



February 18, 1999

VIA HAND DELIVERY

Ms. Blanca S. Bayó
Director
Division of Records and Reporting
Florida Public Service Commission
Betty Easley Conference Center
2540 Shumard Oak Boulevard
Room 110
Tallahassee, FL 32399-0850

**Re: Florida Power & Light Company's Request for
Confidential Classification of Certain Material
Provided in Connection with the Monthly Fuel Filings;
Docket No. 990001-EI**

Dear Ms. Bayó:

ACK _____ I enclose and hand you herewith for filing in the above-referenced matter, the original and fifteen
 AFA _____ (15) copies of Florida Power & Light Company's ("FPL") Request for Confidential Classification. The
 APP _____ original includes Attachments A, B, and C. The fifteen copies include only Attachments B and C.

CAF _____ Attachment A contains the confidential information that is the subject of FPL's Request for
 CML _____ Confidential Classification. Attachment A is submitted for filing in a separate, sealed folder or carton
 CTR _____ marked "ATTACHMENT A - CONFIDENTIAL. Attachment B is an edited version of Attachment A, in
 EAG _____ which the information FPL asserts is confidential has been blocked out. Attachment C contains FPL's
 LEG _____ justification for its request for confidential classification.

LIN _____ In accordance with Rule 25-22.006(3)(d), FPL requests confidential treatment of the information in
 OFC _____ Attachment A pending disposition of FPL's request for Confidential Classification.

RCR _____ Also included herewith is a computer diskette containing FPL's Request for Confidential
 SEC 1 _____ Classification and Attachment C, in Word Perfect 5.1 for Windows.

WFS _____
 JTH all to 116
 Mat'ldo
 FPSC-BUREAU OF RECORDS

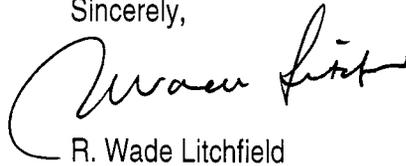
Request
 DOCUMENT NUMBER-DATE
 00010 FEB 19 99
 FPSC-RECORDS/REPORTING

Confidential
 DOCUMENT NUMBER-DATE
 02213 FEB 19 99
 FPSC-RECORDS/REPORTING

Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
February 19, 1999
Page 2

Please do not hesitate to contact me should you or your Staff have any questions regarding this filing.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Wade Litchfield". The signature is written in a cursive style with a large initial "R" and a distinct "Litchfield" ending.

R. Wade Litchfield

RWL/bjw
Enclosures

cc: Service List (w/out Attachment A)

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL

In re: Fuel and Purchased Power) DOCKET NO. 990001-EI
Cost Recovery Clause and Generating)
Performance Incentive Factor) FILED: February 19, 1999

REQUEST FOR CONFIDENTIAL CLASSIFICATION

NOW, BEFORE THIS COMMISSION, through undersigned counsel, comes Florida Power & Light Company ("FPL") and, pursuant to section 25-22.006 of the Florida Administrative Code and section 366.093 of the Florida Statutes, hereby requests confidential classification of certain information on Florida Public Service Commission ("FPSC" or "Commission") Form 423-1(a) submitted in Docket No. 980001-EI. In support of its Request, FPL states as follows:

1. Petitioner's name and address are:

Florida Power & Light Company
P.O. Box 029100
Miami, Florida 33102-9100

Orders, notices, or other pleadings related to this request should be served on:

William G. Walker, III
Vice President
Florida Power & Light Company
215 South Monroe Street
Suite 810
Tallahassee, FL 32301-1859
(850) 224-7595

