

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased Gas Adjustment
(PGA) true-up.

DOCKET NO. 980003-GU
ORDER NO. PSC-98-0548-CFO-GU
ISSUED: April 20, 1998

ORDER GRANTING CONFIDENTIAL CLASSIFICATION TO PORTIONS OF PEOPLES
GAS SYSTEM'S PURCHASED GAS ADJUSTMENT FILING FOR JANUARY 1998
(DOCUMENT NO. 02437-98)

Pursuant to Rule 25-22.006, Florida Administrative Code, and Section 366.093, Florida Statutes, Peoples Gas System (Peoples) requests confidential classification for portions of its January, 1998, Purchased Gas Adjustment (PGA). Peoples asserts that the information for which it seeks confidential classification is confidential and is treated as such by Peoples. Peoples claims that this information has not been publicly disclosed. Peoples requests that this information be granted confidential classification for a period of 18 months from the date of the issuance of this Order. Peoples asserts that this period is necessary to allow Peoples to negotiate future gas purchase contracts without their suppliers and competitors or other customers having access to information. Peoples asserts that such access would adversely affect the ability of Peoples and its affiliates to negotiate future contracts on favorable terms.

Specifically, Peoples requests that the following information be granted confidential classification:

SCHEDULE	LINES	COLUMNS/RATIONALE
A-3	11, 15-23	E-K, L
A-4	1-19	C-F, G-H
OPEN ACCESS REPORT	9, 26-40, 43	C and E
JANUARY INVOICES P. 5/12, 6/12	1	SUPPLIER/ CUSTOMER
P. 7/12	1, 6, 18	SUPPLIER/ CUSTOMER

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SCHEDULE	LINES	COLUMNS
P. 8/12	1, 6	SUPPLIER/ CUSTOMER
PP. 5/12, 6/12	1, 3	SUPPLIER/CUSTOMER FACTS: Fonts, logos, etc.
P. 7/12	2-4	SUPPLIER/CUSTOMER FACTS: Fonts, logos, etc.
P. 8/12	2-5, 7-9	SUPPLIER/CUSTOMER FACTS: Fonts, logos, etc.
P. 8/12	10-11	RATE
P. 8/12	10-11, 23	THERMS/ AMOUNTS
P. 12/12	ENTIRE SHEET	RATES/SUPPLIER INFORMATION
ACCRUALS P. 1	1, 9	C/RATE
P. 2, 3	1	C/RATE
P. 4, 5, 7, 8	1-2	C/RATE
P. 6	1, 9-13	C/RATE
ACCRUALS P. 1	1, 8-9, 16	B & D/ THERM/ACRD
P. 2, 3	1, 15	B & D/THERM/ACRD
P. 4, 5, 7, 8	1-2, 15	B & D/THERM/ACRD
P. 6	1, 8-13, 16	B & D/THERM/ACRD
DECEMBER ACC. RECON. PP. 1-6	1-30	D/RATE
DECEMBER ACC. RECON. PP. 1-6	1-30, 93-95	C and E (THERM/DOLLAR)

SCHEDULE	LINES	COLUMNS
DECEMBER INVOICES PP. 1-9	ENTIRE SHEET	ENTIRE SHEET
PRIOR MONTH ADJUSTMENTS P. 1/11	1-3, 5-6, 21	SUPPLIER
P. 2/11	1-3, 5-6, 22, 27	SUPPLIER
P. 3/11	1-3, 5-6, 21-22, 27	SUPPLIER
PP. 4/11, 5/11	1	SUPPLIER
P. 6/11	1, 6	SUPPLIER
PP. 4/11, 5/11	1, 3	SUPPLIER FACTS: Fonts, logos, etc.
P. 6/11	2-5, 7-9	SUPPLIER FACTS: Fonts, logos, etc.
P. 1/11	18	RATE
P. 2/11, 3/11	18, 23	RATE
P. 6/11	10-11	RATE
P. 11/11	ENTIRE SHEET	ENTIRE SHEET
CASHOUT/ BOOKOUTS P. 4/8, 5/8, 8/8	7	TRADING PRICE
P. 6/8, 7/8	6	TRADING PRICE
P. 4/8, 5/8, 8/8	7-8	AMOUNTS DUE
P. 6/8, 7/8	6-7	AMOUNTS DUE
P. 4/8, 5/8, 6/8, 7/8	1	TRADING PARTNER
P. 4/8, 5/8, 8/8	2-5	TRADING PARTNER FACTS: Fonts, logos, etc.

SCHEDULE	LINES	COLUMNS
P. 6/8, 7/8	2-4	TRADING PARTNER FACTS: Fonts, logos, etc.

