

LAW OFFICES
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A Professional Association

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Reply to: P.O. Box 1876
Tallahassee, FL 32302-1876

December 11, 2002

BY HAND DELIVERY

Ms. Blanca Bayó, Director
The Commission Clerk and Administrative Services
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

010906-GU

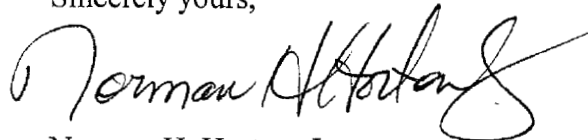
Dear Ms. Bayó:

Enclosed for filing on behalf of Sebring Gas System, Inc. are an original and fifteen copies of Sebring Gas System, Inc.'s Request for Confidential Classification of Documents.

Please acknowledge receipt of this letter by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely yours,



Norman H. Horton, Jr.

NHH/amb
Enclosure

DOCUMENT NUMBER 13538
DEC 11 2002
FPSC-COMMISSIONER CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Sebring Gas)
System, Inc. for confidential)
treatment of certain documents)
_____)

Docket No.
Filed: December 11, 2002

REQUEST FOR CONFIDENTIAL CLASSIFICATION OF DOCUMENTS

COMES NOW Sebring Gas System, Inc. ("Sebring Gas") through undersigned counsel, and pursuant to section 366.093, Florida Statutes and Rule 25-22.006, Florida Administrative Code, requests confidential treatment of certain documents furnished to Staff. As basis, Sebring would show:

1. The name and address of Petitioner is:

Sebring Gas System, Inc.
3515 U.S. Highway 27, South
Sebring, FL 33870-5452

2. The name and address of the person authorized to receive notices and communications with respect to this Petition are:

Norman H. Horton, Jr.,
Messer, Caparello & Self, P. A.
Suite 701, First Florida Bank Building
Post Office Box 1876
Tallahassee, FL 32302-1876

3. On November 20, Staff notified Sebring of the completion of their field work in conjunction with their audit of the 2001 earnings surveillance report review of Sebring Gas. (Audit Control No. 01-167-3-1). During the course of the review the Staff was provided access to the records of Sebring Gas and affiliated companies and given copies of documents regarding the operations of Sebring Gas and affiliates, some of which Sebring considers to be proprietary and confidential.

4. Sebring Gas provides natural gas to customers in and adjacent to Sebring, Florida and it is subject to the jurisdiction of this Commission as a public utility pursuant to section 366.02, Florida Statutes. An affiliated company, Coker Fuel, Inc., provides propane gas service, an unregulated activity, in a larger area but including Sebring and is not a public utility within the definition of that term. During their audit the Staff had access to records and information regarding allocations and transactions between Coker Fuel and Sebring Gas and copies of documents were provided when requested. The general manager for Coker Fuel and Sebring Gas is the same person and receives a salary from both companies and he provided information regarding his activities and duties to the Staff during their audit. Based on the information and supporting documents provided to Staff, they concluded that the allocation of the total salary of the general manager “appears reasonable,” however the audit report contains workpapers regarding the compensation of the general manager which Sebring considers to be confidential.

5. The specific documents for which confidential treatment is requested, are identified as:

a) Workpaper 44-2, consisting of 1 page containing a description of the review of account 920 - Administrative and General Salaries. Sebring and Coker consider the information on lines 9, 10, and 11 which detail total salary and salary from Coker to be proprietary and confidential.

b) Workpaper 44-2/1, consisting of 1 page with a W-2 from Coker Fuel and a written description of the allocation by the general manager. Sebring and Coker consider the information in boxes 1, 2, 3, 4, 5, 6, 12 which detail total compensation and personal withholding information and boxes d and e, SSAN and home address to be confidential.

c) Workpaper 44-2/2 and 44-2/3, consisting of 1 page each and containing copies of W-2s for 2000 and 2001. Information in boxes 2, 4, and 6 relate to personal withholding and d and e contain SSAN and home address of the employee, each of which is considered confidential.