R. Wade Litchfield
Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420
(561) 691-7101

DOCUMENT NUMBER-DATE
~~02212~~ FEB 19 99
FPSC-RECORDS/REPORTING

2. The following attachments are included herewith and made a part hereof:
 - a. Attachment A is the complete and unedited version of FPL's December 1998 Form 423-1(a) which contains certain information that FPL asserts should be accorded confidential treatment. The information in Attachment A for which FPL seeks confidential classification has been highlighted. Attachment A is submitted separately in a sealed envelope marked "**CONFIDENTIAL.**"
 - b. Attachment B is the edited version of Attachment A. All information that FPL asserts is entitled to confidential treatment has been blocked out in Attachment B.
 - c. Attachment C identifies information for which confidential treatment is sought and, with regard to each item or type of information, contains a brief statement that explains the need for confidentiality and refers to the specific statutory basis or bases for the request.
3. Pursuant to section 366.093, FPL seeks confidential protection for the information highlighted in Attachment A. FPL submits that such information is proprietary confidential business information within the meaning of section 366.093(3). Pursuant to section 366.093, such materials are entitled to confidential treatment and are exempt from the disclosure provisions of the public records law. Thus, once the Commission determines that the information in question is proprietary confidential business information, the Commission is not required to engage in any further analysis or review such as weighing the harm of disclosure against the public interest in access to the information.
4. FPL requests that the Commission make the following findings with respect to the Jet and No. 6 fuel oil information identified as confidential on Attachments A and C:
 - (a) The Jet and No. 6 fuel oil data identified are contractual data; and
 - (b) FPL's ability to procure Jet and No. 6 fuel oil, terminaling and transportation services, and petroleum inspection services is reasonably likely to be impaired by the disclosure of the information identified because:
 - (1) the markets in which FPL, as a buyer, must procure Jet and No. 6 fuel oil, terminaling and transportation services, and fuel inspection services are oligopolistic;

(2) FPL, as a substantial buyer in an oligopolistic market may obtain price concessions not available to other buyers; and

(3) the disclosure of such concessions likely would end them, resulting in higher prices to FPL.

5. FPL typically seeks confidential treatment of No. 2 and No. 3 fuel oil information; however, because FPL made no purchases through a bidding process of No. 2 or No. 3 fuel oil during December 1998, no such request is necessary with respect to the December 1998 Form 423-1(a).

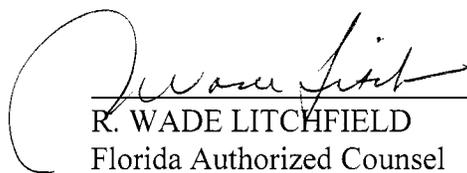
6. FPL requests that the information for which FPL seeks confidential classification not be declassified until the dates specified on Attachment C in order to allow FPL a reasonable period of time within which to negotiate future contracts. Disclosure prior to the requested dates for declassification would impair FPL's ability to negotiate future contracts.

7. The statutory bases and support for FPL's assertion of confidentiality with regard to specific items or types of information are set forth in Attachment C. The information for which confidential classification is sought is intended to be and is treated by FPL as confidential and, to the best of FPL's knowledge and belief, has not been publicly disclosed.

8. Upon a finding by the Commission that the material in Attachment A for which FPL seeks confidential treatment is proprietary confidential business information within the meaning of section 366.093(3), pursuant to section 366.093(4) such materials should not be declassified until the end of the protective period set by the Commission. Further, the materials should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business.

WHEREFORE, for the above and foregoing reasons, including those set forth in the supporting materials included herewith, Florida Power & Light Company respectfully requests that its Request for Confidential Classification be granted.

Respectfully submitted,



R. WADE LITCHFIELD
Florida Authorized Counsel
Attorney for
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-0420
(561) 691-7101

CONFIDENTIAL

ATTACHMENT A

FPSC FORM NO. 423-1(a)

[DECEMBER 1998]

FILED SEPARATELY

NON-CONFIDENTIAL

ATTACHMENT B

FPSC FORM NO. 423-1(a)
(Edited)

[DECEMBER 1998]

DUPLICATED COPY

MONTHLY REPORT OF COST AND QUALITY OF FUEL OIL FOR ELECTRIC PLANTS
DETAIL OF INVOICE AND TRANSPORTATION CHARGES

1. REPORTING MONTH: DEC YEAR: 1998

3. NAME, TITLE TELEPHONE NUMBER OF CONTACT PERSON CONCERNING DATA
SUBMITTED ON THIS FORM: RITA MCLELLAN, REGULATORY AFFAIRS, (305) 552 - 4069

