter 1997.

Sincerely,

A handwritten signature in cursive script that reads "Linda G. Malone".

Linda G. Malone
Assistant Secretary and Assistant Treasurer

lw

cc: Beggs and Lane
Russell A. Badders
Gulf Power Company
Susan D. Cranmer

x-ref 11743-97
DOCUMENT NUMBER-DATE

12481 DEC-55

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Gulf Power Company
Quarterly Commercial/Industrial Service
Rider ("CISR") Report for
the Third Quarter 1997

Docket No.: 960789
Date: December 4, 1997

REQUEST FOR CONFIDENTIAL CLASSIFICATION

GULF POWER COMPANY ["Gulf Power", "Gulf", or "the Company"], by and through its undersigned attorney and pursuant to Rule 25-22.006, Florida Administrative Code, hereby files a request that the Florida Public Service Commission enter an order protecting from public disclosure Gulf Power Company's Quarterly CIS Rider Report for the Third Quarter 1997, hereafter also referred to as the Quarterly CIS Rider Report submitted to the Florida Public Service Commission pursuant to Order No. PSC-96-1219-FOF-EI. As grounds for this request, Gulf Power Company states:

1. On or about November 17, 1997, Gulf Power Company submitted to the Florida Public Service Commission Gulf Power Company's Quarterly CIS Rider Report for the Third Quarter of 1997 as required by Order No. PSC-96-1219-FOF-EI.
2. On or about August 17, 1997, Gulf Power Company filed a Notice of Intent to Request Confidential Classification with regard to the Quarterly CIS Rider Report. Gulf Power asserts that the information contained in the Quarterly CIS Rider Report is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of the Gulf Power and the entity with whom it has negotiated a CSA contract under the CIS rider approved in Order No.

DOCUMENT NUMBER-DATE

12481 DEC-55

FPSC-RECORDS/REPORTING

PSC-96-1219-FOF-EI. The Quarterly CIS Rider Report contains proprietary and commercially sensitive information that is not otherwise publicly available.

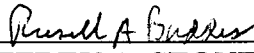
3. The Public disclosure of the information contained in the Quarterly CIS Rider Report would cause irreparable harm to Gulf Power Company and the entity with whom it has entered a CSA contract. The Quarterly CIS Rider Report contains proprietary confidential business information regarding contractual terms and pricing. Public disclosure of this information would impair the ability of Gulf Power Company to negotiate terms and conditions in future CSAs that are the most favorable to Gulf and its general body of customers. Moreover, the public disclosure of this information may prevent Gulf from successfully negotiating CSAs with customers. The information is regarded as sensitive and confidential by the CIS rider customer because its public disclosure would impact the customers' ability to compete in their native markets. In the event such information is made public, future potential CIS rider customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Gulf Power. This may lead to uneconomic bypass of Gulf's facilities. Thus, the Company requests that this information be granted confidential classification pursuant to Section 366.093(3)(e), Florida Statutes.

4. Submitted as Exhibit "A" is a copy of the Quarterly CISR Report, on which is highlighted the information for which confidential classification is requested. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" are two (2) edited copies of the Quarterly CIS Rider Report, which may be made available for public review and inspection. Attached as Exhibit "C" to this request is a line-by-line justification for the request for confidential classification.

5. The material for which confidential classification is requested is intended to be, and is treated as, confidential by Gulf Power Company and the entity with whom it has entered a CSA contract and has not been otherwise publicly disclosed.

WHEREFORE, Gulf Power Company respectfully requests that the Commission enter an order protecting the information highlighted on Exhibit "A" from public disclosure as proprietary confidential business information.

Respectfully submitted this 4 th day of December 1997,



JEFFREY A. STONE
Florida Bar No. 325953
RUSSELL A. BADDERS
Florida Bar No. 007455
Beggs & Lane
P. O. Box 12950
(700 Blount Building)
Pensacola, FL 32576-2950
(850) 432-2451
Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Gulf Power Company

Quarterly Commercial/Industrial Service
Rider ("CISR") Report for
the Third Quarter 1997

Docket No.: 960789

Date: December 4, 1997

EXHIBIT "A"

REQUEST FOR CONFIDENTIAL CLASSIFICATION

The information provided herein should be maintained as proprietary confidential business information pursuant to Section 366.093 and Rule 25-22.006, F.A.C.

