



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

FPSC, CLK - CORRESPONDENCE

Administrative Parties Consumer

DOCUMENT NO. 17787-00

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J. Maxi

DATE: July 27, 2000

TO: Division of Appeals (Bellak)

FROM: Division of Regulatory Oversight (Freeman, Vandiver)

RE: Docket 000616-GU, Recommendation concerning the City Gas Company of Florida, a Division of NUI Corporation's ('NUI City Gas'), request for confidential classification for portion of the audit report and staff working papers obtained during the preparation of audit report numbered 00-013-4-1, Surveillance Audit of City Gas Company of Florida, for the year ended September 30, 1999, Documents Numbered 05471-00, 05472-00 and 06166-00

On April 27, 2000, when copies of certain portions of staff's audit report and working papers regarding the surveillance audit for the year ended September 30, 1999, were delivered to NUI City Gas at the audit exit conference, the utility requested that these materials be temporary excepted from public access in accordance with the provisions of Rule 25-22.006(3)(a)(2), Florida Administrative Code (FAC). On May 2, 2000, staff filed documents 05471-00 and 05472-00 consisting of those specified portions of the audit report and working papers,

On May 18, 2000, the utility filed a request pursuant to Section 366.093, Florida Statutes (F.S.) and Rule 25-22.006(3)(a)(2), and (4), FAC, that selected portions of the audit report and working papers prepared by staff during the audit receive confidential classification (Document 06165-00). After discussions with the staff, the utility revised its request on June 26, 2000. (Document 07718-00) and filed a revised redacted copy of the material for public use on July 21, 2000. The utility's request, as amended, includes redacted copies for public inspection (Document 08895-00) and highlighted copies (Document 06166-00).

Pursuant to Section 119.07, F.S., documents submitted to this Commission are public records. The only exceptions to this law are specific statutory exemptions and exemptions granted by governmental agencies pursuant to the specific items of a statutory provision. Subsections 366.093(3)(b), (d), and (e), F.S., provide the following exemptions:

- APP _____
- CAF _____
- CMP _____
- COM _____
- CTR _____
- ECR _____
- LEG _____
- OPC _____
- PAI _____
- RGO _____
- SEC _____
- SER _____
- OTH _____

06166-00
08896-00 (16)

ORIGINAL ✓

"Proprietary confidential business information means information, regardless of form or characteristics, which is owned or controlled by the person or company, is intended to be and is treated by the person or company as private in that the disclosure of the information would cause harm to the ratepayers or the person's or company's business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order of a court or administrative body, or private agreement that provides that the information will not be released to the public. Proprietary confidential business information includes but is not limited to:....

(b) Internal auditing controls and reports of internal auditors....

(d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.

(e) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information...."

According to Section 366.093, F.S., and Rule 25-22.006, FAC, the utility has the burden of demonstrating that materials qualify for confidential classification. According to Rule 25-22.006, FAC, the utility must meet this burden by demonstrating that the information is proprietary confidential business information, the disclosure of which will cause the utility, the provider of the information or the ratepayer harm.

Staff Analysis of the NUI City Request

Reading the NUI City Gas request and filed materials reveals the sensitive materials presented in the filing consist of:

1. Notes taken from internal audit work papers

Information concerning internal audit controls and the reports of internal auditors are identified as confidential pursuant to the provisions of Section 366.093(b), F S.

2. Notes taken from the external auditor's work papers

Previously through Commission Order 25297, dated November 5, 1991, this Commission has found material revealing the audit strategy and work program methodology of the external auditor has competitive value. By keeping this information confidential, competitors do not have access to the strategy, methods and procedures the external auditor uses to efficiently carry out an external audit.

Staff Work Paper Number	Page(s)	Line(s)	Recommend	Type of Information Classified Confidential
Documents 05471-00 and 00616-00				
1	21	All	Grant	Internal audit controls and information from internal audits
Documents 05472-00 and 00616-00				
8	1	5-8	Grant	Internal business plans pertaining to future transactions, contracts and purchases obtained from corporate minutes
8 p1	1	19-23	Grant	Internal business plans pertaining to future transactions, contracts and purchases obtained from corporate minutes
8 p2	1	15-16	Grant	Internal business plans pertaining to future transactions, contracts and purchases obtained from corporate minutes
8 p3	1	19-22,33	Grant	Internal business plans pertaining to future transactions, contracts and purchases obtained from corporate minutes
8 p4	1	28,29	Grant	Internal business plans pertaining to future transactions, contracts and purchases obtained from corporate minutes
8 p5	1	1,2,5-12, 17-24, 35-43	Grant	Internal business plans pertaining to future transactions, contracts and purchases obtained from corporate minutes
8 p6	1	1-9,11-17, 19-26, 32-34	Grant	Internal business plans pertaining to future transactions, contracts and purchases obtained from corporate minutes