6. The information concerning the salary from Coker Fuel and total compensation is considered to be proprietary, confidential business information. Coker Fuel is not regulated but is in a competitive business and information of this type is considered to be of value to Coker fuel. Any information concerning revenues or expenses would be of potential value to competitors and would impair the business of Coker Fuel. Also, information on the W-2 forms such as home address, social security account information and specific tax and withholding information is personal and sensitive information as to an employee of Coker Fuel and is not released to the public.

7. Accompanying this request is a copy of each document with the confidential information highlighted and a redacted version of each document.

For the reasons given, Sebring Gas System, Inc. requests that the Commission grant the requested confidential treatment.

Dated this 12th day of December, 2002.

MESSER, CAPARELLO & SELF, P.A.
215 S. Monroe Street, Suite 701
Post Office Box 1876
Tallahassee, FL 32302-1876
(850) 222-0720


NORMAN H. HORTON, JR., ESQ.
FLOYD R. SELF, ESQ.

Attorneys for Sebring Gas System, Inc.

COMPANY: SEBRING GAS CO
TITLE: SALARIES
PERIOD: YEAR END 12/31/01
DATE: OCTOBER 10, 2002
AUDITOR: RKY
WP NO.

KW 11/19/02

SUBJECT: ACCOUNT 920 - ADMINISTRATIVE AND GENERAL SALARIES

This account increased from \$49,725.48 for the year 2000 to \$75,581.22 for year 2001, an increase of \$25,855.74. Of this amount \$22,525 is an increase in salary for the general manager, Jerry Melendy Jr. His salary increased from \$14,575 in 2000 to \$37,100 in 2001. Mr. Melendy stated that he worked at least a minimum of 40 hrs. a week for Sebring Gas. He booked all of his hours to account 920. There is no specific record to show whether his work is construction, operation, or maintenance related.

$\frac{44-2}{2}$

$\frac{44-2}{3}$

He also works for Coker Fuel, a family owned business. He stated that he works approximately 60 hours a week in total. One third of his time (20 hours) is spent on Coker Fuel. His salary from Coker was [REDACTED] 2001.

The total salary is [REDACTED]. He works 1/3 to Coker and 2/3 to Sebring. That would be [REDACTED] charge to Coker and [REDACTED] to Sebring. However, he is only charging 37,100 to Sebring or \$17.83 per hour. This appears reasonable.

$\frac{44-2}{1}$

Exhibit to Request 5

Confidential

020147 000002		8 Allocated tips 0.00	3 Social Security wages [REDACTED]	4 Social Security tax withheld [REDACTED]
SUNSHINE COMPANIES IV, INC. 5825 US 27 NORTH SEBRING FL 33870		9 Advanced EIC payment 0.00	5 Medicare wages and tips [REDACTED]	6 Medicare tax withheld [REDACTED]
e Employee's name, address, and Zip code		10 Dependent care benefits 0.00	11 Non qualified plans 0.00	12 See instructions for box 12 [REDACTED]
JERRY H. MELENDY, JR. [REDACTED] SEBRING FL 33875-8245		13 Salaried Employee <input type="checkbox"/> Regularly scheduled <input checked="" type="checkbox"/> Seasonal <input type="checkbox"/> Third-Party work pay	14 Other [REDACTED]	12 b 12 c 12 d
15 State Employer's State ID number		16 State wages, tips, etc.		17 State income tax
18 Local wages, tips, etc.		19 Local income tax		20 Name of locality

Copy C for EMPLOYEES RECORDS (See notice on back) Dept. of the Treasury-IRS

AUDIT REQUEST #5

ITEM #1 - W2 FOR AFFILIATE COMPANY.

THIS W2 WAS ISSUED BY SUNSHINE COMPANIES IV, INC., THE EMPLOYEE LEASING COMPANY. THE LOCATION # IS 2147, COKER FUEL, INC.