2. REPORTING COMPANY: FLORIDA POWER LIGHT COMPANY

4. SIGNATURE OF OFFICIAL SUBMITTING REPORT: 

5. DATE COMPLETED: 02/17/1999

A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)
LINE NO.	PLANT	SUPPLIER	DELIVERY LOCATION	DELIVERY DATE	TYPE OIL	VOLUME (BBLs)	INVOICE PRICE (\$/BBL)	INVOICE AMOUNT (\$)	DISCOUNT (\$)	NET AMOUNT (\$)	NET PRICE (\$/BBL)	QUALITY ADJUST. (\$/BBL)	EFFECTIVE PUR PRICE (\$/BBL)	TRANSP TO TERM (\$/BBL)	ADDITIONAL TRANS CHGS (\$/BBL)	OTHER CHGS (\$/BBL)	DELIVERED PRICE (\$/BBL)
1	CAPE CANAVERAL	COASTAL	PORT CANAVERAL	12/28/1998	FO6	245833								0.0000			10.1087
2	PT. EVERGLADES	COASTAL	PORT EVERGLADES	12/16/1998	FO6	274871								0.0000			9.8997
3	TURKEY POINT	NOVARCO	FISHER ISLAND	12/25/1998	FO6	169593								0.0000			13.8903
4	CAPE CANAVERAL	NOVARCO LTD.	PORT CANAVERAL	12/10/1998	FO6	214519								0.0000			11.5747
5	FT. MYERS	COASTAL	BOCA GRANDE	12/29/1998	FO6	120236								0.0000			8.8087
6	MANATEE	ENRON	PORT MANATEE	12/04/1998	FO6	300325								0.0000			13.3550
7	MARTIN	NOVARCO	PALM BEACH	12/16/1998	FO6	124189								0.0000			12.9910
8	MANATEE	NOVARCO	PORT MANATEE	12/14/1998	FO6	170235								0.0000			13.2700
9	PT. EVERGLADES	NOVARCO	PORT EVERGLADES	12/27/1998	FO6	122985								0.0000			10.5297
10	SANFORD	STEUART	JACKSONVILLE	12/01/1998	FO6	72447								0.0000			12.0419
11	SANFORD	STEUART	JACKSONVILLE	12/12/1998	FO6	42055								0.0000			12.0329
12	SANFORD	STEUART	JACKSONVILLE	12/25/1998	FO6	69603								0.0000			9.6179
13	FT. MYERS	TEXACO	BOCA GRANDE	12/05/1998	FO6	115676								0.0000			9.8047
14	FT. MYERS	TEXACO	BOCA GRANDE	12/20/1998	FO6	116756								0.0000			8.3137
15	FT. MYERS	TEXACO	BOCA GRANDE	12/26/1998	FO6	117148								0.0000			8.5267
16	RIVIERA	TEXACO	RIVIERA	12/15/1998	FO6	116196								0.0000			8.7691
17	RIVIERA	TEXACO	RIVIERA	12/19/1998	FO6	115276								0.0000			8.2661
18	RIVIERA	TEXACO	RIVIERA	12/10/1998	FO6	117992								0.0000			9.8001
19	PFL	COASTAL		12/07/1998	JET	16000								0.0000			18.3587
20	PFL	COASTAL		12/21/1998	JET	16000								0.0000			17.4888
21	PT. EVERGLADES	COASTAL		12/10/1998	JET	5596								0.0000			18.3587
22	PPN	STEUART		12/15/1998	JET	10143								0.0000			15.9400
23	RIVIERA	AMERIGAS		12/14/1998	PRO	7	32.4500	227	0	227	32.4500	0.0000	32.4500	0.0000	0.0000	0.0000	32.4500
24	TURKEY POINT	AMERIGAS		12/17/1998	PRO	6	30.9000	185	0	185	30.9000	0.0000	30.9000	0.0000	0.0000	0.0000	30.9000
25	PT. EVERGLADES	AMERIGAS		12/23/1998	PRO	16	30.7900	493	0	493	30.7900	0.0000	30.7900	0.0000	0.0000	0.0000	30.7900
26	RIVIERA	AMERIGAS		12/30/1998	PRO	5	32.3200	162	0	162	32.3200	0.0000	32.3200	0.0000	0.0000	0.0000	32.3200
27	MARTIN	INDIANTOWN		12/15/1998	PRO	11	31.0800	342	0	342	31.0800	0.0000	31.0800	0.0000	0.0000	0.0000	31.0800
28	CAPE CANAVERAL	SUBURBAN		12/15/1998	PRO	8	31.9500	256	0	256	31.9500	0.0000	31.9500	0.0000	0.0000	0.0000	31.9500
29	MANATEE	SUBURBAN		12/18/1998	PRO	19	28.2200	536	0	536	28.2200	0.0000	28.2200	0.0000	0.0000	0.0000	28.2200
30	SANFORD	SUBURBAN		12/31/1998	PRO	10	31.9500	320	0	320	31.9500	0.0000	31.9500	0.0000	0.0000	0.0000	31.9500

