

One Energy Place
Pensacola, Florida 32520

Tel 850.444.6111



January 28, 2002

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 010949-EI

Enclosed are an original and fifteen copies of Gulf Power Company's Request for Confidential Classification regarding certain portions of the Rate Case Audit Report and the Staff working papers related thereto to be filed in the above docket.

Sincerely,

Susan D. Ritenour (lw)

Susan D. Ritenour
Assistant Secretary and Assistant Treasurer

lw

Enclosure

cc: Beggs and Lane
Jeffrey A. Stone, Esquire

RECEIVED BY MAIL 1/29/02

01088 JAN 29 2002

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Request for Rate Increase by Gulf
Power Company

Docket No.: 010949-EI
Date: January 29, 2002

REQUEST FOR CONFIDENTIAL CLASSIFICATION

GULF POWER COMPANY [“Gulf Power”, “Gulf”, or “the Company”], by and through its undersigned attorney and pursuant to Rule 25-22.006, Florida Administrative Code, hereby files a request that the Florida Public Service Commission (“Commission”, or “FPSC”) enter an order protecting from public disclosure certain specified portions of the Rate Case Audit Report, [Audit Control Number 01-255-1-1] (“Audit Report”) and the Staff working papers (“Working Papers”) related thereto. As grounds for this request, the Gulf Power Company states:

1. The FPSC Staff has conducted an audit as part of its review of Gulf Power’s business records in Docket Number 010949-EI. Certain information was provided to the Commission Staff during its audit that is considered confidential proprietary business information by Gulf and subject to protection from public disclosure under Florida Statutes. This information also appears in the audit report issued by Staff at the conclusion of their audit.
2. Gulf Power asserts that the information contained in the Audit Report at page 8 consisting of the entire last paragraph of Staff’s statement of facts for Disclosure No. 4 and the Working Papers at pages 41-2.2, as specified on Exhibit “C” hereto, is entitled to confidential classification pursuant to §366.093(3)(d) and (e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf and would

reveal specific contract provisions regarding one or more contracts to which Gulf is a party. The information consists of a description of a contract provision in a contract between Gulf and one or more of its customers. The public disclosure of this information would reveal trade secrets of the entity with whom Gulf has entered into a contract. If this information is made public, Gulf's ability to enter into similar contracts with its customers would be significantly impaired. This would significantly impact Gulf's competitive position. Contractual provisions and details are afforded confidential classification pursuant to §366.093(3)(d), Florida Statutes.

3. Gulf Power asserts that the information contained in the Working Papers at pages 9-1 through 9-100, in their entirety, is entitled to confidential classification pursuant to §366.093(3)(a), (b) and (e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf. These working papers consist of excerpts and actual pages from the working papers of an accounting firm retained by Gulf to conduct an internal audit. This information is considered confidential work product by that audit firm and contains competitively sensitive business information with regard to Gulf's business operations. This proprietary and commercially sensitive information is not otherwise publicly available and its disclosure would impair the competitive business of Gulf Power. Internal audit reports are specifically designated as proprietary confidential business information in §366.093(3)(b), Florida Statutes. This information should be afforded the same protection.

4. Gulf Power asserts that the information contained in the Working Papers at pages 54-1 through 54-51, in their entirety, is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf Power. These work papers are the tax return for the 2000 calendar year. The tax return contains detailed financial information that is

considered by Gulf to be competitively sensitive. The tax returns provide an organized and highly detailed presentation of Gulf's financial performance that is not otherwise publically available for Gulf or any of the entities with whom it competes. The level of detail provided in the tax return far exceeds the level of detail provided publically by the Company. Moreover, tax returns are protected from disclosure under Federal law.

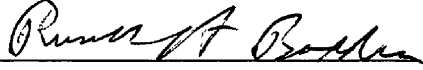
5. Gulf Power asserts that the information contained in the Working Papers at pages 54-53 through 54-58, in their entirety, is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf Power. These work papers contain detailed information taken from Gulf's tax returns. For the reasons discussed in paragraph 4 above, this detailed financial information is considered by Gulf to be competitively sensitive. The level of detail revealed in these work papers is even greater than that presented in Gulf's tax returns. This information could be used by one or more of Gulf's competitors to gain an unfair advantage over Gulf in the various markets in which Gulf competes.

6. Submitted as Exhibit "A" is a copy of the Audit Report and Working Papers, on which is highlighted the information for which confidential classification is requested. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" are two (2) edited copies of the Audit Report and Working Papers, which may be made available for public review and inspection. Attached as Exhibit "C" to this request is a justification for the request for confidential classification.

7. The material for which confidential classification is requested is intended to be, and is treated as, confidential by Gulf Power Company and the customer to which the information pertains and has not been otherwise publicly disclosed.

WHEREFORE, Gulf Power Company respectfully requests that the Commission enter an order protecting the information highlighted on Exhibit "A" from public disclosure as proprietary confidential business information.

Respectfully submitted this 28th day of January, 2002.



JEFFREY A. STONE

Florida Bar No. 325953

RUSSELL A. BADDERS

Florida Bar No. 007455

Beggs & Lane

P. O. Box 12950

(700 Blount Building)

Pensacola, FL 32576-2950

(850) 432-2451

Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Request for Rate Increase by Gulf
Power Company

Docket No.: 010949-EI

Date: January 29, 2002

EXHIBIT "A"

REQUEST FOR CONFIDENTIAL CLASSIFICATION

The information provided herein should be maintained as proprietary confidential business information pursuant to Section 366.093 and Rule 25-22.006, F.A.C.