EXHIBIT "A"

Provided to the Division of Records and Reporting
under separate cover as confidential information

GULF POWER COMPANY**Quarterly CIS Rider Report****Report Period: Third Quarter 1997**

During the third quarter of 1997, Gulf has entered into a CSA pursuant to the CIS Rider. This is the second CSA entered into by the Company. Although the CSA was signed during the third quarter of 1997, by its terms, the effective date can be no earlier than the first day of the fourth quarter. The CSA was signed by Gulf and a qualified candidate under the terms and conditions set forth in Order No. PSC-96-1219-FOF-EI in Docket No. 960789-EI. Gulf offered and signed the CSA based on extensive analysis and customer specific research.

Electricity is a substantial portion of the customer's controllable costs. The load from this customer was at risk of being lost to Gulf Power due to the customer's plan to own and operate a cogeneration facility for self-service benefit. The planned cogeneration facility was (and is) under construction with an expected in-service date of March 31, 1998. Loss of this electric load to cogeneration would have had a negative impact on Gulf Power Company and its ratepayers. In the absence of the CSA negotiated between the parties under the CIS Rider, the customer would not enter into contracts with Gulf Power allowing Gulf Power to assume ownership of the cogeneration facility and to continue to serve the customer's electric energy needs otherwise associated with the facility. Instead, the customer would proceed with its original plans to own and operate the cogeneration facility for its own self-service benefit.

CSA No. 2 contains the following key provisions:

1. 20 year term of contract
2. The load is divided into two parts for application of the negotiated pricing arrangement beginning on or about April 1, 1998:

Part 1 consists of 7,500 kilowatts (KW) of contracted demand billed at the Company's standard PX rate (or its successor) based on usage at a 100% load factor, together with all customer charges otherwise applicable under Rate Schedule PX (or its Successor) and Rate Schedule CIS.

Part 2 consists of all metered energy usage at the customer's plant that is above the contracted energy threshold set by the first part. The hourly prices for such second part energy shall be determined by subtracting a fixed amount from the hourly prices quoted by the Company to its customers taking service under Rate Schedule RTP (or its successor). This fixed amount is one figure for the first five years of the agreement. The contract specifies a second amount that is applicable during the remaining term of the agreement.

EXHIBIT "B"

GULF POWER COMPANY

Quarterly CIS Rider Report

Report Period: Third Quarter 1997

During the third quarter of 1997, Gulf has entered into a CSA pursuant to the CIS Rider. This is the second CSA entered into by the Company. Although the CSA was signed during the third quarter of 1997, by its terms, the effective date can be no earlier than the first day of the fourth quarter. The CSA was signed by Gulf and a qualified candidate under the terms and conditions set forth in Order No. PSC-96-1219-FOF-EI in Docket No. 960789-EI. Gulf offered and signed the CSA based on extensive analysis and customer specific research.



CSA No. 2 contains the following key provisions:

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GULF POWER COMPANY

Quarterly CIS Rider Report

Report Period: Third Quarter 1997

During the third quarter of 1997, Gulf has entered into a CSA pursuant to the CIS Rider. This is the second CSA entered into by the Company. Although the CSA was signed during the third quarter of 1997, by its terms, the effective date can be no earlier than the first day of the fourth quarter. The CSA was signed by Gulf and a qualified candidate under the terms and conditions set forth in Order No. PSC-96-1219-FOF-EI in Docket No. 960789-EI. Gulf offered and signed the CSA based on extensive analysis and customer specific research.



CSA No. 2 contains the following key provisions:

1. [Redacted]
2. [Redacted]

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EXHIBIT "C"

Line-by-Line Justification

Line(s)

Justification

Page 1
Lines 16 thru 27

This information is proprietary confidential business information regarding contractual terms and pricing. Public disclosure of this information would impair the ability of Gulf Power Company to negotiate terms and conditions in future CSAs that are the most favorable to Gulf and its general body of customers. This information is customer specific. The information is regarded as sensitive and confidential by the CIS rider customer because its public disclosure would impact the customers' ability to compete in their native markets. In the event such information is made public, future potential CIS rider customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Gulf Power. This may lead to uneconomic bypass of Gulf's facilities.

Page 1
Lines 29 thru 41

This information is proprietary confidential business information regarding contractual terms and pricing. Public disclosure of this information would impair the ability of Gulf Power Company to negotiate terms and conditions in future CSAs that are the most favorable to Gulf and its general body of customers. The result of public disclosure of the pricing information would be price convergence in future CSAs. Moreover, the public disclosure of this information may prevent Gulf from successfully negotiating CSAs with customers. The information is regarded as sensitive and confidential by the CIS rider customer because its public disclosure would impact the customers' ability to compete in their native markets. In the event such information is made public, future potential CIS rider customers may avoid the risk of public disclosure of their confidential information by refusing to negotiate with Gulf Power. This may lead to uneconomic bypass of Gulf's facilities.

Page 2
Lines 0-10

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