DUPLICATE COPY

MONTHLY REPORT OF COST AND QUALITY OF FUEL OIL FOR ELECTRIC PLANTS
DETAIL OF INVOICE AND TRANSPORTATION CHARGES

FPSC FORM NO. 423-1 (a)

1. REPORTING MONTH: DEC YEAR: 1998

2. REPORTING COMPANY: FLORIDA POWER LIGHT COMPANY

3. NAME, TITLE, TELEPHONE NUMBER OF CONTACT PERSON CONCERNING DATA
SUBMITTED ON THIS FORM: RITA MCLELLAN, REGULATORY AFFAIRS, (305) 552 - 4069

4. SIGNATURE OF OFFICIAL SUBMITTING REPORT: 

5. DATE COMPLETED: 02/17/1999

(A) LINE NO.	(B) PLANT	(C) SUPPLIER	(D) DELIVERY LOCATION	(E) DELIVERY DATE	(F) TYPE OIL	(G) VOLUME (BBL)	(H) INVOICE PRICE (\$/BBL)	(I) INVOICE AMOUNT (\$)	(J) DISCOUNT (\$)	(K) NET AMOUNT (\$)	(L) NET PRICE (\$/BBL)	(M) QUALITY ADJUST. (\$/BBL)	(N) EFFECTIVE PUR PRICE (\$/BBL)	(O) TRANSP TO TERM (\$/BBL)	(P) ADDITIONAL TRANS CHGS (\$/BBL)	(Q) OTHER CHGS (\$/BBL)	(R) DELIVERED PRICE (\$/BBL)
31	SANFORD	SUBURBAN		12/10/1998	PRO	10	32.6000	326	0	326	32.6000	0.0000	32.6000	0.0000	0.0000	0.0000	32.6000
32	MANATEE	SUBURBAN		12/03/1998	PRO	17	30.6900	522	0	522	30.6900	0.0000	30.6900	0.0000	0.0000	0.0000	30.6900
33	MANATEE	SUBURBAN		12/30/1998	PRO	17	28.9300	492	0	492	28.9300	0.0000	28.9300	0.0000	0.0000	0.0000	28.9300

ATTACHMENT C

**Docket No. 990001-EI
DECEMBER 1998**

Justification for Confidentiality for December 1998 Report:

<u>FORM</u>	<u>LINE(S)</u>	<u>COLUMN</u>	<u>RATIONALE</u>
423-1(a)	1 – 22	H	(1)
423-1(a)	1 – 22	I	(2)
423-1(a)	1 – 22	J	(2), (3)
423-1(a)	1 – 22	K	(2)
423-1(a)	1 – 22	L	(2)
423-1(a)	1 – 22	M	(2), (4)
423-1(a)	1 – 22	N	(2), (5)
423-1(a)	1 – 22	P	(6), (7)
423-1(a)	1 – 22	Q	(6), (7)