Peoples asserts that the above information is contractual information relating to quantities of gas purchased from suppliers, transportation costs, algebraic functions of these items, rates at which Peoples purchased gas from suppliers, both the volume and the cost of the volume of gas purchased, and supplier information. Peoples maintains that this information, if it is made public, "would impair the efforts of the public utility or its affiliates to contract for goods and services on favorable terms." Section 366.093(3)(d), Florida Statutes. Peoples contends that disclosure of the rates, supplier names, volumes, prices and algebraic functions of these items would give other competing suppliers information with which to potentially or actually control the pricing of gas either by all quoting the price shown here, or by all adhering to a rate offered by a particular supplier. Peoples maintains that such suppliers would be less likely to make concessions which they might have previously made, and could simply refuse to sell at a price less than the rates Peoples seeks to keep confidential. Peoples warns that the end result of disclosure is reasonably likely to be increased gas prices, and therefore and increased cost of gas which Peoples must recover from its ratepayers.

Peoples foresees the same result if its cashout and bookout transactions are disclosed. Peoples argues that disclosure of the bookout price per therm would give other Florida Gas Transportation (FGT) customers information with which to potentially or actually control the pricing of booked out imbalances either by all quoting a particular price or by adhering to a price offered to a particular FGT customer in the past. Either way, Peoples asserts that an FGT customer which might have been willing to trade imbalances at a price per therm more favorable to Peoples than the price reflected in this portion of the filing, would likely refuse to do so.

Peoples asserts that disclosure of supplier names or facts would be detrimental in much the same way as disclosure of cashout and bookout information because it would provide competitors with a list of prospective suppliers. Peoples contends that a third party could use such information to interject itself as a middleman

between Peoples and the supplier. In either case, Peoples predicts that the end result is reasonably likely to be increased gas prices, and therefore an increased cost of gas which Peoples must recover from its ratepayers.

Peoples also requests confidential classification for the information described below:

SCHEDULE	LINES	COLUMNS
A-3	11-23	B
A-4	1-18	A-B
OPEN ACCESS REPORT	9-11, 26-45	A
ACCRUALS P. 1	1, 8-9, 16	B & D
PP. 2, 3	1, 15	B & D
PP. 4, 5	1-2, 15	B & D
P. 6	1, 8-13, 16	B & D
PP. 7, 8	1-2, 15	B & D
DECEMBER ACC. RECON. PP. 1-6	1, 3, 5, 7, 9, 11, 13, 15, 17, 19, 21, 23, 25, 27, 29	A "SUPPLIER"
CASHOUTS/BOOKOUTS P. 4/8, 5/8, 6/8, 7/8, 8/8,	1	TRADING PARTNER
P. 4/8, 5/8, 8/8	2-5	TRADING PARTNER FACTS
P. 6/8, 7/8	2-4	TRADING PARTNER FACTS

Peoples asserts that the above information is entitled to confidential classification because it contains the names of suppliers, receipt points, and the names of FGT customers with which Peoples traded imbalances. Peoples claims that disclosure of this information would be detrimental to Peoples and its ratepayers because it would provide competitors with a list of prospective gas

suppliers and would facilitate the intervention of middlemen. Peoples asserts that the end result is reasonably likely to be increased gas prices, and therefore an increased cost of gas which Peoples must recover from its ratepayers. Peoples asserts that disclosure of FGT customers with which it traded imbalances would provide other FGT customers with a list of prospective imbalance traders. Moreover, a third party could use such information to interject itself as a middleman between Peoples and the FGT customer. In either case, the end result is reasonably likely to be higher bookout transaction costs and/or FGT imbalance charges. Peoples maintains that this will likely mean an increased cost of gas which Peoples must recover from its ratepayers.

Peoples also asserts that publishing the names of other pipeline customers with which Peoples traded imbalances would be detrimental to the interests of Peoples and its ratepayers because it would reveal elements of Peoples's capacity strategy and help illustrate Peoples's supply and transportation infrastructure. Disclosing the amount of available pipeline capacity at a specific point could encourage the intervention of competing shippers, suppliers, industrial end users, or capacity brokers, not to mention affect a potential customer's decisions regarding the type of service it desires. Peoples asserts that in either case, the end result is reasonably likely to be an increased cost of transportation, which would lead in turn to an increased cost of gas which Peoples must recover from its ratepayers.

CONCLUSION

Upon review it appears that the information described in the body of this Order is proprietary, confidential business information relating to bids and contracts, "the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods and services on favorable terms." Section 366.093(3), Florida Statutes. Therefore, Peoples' request shall be granted confidential classification for a period of 18 months from the date of the issuance of this Order in accord with Section 366.093(4), Florida Statutes.

It is therefore

ORDERED by Commissioner Susan F. Clark, as Prehearing Officer, that the information described in the body of this Order and contained in Document No. 02437-98 is granted confidential classification. It is further

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ORDERED that the information described in the body of this Order and contained in Document No. 02437-98 is granted confidential classification for a period of 18 months from the date of the issuance of this Order. It is further

ORDERED that this Order will be the only notice by the Commission to the parties of the declassification date of this document.

By ORDER of Commissioner Susan F. Clark, as Prehearing Officer, this 20th Day of April, 1998.



SUSAN F. CLARK
Commissioner and Prehearing Officer

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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.

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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 25-22.038(2), 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 Director, Division of Records and Reporting, 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.