Staff Work Paper Number	Page(s)	Line(s)	Recommend	Type of Information Classified Confidential
Documents 05472-00 and 00616-00				
8 p7	1	2-11	Grant	Internal business plans pertaining to future transactions, contracts and purchases obtained from corporate minutes
9	1	1-3,7-10, 13-16, 25-26	Grant	Information which would affect the competitive business of the utility's external auditor
9-3	1	All	Grant	Information obtained from internal audits
9-4	1-2	All	Grant	Information obtained from internal audits
9-5	1-6	All	Grant	Information obtained from internal audits
9-6	1-3	All	Grant	Information obtained from internal audits
9-7	1	All	Grant	Information obtained from internal audits
9-9	1-2	All	Grant	Information obtained from internal audits
44-5/4-1	1	8	Grant	Lawyer-client privileged information -- reserve amounts set aside for settlement
44-5/4-1	2-3	All	Grant	Lawyer-client privileged information -- reserve amounts set aside for settlement
44-15/1	1	Col. 6,7	Grant	Contractual information release of which would harm the ability of the utility to obtain goods and services
44-26/1-1	1	Col. 3,4	Grant	Lawyer-client privileged information -- legal fees paid to date in litigation of specific lawsuits

Page 6
NUI City Gas Company
Confidential Recommendation
July 27, 2000

Close the Docket

Once an order resolving the company's request becomes final, this docket should be closed.

A copy of this recommendation will be kept for a short time at I:00616-00.RAF.

CC: Division of Regulatory Oversight (Pritchett, Welch)
Division of Competitive Services (Slemkewicz)
Division of Records and Reporting (Flynn)

STATE OF FLORIDA

Commissioners:
J. TERRY DEASON, CHAIRMAN
E. LEON JACOBS, JR.
LILA A. JABER
BRAULIO L. BAEZ



DIVISION OF RECORDS & REPORTING
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770

Public Service Commission

September 18, 2000

Mr. Michael A. Palecki
City Gas Company of Florida
PMB 224
3539 Apalachee Parkway
Tallahassee, Florida 32311-5331

Re: Return of Confidential Document to the Source, Docket No. 000616-GU

Dear Mr. Palecki:

Commission staff have advised that confidential Document No. 08896-00 filed on behalf of City Gas Company of Florida can be returned to the source. The document is enclosed.

Please do not hesitate to contact me if you have any questions concerning return of this material.

Sincerely,

A handwritten signature in black ink, appearing to read "Kay Flynn".

Kay Flynn, Chief
Bureau of Records

Enclosure

cc: Robert Freeman, Division of Regulatory Oversight
Denise Vandiver, Division of Regulatory Oversight

SIGNED FOR BY

A handwritten signature in black ink, appearing to read "Michael A. Palecki".

DATE

9/29/00

Case Assignment and Scheduling Record

Section 1 - Division of Records and Report (RAR) Completes

Docket No. 000616-GU Date Docketed: 05/22/2000 Title: Request for confidentiality of documents and information provided during staff surveillance audit for historical 12-month period ended September 30, 1999, by City Gas Company of Florida (Audit Control No. 00-013-4-1).

Official Filing Date: _____
 Last Day to Suspend: _____ Expiration: _____

Referred to: ADM AFA APP CAF CMP CMU EAG ECR GCL LEG PAI RAR (RGO) SER WAW
 ("(") indicates OPR) _____ X _____ X _____