Rationale for confidentiality:

- (1) This information is contractual information which, if made public, "would impair the efforts of [FPL] to contract for goods or services on favorable terms." Section 366.093(3)(d), Fla. Stat. (1995). The information delineates the price per barrel FPL has paid for fuel oil for specific shipments from specific suppliers. This information would allow suppliers to compare an individual supplier's price with the market quote for that date of delivery and thereby determine the contract pricing formula between FPL and that supplier.

Contract pricing formulas generally contain two components, which are: (1) a markup in the market quoted price for that day; and (2) a transportation charge for delivery at an FPL chosen port of delivery. Discounts and quality adjustment components of fuel price contract formulas are discussed in paragraphs 3 and 4. Disclosure of the invoice price would allow suppliers to determine the contract price formula of their competitors. The knowledge of others' prices (*i.e.*, contract formulas) among fuel oil suppliers is reasonably likely to cause the suppliers to converge on a target price, or to follow a price leader, effectively eliminating any opportunity for a major buyer like FPL to obtain price concessions from any one supplier. The end result is reasonably likely to be increased fuel oil prices and, therefore, increased electric rates.

- (2) The contract data found in Columns I through N are an algebraic function of Column H. That is, the publication of these Columns together, or independently, could allow a supplier to derive the invoice price of oil.
- (3) Some FPL fuel contracts provide for an early payment incentive in the form of a discount from the invoice price. The existence and amount of such discount is confidential for the reasons stated in paragraph (1) relative to price concessions.
- (4) For fuel that does not meet contract requirements, FPL may reject the shipment, or accept the shipment and apply a quality adjustment. This is, in effect, a pricing term that is as important as the price itself and therefore is confidential for the reasons stated in paragraph (1) relative to price concessions.
- (5) Column N is as important as H from a confidentiality standpoint because of the relatively few times that there are quality or discount adjustments. That is, Column N will equal Column H most of the time. Consequently, Column N needs to be protected for the same reasons as set forth in paragraph (1).
- (6) Column R is used to mask the delivered price of fuel such that the invoice or effective price of fuel cannot be determined. Columns P and Q are algebraic variables of Column R. Consequently, disclosure of Columns P and Q would allow a supplier to calculate the invoice or effective purchase price of oil (Columns H and N) by subtracting these columnar variables from Column R.
- (7) Terminaling and transportation services in Florida tend to have the same, if not more severe, oligopolistic attributes that characterize fuel oil suppliers. In 1987, FPL was only able to find eight qualified parties with an interest in bidding either or both of these services. Of these, four responded with transportation proposals and six with terminaling proposals. Due to the small demand in Florida for both of these services, market entry is difficult. Consequently, disclosure of these contract data is reasonably likely to result in increased prices for terminaling and transportation services.

Petroleum inspection services also have the market characteristics of an oligopoly. Due to the limited number of fuel terminal operations, there are correspondingly few requirements for fuel inspection services. In FPL's last bidding process for petroleum inspection services, only six qualified bidders were found for FPL's bid solicitations. Consequently, disclosure of these contract data is reasonably likely to result in increased prices for petroleum inspection services.

Date of Declassification:

<u>FORM</u>	<u>LINE(S)</u>	<u>COLUMN</u>	<u>DATE</u>
423-1(a)	1 – 2	H – N, P & Q	03/30/00
423-1(a)	3 – 4	H – N, P & Q	03/30/00
423-1(a)	5 – 18	H – N, P & Q	06/30/99
423-1(a)	19 – 22	H – N, P & Q	06/30/99

Rationale:

FPL requests that the confidential information identified above not be disclosed until the identified date of declassification. The date of declassification is determined by adding six months to the last day of the contract period under which the goods or services identified on Form 423-1(a) or 423-1(b) were purchased.

