One Energy Place Pensacola, Florida 32520

Tel 850.444.6111

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October 11, 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. 020001-EI

Enclosed are an original and ten copies of Gulf Power Company's Request for Confidential Classification for Staff's Second Set of Interrogatories (Nos. 22-42), Items No. 30 and 40, to be filed in the above docket.

Sincerely,

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Susan D. Ritenour Assistant Secretary and Assistant Treasurer

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Enclosure

cc: Beggs and Lane Jeffrey A. Stone, Esquire

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchased power cost recovery clause and generating performance incentive factor

Docket No.: 020001-EI Date: October 11, 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 enter an order protecting from public disclosure the Company's responses to interrogatories numbered 30 and 40 of Staff's Second Set of Interrogatories to Gulf Power Company (Nos. 22-42). As grounds for this request, the Company states:. As grounds for this request, the Company states:

1. The responses to interrogatory numbers 30 and 40 contain proprietary and commercially sensitive information regarding Gulf Power, which if disclosed to the general public would cause irreparable harm to Gulf Power. Specifically, the responses are tables listing specific contractual terms regarding Gulf's coal contracts. This information is entitled to confidential classification pursuant to §366.093(3)(a) and (e), Florida Statutes. Gulf and other members of the market in which it competes consider this type of information to be trade secret and competitively sensitive. This information the terms on which it makes fuel purchases. Interrogatory response numbered 30 contains price information as well as other contract specific data. The response to interrogatory numbered 40 details coal transportation contract terms including price and quantity. Gulf's competitors are not required to disclose this information or information similar to it such that Gulf could gain the same competitive advantage that its

competitors gain from this information. Disclosure of this information may adversely affect Gulf's ability to manage its fuel procurement in a manner that secures the best price and terms for its customers fuel needs.

2. The responses to interrogatory numbers 30 and 40 are also entitled to confidential classification as information concerning contractual data, the disclosure of which would impair the efforts of Gulf Power to contract for goods or services on favorable terms. Section 366.093(3)(d), Florida Statutes, provides that such information is proprietary confidential business information and is to be afforded protection from public disclosure. The information provided in this response is the specific price provisions of fuel contracts to which Gulf is a party. Both Gulf Power Company and the entity with whom it has entered into the contract regard the information to be competitively sensitive. Disclosure of the specific pricing provisions in the contract would harm Gulf's ability to negotiate the best price for the same or similar goods or services in the future for the benefit of its customers and the general body of ratepayers. Disclosure of negotiated prices in a competitive market results in price convergence to those prices in future negotiations. The ability of Gulf Power to negotiate the best deal for its customers would be harmed and ultimately, higher costs to the ratepayers would result. In addition, certain other contract terms are provided in these responses that would also harm Gulf's ability to negotiate the best price for the same or similar goods or services in the future for the benefit of its customers and the general body of ratepayers. This information is entitled to confidential classification pursuant to §366.093(3)(d), Florida Statutes.

3. The information filed pursuant to Request is intended to be, and is treated as, confidential by the Companies and has not been otherwise publicly disclosed.

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4. Submitted as Exhibit "A" is a copy of the responses, 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 responses, which may be made available for public review and inspection. Attached as Exhibit "C" to this request is a line-by-line/field-by-field justification for the request for confidential classification.

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 $\frac{1125}{112}$ day of October 2002,

MRM

JEFFREY A. STONE Florida Bar No. 325953 RUSSELL A. BADDERS Florida Bar No. 007455 Beggs & Lane P. O. Box 12950 Pensacola, FL 32501 (850) 432-2451 Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchased power cost recovery clause and generating performance incentive factor

Docket No.: 020001-EI Date: October 11, 2002

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REQUEST FOR CONFIDENTIAL CLASSIFICATION

EXHIBIT "A"

Provided to the Division of Records and Reporting

under separate cover as confidential information

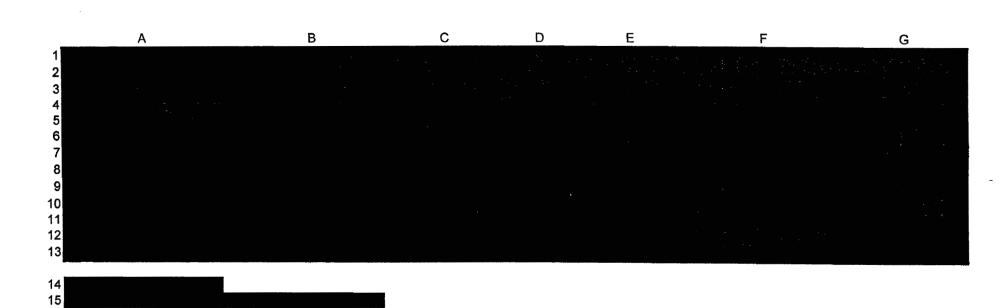
EXHIBIT "B"

Staff's Second Set of Interrogatories Docket No. 020001-EI GULF POWER COMPANY October 11, 2002 Item No. 30 Page 1 of 2

30. Please identify Gulf Power's 2003 coal sources by sulfur content including the total quantities of all contracts for each type of coal; the quantities and type of coal to be delivered under each contract; the supplier in each contract; open amounts for each type of coal; effective dates (month/year of start and end) for each contract; and price per ton (commodity and delivered) under each contract. Describe all quantities that may be contract extension. Please show Gulf Power's total coal requirements for 2003.

ANSWER:

See attached table.



Staff's Second Set of Interrogatories Docket No. 020001-EI GULF POWER COMPANY October 11, 2002 Item No. 30 Page 2 of 2

Staff's Second Set of Interrogatories Docket No.: 020001-EI GULF POWER COMPANY October 11, 2002 Item No. 40 Page 1 of 1

40 Please indicate the amount of coal actually taken by Gulf Power in 2001, and projected to be taken in 2002, via each coal transportation option identified in the previous interrogatory. Please indicate the average rate paid or projected to be paid for transportation during these periods for each coal transportation option identified in the previous interrogatory.

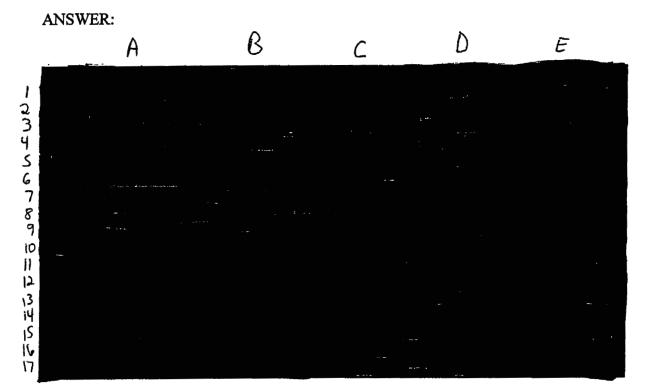


EXHIBIT C

Line-by-Line/Field-by-Field Justification

Line(s)/Field(s)

Interrogatory 30 Lines 1 - 15, Columns A - G

Interrogatory 40 Lines 1 - 17, Columns A - E

Justification

This information is entitled to confidential classification pursuant to §366.093(3)(a), (d) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraphs 1 and 2.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor

Docket No. 020001-EI

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail this 11th day of October 2002 on the following:

Wm. Cochran Keating, Esquire FL Public Service Commission 2540 Shumard Oak Boulevard Tallahassee FL 32399-0863

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