Section 2 - OPR Completes and returns to RAR in 10 workdays. Time Schedule

Program/Module	A17
Staff Assignments	
OPR Staff	B Freeman, D Vandiver
Staff Counsel	R Bellak
OCRs ()	
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WARNING: THIS SCHEDULE IS AN INTERNAL PLANNING DOCUMENT. IT IS TENTATIVE AND SUBJECT TO REVISION. FOR UPDATES CONTACT THE RECORDS SECTION: (850) 413-6770 Current CASR revision level		Due Dates	
0		Previous	Current
1.	Recommendation to APP	NONE	07/07/2000
2.	Order on Confidentiality	NONE	08/24/2000
3.	Close Docket or Revise CASR	NONE	09/25/2000
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Recommended assignments for hearing and/or deciding this case:
 Full Commission X Commission Panel _____
 Hearing Examiner _____ Staff _____
 Date filed with RAR: 06/08/2000
 Initials: OPR _____
 Staff Counsel _____

Section 3 - Chairman Completes

Assignments are as follows:

- Hearing Officer(s)

Commissioners						Hrg. Exam.	Staff
ALL	GR	DS	CL	JC	JB		
X							

- Prehearing Officer

Commissioners					ADM
GR	DS	CL	JC	JB	
		X			

Where panels are assigned the senior Commissioner is Panel Chairman; the identical panel decides the case.
 Where one Commissioner, a Hearing Examiner or a Staff Member is assigned the full Commission decides the case.

Approved: [Signature]

Date: 06/08/2000

STATE OF FLORIDA

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.
LILA A. JABER



DIVISION OF RECORDS & REPORTING
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770

Public Service Commission

M-E-M-O-R-A-N-D-U-M

DATE: May 23, 2000

TO: _____ DIVISION OF APPEALS
_____ DIVISION OF COMPETITIVE SERVICES
xx _____ DIVISION OF ECONOMIC REGULATION
_____ DIVISION OF LEGAL SERVICES
_____ DIVISION OF POLICY ANALYSIS & INTERAGENCY LIAISON
_____ DIVISION OF REGULATORY OVERSIGHT
_____ DIVISION OF SAFETY & ELECTRIC RELIABILITY

FROM: DIVISION OF RECORDS AND REPORTING (Lockard)

RE: CONFIDENTIALITY OF CERTAIN INFORMATION

DOCUMENT NO: 06166-00
DESCRIPTION: Information in connection with Surveillance Audit No.
000-134-1

SOURCE: City Gas Company of Florida

DOCKET NO: 000616-GU

The above material was received with a request for confidentiality (attached). Please prepare a recommendation for the attorney assigned to the case by completing the section below and forwarding a copy of this memorandum, together with a brief memorandum supporting your recommendation, to the attorney. Copies of your recommendation should also be provided to the Division of Records and Reporting and to the Division of Appeals.

Please read each of the following and check if applicable.

- _____ The document(s) is (are), in fact, what the utility asserts it (them) to be.
- _____ The utility has provided enough details to perform a reasoned analysis of its request.
- _____ The material has been received incident to an inquiry.

STATE OF FLORIDA

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.
LILA A. JABER



DIVISION OF RECORDS & REPORTING
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770

Public Service Commission

May 24, 2000

Michael A. Palecki, Manager Regulatory Affairs
City Gas Company of Florida
955 East 25th Street
Hialeah, Florida 33013-3498

Re: Docket No. 000616-GU

Dear Mr. Palecki:

This will acknowledge receipt of a request for confidentiality of documents and information provided during staff surveillance audit for historical 12-month period ended September 30, 1999, City Gas Company of Florida (Audit Control No. 00-013-4-1), which was filed in this office on May 22, 2000 and assigned the above-referenced docket number. Appropriate staff members will be advised.

Mediation may be available to resolve any dispute in this docket. If mediation is conducted, it does not affect a substantially interested person's right to an administrative hearing. For more information, contact the Office of General Counsel at (850) 413-6248 or FAX (850) 413-7180.

Division of Records and Reporting
Florida Public Service Commission

STATE OF FLORIDA

Commissioners:
JOE GARCIA, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.
LILA A. JABER



DIVISION OF RECORDS & REPORTING
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770

Public Service Commission

M-E-M-O-R-A-N-D-U-M

DATE: June 26, 2000

TO: _____ DIVISION OF APPEALS
_____ DIVISION OF COMPETITIVE SERVICES
_____ DIVISION OF ECONOMIC REGULATION
_____ DIVISION OF LEGAL SERVICES
_____ DIVISION OF POLICY ANALYSIS & INTERAGENCY LIAISON
xx _____ DIVISION OF REGULATORY OVERSIGHT
_____ DIVISION OF SAFETY & ELECTRIC RELIABILITY

FROM: DIVISION OF RECORDS AND REPORTING (Lockard)

RE: CONFIDENTIALITY OF CERTAIN INFORMATION

DOCUMENT NO: 06166-00 [x-ref. 05471-00 & 05472-00]

DESCRIPTION: Information provided in connection with staff surveillance audit
(Audit Control No. 00-013-4-1)

SOURCE: City Gas Company of Florida

DOCKET NO: 000616-GU

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- _____ The material has been received incident to an inquiry.