Disclosure of pricing information during the contract period or prior to the negotiation of a new contract is reasonably likely to impair FPL's ability to negotiate future contracts as described above.

FPL typically renegotiates its No. 6 fuel oil contracts and fuel-related services contracts prior to the end of such contracts. However, on occasion, some contracts are not renegotiated until after the end of the current contract period. In those instances, the contracts are typically renegotiated within six months. Consequently, it is necessary to maintain the confidentiality of the information identified as confidential on FPL's Form 423-1(a) or 423-1(b) for six months after the end of the individual contract period to which the information relates.

With respect to No. 6 fuel oil price information on the Form 423-1(a) or 423-1(b) for oil that was not purchased pursuant to an already existing contract, and the terms of the agreement under which it is purchased are fulfilled upon delivery, FPL requests the price information identified as confidential be kept confidential for a period of six months after the delivery. A six-month period is the minimum amount of time necessary for confidentiality of these types of purchases to allow FPL to utilize its market presence in gaining price concessions during seasonal fluctuations in the demand for No. 6 fuel oil. Disclosure of this information any sooner than six months after completion of the transaction is reasonably likely to impair FPL's ability to negotiate such purchases.

The Jet fuel pricing information appearing on FPL's Form 423-1(a) or 423-1, for which confidential classification is sought, should remain confidential for the time period the contract is in effect, plus six months. Disclosure of pricing information during the contract period or prior to the negotiation of a new contract is reasonably likely to impair FPL's ability to negotiate future contracts as described above.

FPL typically negotiates its Jet fuel contracts prior to the end of such contracts. However, on occasion, some contracts are not negotiated until after the end of the current contract period. In those instances, the contracts are typically renegotiated within six months. Consequently, it is necessary to maintain the confidentiality of the information identified as confidential on FPL's Form 423-1(a) or 423-1(b) for six months after the end of the individual contract period to which the information relates.

CERTIFICATE OF SERVICE

I, THE UNDERSIGNED COUNSEL, HEREBY CERTIFY that a copy of Florida Power & Light Company's Request for Confidential Classification, without Attachment A, has been served via first class mail, postage prepaid to the parties listed below, this 19th day of February, 1999:

Bob Elias, Chief
Bureau of Electric & Gas
Division of Legal Services
Florida Public Service Commission
Gerald L. Gunter Building - Third Floor
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Joseph A. McGlothlin, Esquire
Vicki Gordon Kaufman, Esquire
McWhirter, Reeves, McGlothlin,
Davidson, etc.
117 S. Gadsden Street
Tallahassee, FL 32301

G. Edison Holland, Esquire
Beggs & Lane
P.O. Box 12950
Pensacola, FL 32576

Jack Shreve, Esquire
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111 W. Madison Street
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Tallahassee, FL 32399-1400

Major Gary A. Enders
United States Air Force
HQ USAF/ULT, STOP 21
Tyndall AFB, FL 32403-6001

Lee L. Wills, Esquire
James D. Beasley, Esquire
Ausley, McMullen, McGehee,
Carothers & Proctor
P.O. Box 391
Tallahassee, FL 32302

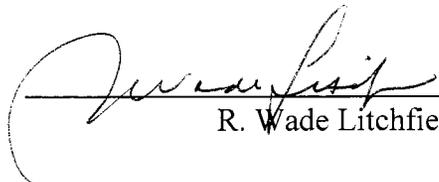
Kenneth Hoffman, Esquire
Rutledge, Ecenia, Underwood
Purnell & Hoffman, P.A.
P.O. Box 551
Tallahassee, FL 32301-0551

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P.O. Box 40
Lake Buena Vista, FL 32830

Occidental Chemical Corporation
Energy Group
P.O. Box 809050
Dallas, TX 75380-9050

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Ms. Nancy McCann
Office of Environmental Coordinator
306 East Jackson Street, 5th Floor
Tampa, FL 33602



R. Wade Litchfield