

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Purchased gas adjustment
(PGA) true-up.

DOCKET NO. 980003-GU
ORDER NO. PSC-98-1670-CFO-GU
ISSUED: December 10, 1998

ORDER GRANTING CONFIDENTIAL CLASSIFICATION TO FLORIDA PUBLIC UTILITIES COMPANY FOR PORTIONS OF ITS PURCHASED GAS ADJUSTMENT FOR JULY, 1998 (DOCUMENT NO. 08976-98)

Pursuant to Rule 25-22.006, Florida Administrative Code, and Section 366.093, Florida Statutes, Florida Public Utilities Company (FPUC) requests confidential classification for portions of its July, 1998, Purchased Gas Adjustment (PGA). FPUC asserts that the information contained in Document No. 08976-98 is confidential information and has not been publicly disclosed. FPUC requests that this information be granted confidential classification for a period of 18 months from the date of the issuance of this Order. FPUC asserts that this time period is necessary to allow FPUC to negotiate future gas purchase contracts on favorable terms. FPUC also maintains that information such as that contained in Document No. 08976-98 has previously been granted confidential classification by the Commission in Order No. PSC-96-0532-CFO-GU, issued April 15, 1996, in Docket No. 960003-GU.

FPUC requests that the information described below be granted confidential classification:

TABLE 1: SCHEDULE A-1, SUPPORTING DETAIL; SCHEDULE A-3; AND, SCHEDULE A-4

| SCHEDULES | PAGES | LINES | COLUMNS |
|--------------------------|-------|-------|---|
| A-1 SUPPORTING DETAIL | 4A | 7-9 | VENDOR; INVOICE, CREDIT, CHECK, OR IDENTIFYING NUMBER; INVOICE AMOUNT; CLASSIFICATION BREAKDOWN |

DOCUMENT NUMBER-DATE

13885 DEC 10 88

FPUC-RECORDS/REPORTING

| SCHEDULES | PAGES | LINES | COLUMNS |
|-----------|-------|-------|--|
| A-3 | 6A | 1-25 | PURCHASED FROM; SYSTEM SUPPLY; END USE; TOTAL PURCHASED; COMMODITY COST/THIRD PARTY; OTHER CHARGE ACA/GRI/FUEL; TOTAL CENTS PER THERM |
| A-4 | 7 | 1-13 | PRODUCER NAME; RECEIPT POINT; GROSS AMOUNT; NET AMOUNT; MONTHLY GROSS; MONTHLY NET; WELLHEAD PRICE; CITYGATE PRICE |

FPUC asserts that the information contained within these columns represents either negotiated gas supply packages or information from which the cost of such packages July be derived. These packages are purchased from suppliers other than Florida Gas Transmission Company (FGT). According to FPUC, these purchase prices vary based on the operational flexibility of each contract. This information also contains the names of gas suppliers from which FPUC is purchasing gas supplies. FPUC maintains that the release of supplier names would be detrimental to the interests of FPUC and its customers because it would provide a competitor with a list of FPUC's suppliers. FPUC contends that this information concerns both the volumes purchased and the costs by gas supply source. FPUC asserts that disclosure of this information may render suppliers less likely to make price concessions. FPUC maintains that the release of such information has the potential to encourage price fixing by gas suppliers. Potentially, according to FPUC, the release of the aforementioned information may result in higher gas costs which would have to be passed along to FPUC's customers. This, according to FPUC, "would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

FPUC also requests confidential classification of the following:

TABLE 2: GAS INVOICES

| PAGES | LINES | COLUMNS |
|--------------|--------------|----------------|
| 16-18 | 1-80 | ALL |

FPUC claims that it is necessary to keep all natural gas supply invoices and related transactions confidential with the exception of the FGT invoices and transactions. The identity of the individual gas suppliers could be determined by any person familiar with the format, fonts and type sizes used by each gas supplier in constructing their invoices. Because of this, FPUC requests that every element of all gas supply invoices, with the exception of FGT invoices, be kept confidential to comply with the terms of FPUC's gas supply contracts. FPUC asserts that the disclosure of any portion of this information would be detrimental to FPUC and its customers because it would provide a competitor with a list of FPUC's suppliers. FPUC asserts that if this information is disclosed, suppliers may be less likely to make price concessions. Release of such information has the potential to lead to inflated price fixing by gas suppliers. Potentially, according to FPUC, release of the aforementioned information may result in higher gas costs which would have to be passed along to FPUC's customers. FPUC also contends that it is contractually obligated to keep confidential all material terms of its gas supply agreements and transactions between its gas suppliers and the company. Each gas invoice represents negotiated gas supply packages purchased from suppliers other than FGT. According to FPUC, these prices vary based on the operational flexibility of each contract.

FPUC also requests confidential classification for the information in the following table:

TABLE 3: IMBALANCE RESOLUTION

| PAGES | LINES | COLUMNS |
|--------------|--------------|----------------|
| 18 | 13-16 | A-C |
| | 23 | F-H |
| | 25 | F & H |

FPUC asserts that this item represents transactions by FPUC and affects its PGA for imbalances traded and as an alternative to FGT's cash out program. FPUC maintains that transactions of these types are with other pipeline customers. FPUC asserts that for competitive purposes only, FPUC must be assured that no other pipeline customer will be able to ascertain the parties involved in this transaction with FPUC nor the prices of the components of such transactions nor the quantities involved in this transaction. FPUC maintains that unless this information is kept confidential, other future transactions of this type may be put at undue risk. Finally, FPUC contends that this information is contractual information which, if made public, "would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

Upon review, it appears that the information described above relates to invoices, imbalance trades, supplier names, and amounts of gas purchased and/or traded. Disclosure of this information could harm FPUC, its affiliates or its ratepayers. This information appears to be contractual or bid information, the disclosure of which "would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. As such, this information is entitled to confidential classification. In accord with Section 366.093(4), Florida Statutes, this information shall be granted confidential classification for a period of 18 months from the date of the issuance of this Order.

It is therefore


ORDERED by Commissioner Susan F. Clark, as Prehearing Officer, that the information described within the body of this Order and contained in Document No. 08976-98 is granted confidential classification. It is further

ORDERED that the information described within the body of this Order and contained in Document No. 08976-98 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 shall be the only notice by the Commission to the parties of the declassification date of this document.

ORDER NO. PSC-98-1670-CFO-GU
DOCKET NO. 980003-GU
PAGE 5

By ORDER of Commissioner Susan F. Clark, as Prehearing Officer, this 10th Day of December, 1998.



SUSAN F. CLARK
Commissioner and Prehearing Officer

(S E A L)

GAJ

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.

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

ORDER NO. PSC-98-1670-CFO-GU
DOCKET NO. 980003-GU
PAGE 6

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.