STATE OF FLORIDA

Commissioners:

J. TERRY DEASON, CHAIRMAN
SUSAN F. CLARK
E. LEON JACOBS, JR.
LILA A. JABER



DIVISION OF RECORDS & REPORTING
BLANCA S. BAYO
DIRECTOR
(850) 413-6770

Public Service Commission

M-E-M-O-R-A-N-D-U-M

DATE: July 24, 2000

TO: _____ DIVISION OF APPEALS
_____ DIVISION OF COMPETITIVE SERVICES
xx _____ DIVISION OF ECONOMIC REGULATION
_____ DIVISION OF LEGAL SERVICES
_____ DIVISION OF POLICY ANALYSIS & INTERAGENCY LIAISON
_____ DIVISION OF REGULATORY OVERSIGHT
_____ DIVISION OF SAFETY & ELECTRIC RELIABILITY

FROM: DIVISION OF RECORDS AND REPORTING (Lockard)

RE: CONFIDENTIALITY OF CERTAIN INFORMATION

DOCUMENT NO: 08896-00

DESCRIPTION: Amended Exhibit B, documents provided during surveillance
audit of NUI City Gas (Audit Control No. 00-013-4-1)

SOURCE: City Gas Company of Florida

DOCKET NO: 000616-GU

The above material was received with a request for confidentiality (attached). Please prepare a recommendation for the attorney assigned to the case by completing the section below and forwarding a copy of this memorandum, together with a brief memorandum supporting your recommendation, to the attorney. Copies of your recommendation should also be provided to the Division of Records and Reporting and to the Division of Appeals.

Please read each of the following and check if applicable.

_____ The document(s) is (are), in fact, what the utility asserts it (them) to be.

_____ The utility has provided enough details to perform a reasoned analysis of its request.

_____ The material has been received incident to an inquiry.

_____ The material is confidential business information because

Doc. 08896-00

M E M O R A N D U M

August 22, 2000

RECEIVED-PPSC

AUG 22 PM 3:42

RECORDS AND REPORTING

TO: DIVISION OF RECORDS AND REPORTING

FROM: RICHARD C. BELLAK, DIVISION OF APPEALS *RCB*

RE: DOCKET NO. 000616-GU - REQUEST FOR CONFIDENTIALITY OF DOCUMENTS AND INFORMATION PROVIDED DURING STAFF SURVEILLANCE AUDIT FOR HISTORICAL 12-MONTH PERIOD ENDED SEPTEMBER 30, 1999, BY CITY GAS COMPANY OF FLORIDA (AUDIT CONTROL NO. 00-013-4-1).

1529-CFO

Attached is an ORDER GRANTING CITY GAS COMPANY OF FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION to be issued in the above-referenced docket. (Number of pages in order - 7)

RCB/md/sa
Attachment

page 1

I:000616.cfd

attach online

MUST GO TODAY

final - mailed 4/10

STATE OF FLORIDA

Commissioners:
J. TERRY DEASON, CHAIRMAN
E. LEON JACOBS, JR.
LILA A. JABER
BRAULIO L. BAEZ



DIVISION OF RECORDS & REPORTING
BLANCA S. BAYÓ
DIRECTOR
(850) 413-6770

Public Service Commission

September 18, 2000

Mr. Michael A. Palecki
City Gas Company of Florida
PMB 224
3539 Apalachee Parkway
Tallahassee, Florida 32311-5331

Re: Return of Confidential Document to the Source, Docket No. 000616-GU

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Sincerely,

A handwritten signature in black ink, appearing to read "KF".

Kay Flynn, Chief
Bureau of Records

Enclosure

cc: Robert Freeman, Division of Regulatory Oversight
Denise Vandiver, Division of Regulatory Oversight

SIGNED FOR BY

A handwritten signature in black ink, appearing to read "Michael A. Palecki".

DATE

9/29/00