

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas :  
Adjustment (PGA) True Up :  
\_\_\_\_\_ :

Docket No. 990003-GU

Submitted for Filing: 11-12-99

PEOPLES GAS SYSTEM'S WITHDRAWAL OF ITS  
REQUEST FOR CONFIDENTIAL TREATMENT

Peoples Gas System, by its undersigned attorney, hereby notifies the Commission that it respectfully withdraws its request for confidential treatment of its Composite Exhibits HMG-2 (consisting of Schedules E-1/PFS-0, E-3P(a) through (g), E-4P and E-5P) and HMG-3 (consisting of Schedules E-1/PFS-0, E-2, E-3P (a) through (g), E-4P and E-5P) (collectively, the "Information"), submitted for filing in the above docket on July 14, 1993.

The material for which confidential classification was sought is no longer considered confidential to Peoples Gas System.

WHEREFORE, Peoples Gas System submits the foregoing as its request to withdraw its request for confidential treatment of the Information.

Respectfully submitted,



David M. Nicholson  
P.O. Box 111, Tampa, Florida 33601  
(813) 228-1556

Attorney for Peoples Gas System

- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
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FPSC-RECORDS/REPORTING

*Macfarlane Ferguson & McMullen*  
**MEMORANDUM**

**TO:** David M. Nicholson  
**FROM:** Ansley Watson, Jr.  
**DATE:** November 11, 1999  
**RE:** **Docket No. 930003-GU – Purchased Gas Adjustment (PGA) True-Up  
(Request for Specified Confidential Treatment filed July 14, 1993)**

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I attach the request for specified confidential treatment faxed to me yesterday by Bob Elias of the PSC Staff, and about which I e-mailed you and Brent Caldwell yesterday. I have not retained a copy.

Let me know if I can be of any further help in connection with this.

AWjr/a  
Attachment

**STATE OF FLORIDA**



**PUBLIC SERVICE COMMISSION**

**2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FL 32399-0850**

Date: 11-10-99

TO:  
Ansley Watson

Fax: 813-273-4396

FROM:  
Bob Elias

Fax: 850-413-6250

Telephone: 413-6199

NUMBER OF PAGES:  
(including cover page)  
11

Note:

Bob Elias

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas : Docket No. 930003-GU  
Adjustment (PGA) True-Up :  
Submitted for Filing: 7-14-93

PEOPLES GAS SYSTEM, INC.'S REQUEST FOR  
SPECIFIED CONFIDENTIAL TREATMENT

Pursuant to Section 366.093, Florida Statutes, Peoples Gas System, Inc. ("Peoples"), submits the following Request for Specified Confidential Treatment of its Composite Exhibits HMG-2 (consisting of Schedules E-1/PFS-0, E-3P(a) through (g), E-4P and E-5P) and HMG-3 (consisting of Schedules E-1/PFS-0, E-2, E-3P (a) through (g), E-4P and E-5P), submitted for filing in the above docket concurrently herewith:

1. Attached hereto as Exhibit "A" is a detailed justification for the requested confidential treatment of the highlighted portions of Peoples' Exhibits referenced above.

2. The material for which confidential classification is sought is intended to be and is treated by Peoples and its affiliates as private and has not been disclosed.

3. Peoples requests that the information for which it seeks confidential classification not be declassified until January 14, 1995 (i.e., for a period of 18 months as provided in Section 366.093(4)). The time period requested is necessary to allow Peoples to negotiate future gas purchase contracts without its competitors' having access to information which would adversely affect the ability of Peoples to negotiate such future contracts on favorable terms. The period of time requested will ultimately

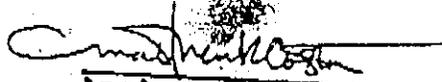
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protect Peoples and its customers.

WHEREFORE, Peoples submits the foregoing as its request for confidential treatment of the information identified in Exhibit "A".

Respectfully submitted,



Ansley Watson, Jr., and  
Matthew R. Costa of  
Macfarlane Ferguson  
P. O. Box 1531, Tampa, Florida 33601  
(813) 273-4200  
Attorneys for Peoples Gas System, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Request for Specified Confidential Treatment, filed on behalf of Peoples Gas System, Inc., has been furnished by regular U.S. Mail this 13th day of July, 1993, to all known parties of record in Docket No. 930003-GU.



Matthew R. Costa

PEOPLES GAS SYSTEM, INC.

