



**Florida Power**  
A Progress Energy Company

JAMES A. MCGEE  
ASSOCIATE GENERAL COUNSEL

September 5, 2002

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

Re: Docket No. 020001-EI; **Revised**: Request for Specified Confidential Treatment.

Dear Ms. Bayo:

Enclosed for filing is Florida Power Corporation's **Revised** Request for Specified Confidential Treatment regarding the Company's FPSC 423 Forms for the months of March, April, May and June 2002.

Please acknowledge your receipt and filing of the above on the enclosed copy of this letter and return same to me.

Very truly yours,

James A. McGee

JAM:scc  
Enclosures  
cc: Parties of record

DOCUMENT NUMBER-DATE  
09501 SEP-9 2002  
FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE

Docket No. 020001-EI

I HEREBY CERTIFY that a true copy of Florida Power Corporation's Revised Request for Specified Confidential Treatment for the months of March, April, May and June 2002 has been furnished to the following individuals by regular U.S. Mail this 5th day of September, 2002.

John Butler  
Steel, Hector & Davis  
200 S. Biscayne Blvd.  
Suite 4000  
Tallahassee, FL 32301-1804

Jeffrey A. Stone, Esquire  
Russell A. Badders, Esquire  
Beggs and Lane  
P. O. Box 12950  
Pensacola, FL 32576-2950

Lee L. Willis, Esquire  
James D. Beasley, Esquire  
Ausley & McMullen  
P. O. Box 391  
Tallahassee, FL 32302

Wm. Cochran Keating, IV  
Staff Counsel  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Stephen C. Burgess, Esquire  
Office of the Public Counsel  
111 West Madison Street  
Room 812  
Tallahassee, FL 32399-1400

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

John McWhirter, Jr.  
McWhirter, Reeves, McGlothlin,  
Davidson, Decker, Kaufman,  
Arnold & Steen, P.A.  
400 North Tampa Street  
Suite 2450  
Tampa, FL 33601

Norman Horton, Jr., Esquire  
Messer, Caparello & Self  
P. O. Box 1876  
Tallahassee, FL 32302



March 2002  
Docket No. 020001-EI

**Request for Specified Confidential Treatment**

**FORM 423-1A**

<u>Line(s)</u>	<u>Column</u>	<u>Justification</u>
2, 5, 7-9, 11-12, 14, 21-23	H	(1) The information under Column H, "Invoice Price", identifies the basic component of the contract pricing mechanism. Disclosure of the invoice price, particularly if in conjunction with information under other columns discussed below, would enable suppliers to determine the pricing mechanisms of their competitors. The likely result would be greater price convergence in future bidding. Disclosure would also result in a reduced ability on the part of a major purchaser such as FPC to bargain for price concessions, since suppliers would be reluctant or unwilling to grant concessions that other potential purchasers would then expect.
2, 5, 7-9, 11-12, 14, 21-23	I	(2) Disclosure of the Invoice Amount, when divided by the Volume figure available from column G, would also disclose the Invoice Price in column
2, 5, 7-9, 11-12, 14, 21-23	J	(3) Disclosure of the Discount, in conjunction with other information under columns K, L, M or N, could

<u>Line(s)</u>	<u>Column</u>	<u>Justification</u>
		also disclose the Invoice Price shown in column H by mathematical deduction. In addition, disclosure of discounts resulting from bargaining concessions would impair the ability of FPC to obtain such concessions in the future for the reasons discussed in item (1) above.
2, 5, 7-9, 11-12, 14, 21-23	K	(4) See item (3) above.
2, 5, 7-9, 11-12, 14, 21-23	L	(5) See item (3) above.
2, 5, 7-9, 11-12, 14, 21-23	M	(6) See item (3) above.
2, 5, 7-9, 11-12, 14, 21-23	N	(7) See item (3) above. This column is particularly sensitive because it is usually the same as or only slightly different from the Invoice Price in column H.

2, 5, 7-9, 11-12, 14, 21-23      O      (8) Disclosure of the Transportation to Terminal Charges, in conjunction with the information under column Q, would also disclose the Effective Purchase Price in column N by subtracting them from the Delivered Price available in column R.

2, 5, 7-9, 11-12, 14, 21-23      Q      (9) See item (8) above.