EXHIBIT "A"

Provided to the Division of Records and Reporting
under separate cover as confidential information

EXHIBIT "B"

Disclosure No. 4

Subject: Other Operating Revenues

Statement of Fact:



Recommendation:

CONFIDENTIAL

ATTACHMENT B

1. Why is Rev From Transmission of Others Increasing From Historical To Test Year?

456-500 2,916

3,523

Transmission Revenue Explanation:

The TEST Year amount is provided by SCS and represents Gulf's share of wheeling & transmission service related transactions.

2. Co-Gen Rev Explanations:

ATTACHMENT B

1. Why is Rev From Transmission of Others Increasing From Historical To Test Year?

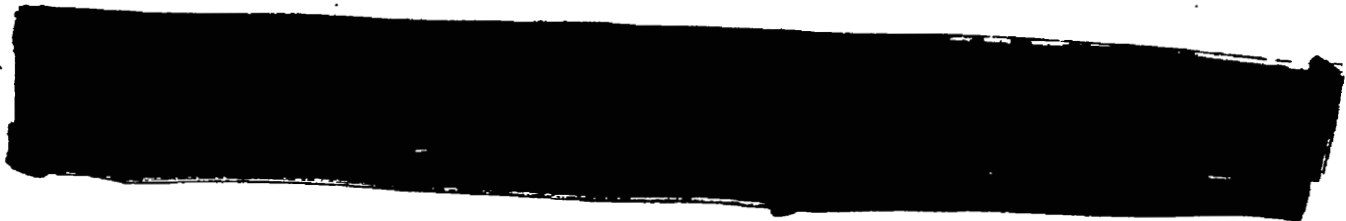
456-500 2,916

3,523

Transmission Revenue Explanation:

The TEST Year amount is provided by SCS and represents Gulf's share of wheeling & transmission service related transactions.

2. Co-Gen Rev Explanations:



Disclosure No. 4

Subject: Other Operating Revenues

Statement of Fact:



Recommendation:

CONFIDENTIAL

Working Papers Pages 9-1 through 9-100

Working Papers pages 9-1 through 9-100, in their entirety, are considered confidential pursuant to §366.093(3)(a), (b) and (e), Florida Statutes

Working Papers Pages 54-1 through 54-51

Working Papers pages 54-1 through 54-51, in their entirety, are considered confidential pursuant to §366.093(3)(e), Florida Statutes

Working Papers Pages 54-53 through 54-58

Working Papers pages 54-53 through 54-58, in their entirety, are considered confidential pursuant to §366.093(3)(e), Florida Statutes

EXHIBIT "C"

Field/Line

Justification

Audit Report Page 8, last full paragraph of Staff's statement of facts for Disclosure No. 4, in its entirety

Gulf Power asserts that this information is entitled to confidential classification pursuant to §366.093(3)(d) and (e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf and would reveal specific contract provisions regarding one or more contracts to which Gulf is a party. The basis for confidentiality is more fully set forth in paragraph 2 of this Request.

Working Papers at pages 41-2.2, last full paragraph in its entirety

Working Papers at pages 9-1 through 9-100, in their entirety

Gulf Power asserts that this information is entitled to confidential classification pursuant to §366.093(3)(a), (b) and (e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf. The basis for confidentiality is more fully set forth in paragraph 3 of this Request.

Working Papers at pages 54-1 through 54-51, in their entirety

Gulf Power asserts that this information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf Power. These work papers are the tax return for the 2000 calendar year. The basis for confidentiality is more fully set forth in paragraph 4 of this Request.

Working Papers at pages 54-53 through 54-58, in their entirety

Gulf Power asserts that this information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf Power. These work papers contain detailed information taken from Gulf's tax returns. The basis for confidentiality is more fully set forth in paragraphs 4 and 5 of this Request.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for rate increase by)
Gulf Power Company)
_____)

Docket No. 010949-EI

Certificate of Service

I HEREBY CERTIFY that a copy of the foregoing has been furnished
this 28th day of January 2002 by U.S. Mail to the following:

Marlene Stern, Esquire
Staff Counsel
FL Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0863


Stephen Burgess, Esquire
Office of Public Counsel
c/o The Florida Legislature
111 W. Madison St., Room 812
Tallahassee FL 32399-1400

Vicki Kaufman, Esquire
McWhirter Reeves, P.A.
117 S. Gadsden Street
Tallahassee FL 32301

John W. McWhirter, Esquire
McWhirter Reeves, P.A.
400 N. Tampa St., Suite 2450
Tampa FL 33601-3350

Douglas A. Shropshire, Lt. Col. USAFR
AFCESA/Utility Litigation Team
6608 War Admiral Trail
Tallahassee FL 32309

Michael A. Gross
Vice President
Florida Cable Telecommunications Assn
246 East 6th Avenue, Suite 100
Tallahassee FL 32303



JEFFREY A. STONE
Florida Bar No. 325953
RUSSELL A. BADDERS
Florida Bar No. 0007455
Beggs & Lane
P. O. Box 12950
Pensacola FL 32576
850 432-2451
Attorneys for Gulf Power Company