Docket No. 930003-GU

Justification for Confidentiality of Composite Exhibit HMG-2:

<u>SCHEDULE(S)</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>RATIONALE</u>
E-3P(a)-(g)	9	K	(1)
E-3P(a)-(g)	9	E-J	(2)
E-3P(a)-(g)	1 - 4 5 - 8	E-J E-K	(2) (2)

(1) Florida Gas Transmission Company's ("FGT's") current demand and commodity rates for FTS-1 transportation service and G purchases are set forth in FGT's tariff on file with the Federal Energy Regulatory Commission ("FERC") and are a matter of public record. FGT's purchased gas adjustment (which increases or decreases monthly) can have a significant effect on the cost of gas which Peoples purchases from FGT. For purposes of this filing, Peoples has been required to reestimate the quantities of gas which it will purchase during the six-month future period, together with the cost of such purchases. FGT's purchased gas adjustment is subject to FERC review and Peoples' estimates of the cost of purchases to be made in the future from FGT will have no effect on the level of FGT's actual purchased gas adjustment during the future period. On the other hand, rates for purchases of gas supplies from persons other than FGT are currently based primarily on negotiations between Peoples or its affiliates and numerous producers and gas marketing companies. Since "open access" became effective on the FGT system on August 1, 1990 gas supplies have been (and will continue to be) available to Peoples from these other suppliers. Purchases are made by Peoples at varying prices depending on the length of the period during which purchases will be made, the season or seasons during which purchases will be made, the quantities involved, and whether the purchase is made on a firm or interruptible basis. Prices at which gas is available to Peoples can vary from producer-to-producer or marketer-to-marketer even when non-price terms and conditions of the purchase are not significantly different. Peoples' affiliates also make purchases for sale to several of Peoples' large industrial customers who choose not to make purchases from Peoples' system supply.

This information is contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. The information shows the weighted average prices which

Exhibit "A"

Peoples has paid or projects it will pay to its suppliers for gas during the period April through September 1993 (Schedule E-3P(g)), and by month during that period (Schedules E-3P(a) through (f)). Knowledge of the prices Peoples has paid or is projecting will have to be paid to its suppliers during these periods would give other competing suppliers information with which to potentially or actually control the pricing of gas either by all quoting a particular price (which would in all likelihood equal or exceed the price Peoples has paid or projected it will have to pay), or by adhering to a price offered by a Peoples supplier. Despite the fact that this information is the weighted average price paid or projected to be paid to Peoples' suppliers during the involved periods, other suppliers which might have been willing to sell gas at a price less than such weighted average cost would likely refuse to do so. Such suppliers would be less likely to make any price concessions which they might have previously made (or might otherwise have been willing to make), and could simply refuse to sell at a price less than such weighted average price. 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.

(2) The data are algebraic functions of the price per therm Peoples has paid or is projecting it will have to pay in the future to its suppliers, in Column K, Line 9 (see Rationale 1 above). The publication of these columns, together, or independently, would allow a potential supplier to derive the purchase price of gas Peoples has paid or is projecting it will have to pay to its suppliers during the six-month period. Thus, this information would permit a supplier to determine contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

## Justification for Confidentiality of Composite Exhibit HMG-2:

<u>SCHEDULE</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>RATIONALE</u>
E-1/PFS-0	46d	B-H	(1)
E-1/PFS-0	8d and 28d	B-H	(2)
E-1/PFS-0	1-2 6 8a-8c 9a-9c 12-13 22-23 26 28a-28c 29a-29c 32-33	B-H	(3)

(1) This information is contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or service on favorable terms." Section 366.093(3)(d), Florida Statutes. The information shows the weighted average price which Peoples has paid or projects it will have to pay to its suppliers during the period April through September 1993. Knowledge of the prices for gas Peoples has paid or is projecting will have to be paid to its suppliers during this period would give other competing suppliers information with which to potentially or actually control the pricing of gas either by all quoting a particular price (which would in all likelihood equal or exceed the price Peoples has paid or projected it will have to pay), or by adhering to a price offered by a Peoples supplier. Despite the fact that this information is the weighted average price paid or projected to be paid to Peoples' suppliers during the involved periods, a potential supplier which might have been willing to sell gas at a price less than such weighted average cost would likely refuse to do so. Such a supplier would be less likely to make price concessions which it might have previously made (or might otherwise have been willing to make), and could simply refuse to sell at a price less than such weighted average price. 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.

(2) The total projected cost figures for Peoples' purchases from its suppliers shown on Line 8d can be divided by the therms projected to be purchased from such suppliers on Line 28d to determine the projected weighted average cost or price on Line 46d. Thus, the publication of the information on Lines 8d and 28d together, or independently, would allow a supplier to derive the purchase price of gas Peoples has paid or is projecting it will pay in the future to its suppliers. This information would permit a

supplier to determine contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. See Rationale (1) above.

(3) The data (for each month in Columns B-G, and in total in Column H) are algebraic functions of the price per therm Peoples paid or projects will be paid to its suppliers for gas during the six-month period, and could (since the total transportation cost (Line 15), total transportation (Line 35), total cents-per-therm transportation cost (Line 53), and the PGA factor and true-up, which are needed by the Commission to understand the calculation of the purchased gas adjustment, have not been deleted) be used to derive the purchase price (or information from which to determine the purchase price) of gas Peoples has paid or projects will be paid to its suppliers during the six-month period. Thus, the information would permit a supplier to determine contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or service on favorable terms." Section 366.093(3)(d), Florida Statutes. See Rationale (1) above.