FORM 423-2

Plant Name:

<u>Line(s)</u>	<u>Column</u>	<u>Justification</u>
Transf. Facility IMT: 1-8 Crystal River 1&2: 1-7 Crystal River 4&5 : 1-7	G	(10) The Effective Purchase Price is also found on Form 423-2A, column L, and on Form 423-2B, column G. In nearly every case it is the same as the F.O.B. Mine Price found under column F on Form 423-2A, which is the current contract price of coal purchased from each supplier by Electric Fuels Corporation (EFC) for delivery to FPC. Disclosure of this information would enable suppliers to determine the prices of their competitors, which would likely result in greater price convergence in future bidding. Disclosure would also result in a reduced ability on the part of a major purchaser such as EFC to bargain for price concessions on behalf of FPC, since suppliers would be reluctant or unwilling to grant concessions that other potential purchasers would then expect. In addition, disclosure of the Effective Purchase Price would also disclose the Total Transportation Cost in column H by subtracting column G from the F.O.B. Plant Price in column I.
Transf. Facility IMT: 1-8 Crystal River 1&2: 1-7 Crystal River 4&5: 1-7	H	(11) See item (25) below. In addition, disclosure of the Total Transportation Cost, when subtracted from the F.O.B. Plant Price in column I, would also disclose the Effective Purchase Price in column G.

<u>Line(s)</u>	<u>Column</u>	<u>Justification</u>
		discounts resulting from bargaining concessions would impair the ability of FPC to obtain such concessions in the future for the reasons discussed in item (1) above.
2, 3, 6-8, 10, 11, 14, 17, 21, 23-27	K	(4) See item (3) above.
2, 3, 6-8, 10, 11, 14, 17, 21, 23-27	L	(5) See item (3) above.
2, 3, 6-8, 10, 11, 14, 17, 21, 23-27	M	(6) See item (3) above.
2, 3, 6-8, 10, 11, 14, 17, 21, 23-27	N	(7) See item (3) above. This column is particularly sensitive because it is usually the same as or only slightly different from the Invoice Price in column H.
2, 3, 6-8, 10, 11, 14, 17, 21, 23-27	O	(8) Disclosure of the Transportation to Terminal Charges, in conjunction with the information under column Q, would also disclose the Effective Purchase

FORM 423-2A

Plant Name:

<u>Line(s)</u>	<u>Column</u>	<u>Justification</u>
Transf. Facility IMT: 1-5 Crystal River 1&2: 1-8 Crystal River 4&5: 1-9	F	(12) The F.O.B. Mine Price is the current contract price of coal purchased from each supplier by EFC for delivery to FPC. Disclosure of this information would enable suppliers to determine the prices of their competitors, which would likely result in greater price convergence in future bidding. Disclosure would also result in a reduced ability on the part of a major purchaser such as EFC to bargain for price concessions on behalf of FPC, since suppliers would be reluctant or unwilling to grant concessions that other potential purchasers would then expect.
Transf. Facility IMT: N/A Crystal River 1&2: N/A Crystal River 4 &5: N/A	G	(13) Short haul and loading charges.
Transf. Facility IMT: 1-5 Crystal River 1&2: 1-8 Crystal River 4&5: 1-9	H	(14) The Original Invoice Price is the same as the F.O.B. Mine Price in column F, except in rare instances when the supplier is willing and able to disclose its short haul and loading costs (column G), if any, included in the contract price of coal. Disclosure would therefore be detrimental for the reasons identified in item (12) above.



<u>Line(s)</u>	<u>Column</u>	<u>Justification</u>
		discounts resulting from bargaining concessions would impair the ability of FPC to obtain such concessions in the future for the reasons discussed in item (1) above.
1-11, 14-19, 20-24	K	(4) See item (3) above.
1-11, 14-19, 20-24	L	(5) See item (3) above.
1-11, 14-19, 20-24	M	(6) See item (3) above.
1-11, 14-19, 20-24	N	(7) See item (3) above. This column is particularly sensitive because it is usually the same as or only slightly different from the Invoice Price in column H.
1-11, 14-19, 20-24	O	(8) Disclosure of the Transportation to Terminal Charges, in conjunction with the information under column Q, would also disclose the Effective Purchase Price in column N by subtracting them from the Delivered Price available in column R.
1-11, 14-19, 20-24	Q	(9) See item (8) above.