Justification for Confidentiality of Composite Exhibit HMG-3:

<u>SCHEDULE(S)</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>RATIONALE</u>
E-3P(a)-(g)	9	K	(1)
E-3P(a)-(g)	9	E-J	(2)
E-3P(a)-(g)	1-4 5-8	E-J E-K	(2) (2)

(1) For purposes of this filing, Peoples has been required to estimate the quantities of gas which it will purchase during the six-month future period, together with the cost of such purchases. Prices for purchases of gas supplies are currently based primarily on negotiations between Peoples and numerous producers and gas marketing companies. Purchases are made by Peoples at varying prices depending on the length of the period during which purchases will be made, the season or seasons during which purchases will be made, the quantities involved, and whether the purchase is made on a firm or interruptible basis. Prices at which gas is available to Peoples can vary from producer-to-producer or marketer-to-marketer even when non-price terms and conditions of the purchase are not significantly different.

This information is contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. The information shows the weighted average prices which Peoples projects it will pay to its suppliers for gas during the period October 1993 through March 1994 (Schedule E-3P(g)), and by month during that period (Schedules E-3P(a) through (f)). Knowledge of the prices Peoples is projecting will have to be paid to its suppliers during this future period would give other competing suppliers information with which to potentially or actually control the pricing of gas either by all quoting a particular price (which would in all likelihood equal or exceed the price Peoples has projected it will have to pay), or by adhering to a price offered by a Peoples supplier. Despite the fact that this information is the weighted average price projected to be paid to Peoples' suppliers during the involved future period, a potential supplier which might have been willing to sell gas at a price less than such weighted average cost would likely refuse to do so. Such a supplier would be less likely to make any price concessions which it might have previously made (or might otherwise have been willing to make), and could simply refuse to sell at a price less than such weighted average price. 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.

(2) The data are algebraic functions of the price per therm Peoples is projecting it will have to pay in the future to its

suppliers in Column K, Line 9 (see Rationale 1 above). The publication of these columns together, or independently, would allow a supplier to derive the purchase price of gas Peoples is projecting it will have to pay to its suppliers during the future six-month period. Thus, this information would permit a supplier to determine contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes.

Justification for Confidentiality of Composite Exhibit HMG-3:

<u>SCHEDULE</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>RATIONALE</u>
E-1/PFS-0	46d	B-H	(1)
E-1/PFS-0	8d and 28d	B-H	(2)
E-1/PFS-0	1, 7 8a-8c 9a-9c 12-13 22, 27 28a-28c 29a-29c 32-33	B-H	(3)

(1) This information is contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or service on favorable terms." Section 366.093(3)(d), Florida Statutes. The information shows the weighted average price which Peoples projects it will have to pay to its suppliers during the period October 1993 through March 1994. Knowledge of the prices for gas Peoples is projecting will have to be paid to its suppliers during this future period would give other competing suppliers information with which to potentially or actual control the pricing of gas either by all quoting a particular price (which would in all likelihood equal or exceed the price Peoples has projected it will have to pay), or by adhering to a price offered by a Peoples supplier. Despite the fact that this information is the weighted average price projected to be paid to Peoples' suppliers during the involved future period, a supplier which might have been willing to sell gas at a price less than such weighted average cost would likely refuse to do so. Such a supplier would be less likely to make price concessions which it might have previously made (or might otherwise have been willing to make), and could simply refuse to sell at a price less than such weighted average price. 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.

(2) The total projected cost figures for Peoples' purchases from its suppliers shown on Line 8d can be divided by the therms projected to be purchased from such suppliers on Line 28d to determine the projected weighted average cost or price on Line 46d. Thus, the publication of the information on Lines 8d and 28d together, or independently, would allow a supplier to derive the purchase price of gas Peoples is projecting it will pay in the future to its suppliers. This information would permit a supplier to determine contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or services on favorable terms." Section 366.093(3)(d), Florida Statutes. See Rationale (1) above.

(3) The data (for each month in Columns B-G, and in total in Column H) are algebraic functions of the price per therm Peoples projects will be paid to its suppliers for gas during the future six-month period, and could (since the total transportation cost (Line 15), total transportation (Line 35), total cents-per-therm transportation cost (Line 53), and the PGA factor and true-up, which are needed by the Commission to understand the calculation of the purchased gas adjustment, have not been deleted) be used to derive the purchase price (or information from which to determine the purchase price) of gas Peoples projects will be paid to its suppliers during the future six-month period. Thus, the information would permit a supplier to determine contractual information which, if made public, "would impair the efforts of [Peoples] to contract for goods or service on favorable terms." Section 366.093(3)(d), Florida Statutes. See Rationale (1) above.

TRANSACTION REPORT

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Transaction(s) completed

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