FORM 423-2B

Plant Name:

<u>Line(s)</u>	<u>Column</u>	<u>Justification</u>
Transf. Facility IMT: 1-7	G	(19) See item (10) above.
Crystal River 1&2: 1-10		
Crystal River 4&5: 1-5		
Trans. Facility IMT: 1-7	I	(20) The information under Rail Rate is a function of EFC's contract rate with the railroad and the distance between each coal supplier and Crystal River. Since these distances are readily available, disclosure of the Rail Rate would effectively disclose the contract rate. This would impair the ability of a high volume user such as EFC to obtain rate concessions, since railroads would be reluctant to grant concessions that other rail users would then expect.
Crystal River 1&2: 1-10		
Crystal River 4&5 N/A		
Trans. Facility IMT: 1-7	J	(21) Other Rail Charges consist of EFC's railcar ownership cost. This cost is internal trade secret information which is not available to any party with whom EFC contracts, railroads or otherwise. If this information were disclosed to the railroad, their existing knowledge of EFC's rail rates would allow them to determine EFC's total rail cost and be better able to evaluate EFC's opportunity to economically use competing transportation alternatives.
Crystal River 1&2: 1-10		
Crystal River 4&5: N/A		

Transf. Facility IMT: P  
1-7  
Crystal River 1&2:  
1-10  
Crystal River 4&5:  
1-5

(22) The figures under Transportation Charges are the same as the Total Transportation Cost under column H on Form 423-2. See item (11) above. In the case of rail deliveries to the Crystal River Plants, these figures represent EFC's current rail transportation rate. In the case of waterborne deliveries to the Crystal River Plants, the figures represent EFC's current Gulf barge transportation rate. In the case of waterdeliveries to the IMT "Plant", the figures represent EFC's current river transportation rate. Disclosure of these transportation rates would enable coal suppliers to bid a F.O.B. mine price calculated to produce a delivered plant price at or marginally below FPC's current delivered price, which is available on Form 423-2, column I. Without this opportunity to calculate a perceived maximum acceptable price, suppliers would be more likely to bid their best price.

<u>Line(s)</u>	<u>Column</u>	<u>Justification</u>
		discounts resulting from bargaining concessions would impair the ability of FPC to obtain such concessions in the future for the reasons discussed in item (1) above.
1-2, 5-6, 8-10, 13-22	K	(4) See item (3) above.
1-2, 5-6, 8-10, 13-22	L	(5) See item (3) above.
1-2, 5-6, 8-10, 13-22	M	(6) See item (3) above.
1-2, 5-6, 8-10, 13-22	N	(7) See item (3) above. This column is particularly sensitive because it is usually the same as or only slightly different from the Invoice Price in column H.
1-2, 5-6, 8-10, 13-22	O	(8) Disclosure of the Transportation to Terminal Charges, in conjunction with the information under column Q, would also disclose the Effective Purchase

**FORM 423-2A**

<b>Plant Name: Line(s)</b>	<b>Column</b>	<b>Justification</b>
Transf. Facility IMT: 1-6 Crystal River 1&2: 1-5 Crystal River 4&5: 1-5	F	(12) The F.O.B. Mine Price is the current contract price of coal purchased from each supplier by EFC for delivery to FPC. Disclosure of this information would enable suppliers to determine the prices of their competitors, which would likely result in greater price convergence in future bidding. Disclosure would also result in a reduced ability on the part of a major purchaser such as EFC to bargain for price concessions on behalf of FPC, since suppliers would be reluctant or unwilling to grant concessions that other potential purchasers would then expect.
Transf. Facility IMT: N/A Crystal River 1&2: N/A Crystal River 4 &5: N/A	G	(13) Short haul and loading charges.
Transf. Facility IMT: 1-6 Crystal River 1&2: 1-5 Crystal River 4&5: 1-5	H	(14) The Original Invoice Price is the same as the F.O.B. Mine Price in column F, except in rare instances when the supplier is willing and able to disclose its short haul and loading costs (column G), if any, included in the contract price of coal. Disclosure would therefore be detrimental for the reasons identified in item (12) above.