ITEM #2 - STATEMENT OF EMPLOYMENT - JERRY H. MELENDY, JR.
 MY EMPLOYMENT FOR SEBRING GAS SYSTEM AND COKER FUEL IS LOCATED AT THE OFFICE IN SEBRING. I HAVE THE RESPONSIBILITY TO MANAGE ALL ASPECTS OF BOTH COMPANIES. ALTHOUGH I AM RESPONSIBLE IN COKER FUEL, I HAVE OTHERS TO DELEGATE RESPONSIBILITIES TO. IN SEBRING GAS, MUCH DETAIL WORK IS DONE BY MYSELF. IN ACTUAL TIME, I ESTIMATE 2/3 OF MY TIME IS DEVOTED TO SEBRING GAS MATTERS AND 1/3 DEVOTED TO COKER FUEL. SEBRING HOURS ESTIMATED TO BE 40 HOURS/WEEK. COKER HOURS ESTIMATED TO BE 20 HOURS/WEEK.

~~CONFIDENTIAL~~

Confidential

44-2
1

E: 000002		3. Social security wages 14575.00	4. Social security tax withheld
b. Employer's ID No. 59-2718595		5. Medicare wages and tips 14575.00	6. Medicare tax withheld
c. Employer's name, address, and ZIP code SUNSHINE COMPANIES II, INC. 5825 US 27 NORTH SEBRING, FL 33870			
d. Employer's social security number			
e. Employee's name, address, and ZIP code JERRY H. MELENDY, JR. SEBRING, FL 33872			
7. Social security tips 0.00	8. Allocated tips 0.00	9. Advance EIC payment 0.00	
10. Dependent care benefits 0.00	11. Nonqualified plans 0.00	12. Benefits included in Box 1 0.00	
13. See instrs. for Box 13		14. Other	
15. Statutory employee Deceased Pension plan Legal rep. Deferred compensation			
16. State Employer's state ID No.	17. State wages, tips, etc.	18. State income tax	
19. Locality name	20. Local wages, tips, etc.	21. Local income tax	

Form W-2 Wage & Tax Statement Dept. of the Treasury-IRS OMB No. 1545-0008

E: 000002		3. Social security wages 14575.00	4. Social security tax withheld
b. Employer's ID No. 59-2718595		5. Medicare wages and tips 14575.00	6. Medicare tax withheld
c. Employer's name, address, and ZIP code SUNSHINE COMPANIES II, INC. 5825 US 27 NORTH SEBRING, FL 33870			
d. Employer's social security number			
e. Employee's name, address, and ZIP code JERRY H. MELENDY, JR. SEBRING, FL 33872			
7. Social security tips 0.00	8. Allocated tips 0.00	9. Advance EIC payment 0.00	
10. Dependent care benefits 0.00	11. Nonqualified plans 0.00	12. Benefits included in Box 1 0.00	
13. See instrs. for Box 13		14. Other	
15. Statutory employee Deceased Pension plan Legal rep. Deferred compensation			
16. State Employer's state ID No.	17. State wages, tips, etc.	18. State income tax	
19. Locality name	20. Local wages, tips, etc.	21. Local income tax	

Form W-2 Wage & Tax Statement Dept. of the Treasury-IRS OMB No. 1545-0008

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return This information is being furnished to the IRS		Void	2000	OMB No. 1545-0008
a. Control number E: 000002	1. Wages, tips, other compensation 14575.00	2. Federal income tax withheld		
b. Employer's ID No. 59-2718595	3. Social security wages 14575.00	4. Social security tax withheld		
	5. Medicare wages and tips 14575.00	6. Medicare tax withheld		
c. Employer's name, address, and ZIP code SUNSHINE COMPANIES II, INC. 5825 US 27 NORTH SEBRING, FL 33870				
d. Employer's social security number				
e. Employee's name, address, and ZIP code JERRY H. MELENDY, JR. SEBRING, FL 33872				
7. Social security tips 0.00	8. Allocated tips 0.00	9. Advance EIC payment 0.00		
10. Dependent care benefits 0.00	11. Nonqualified plans 0.00	12. Benefits included in Box 1 0.00		
13. See instrs. for Box 13		14. Other		
15. Statutory employee Deceased Pension plan Legal rep. Deferred compensation				
16. State Employer's state ID No.	17. State wages, tips, etc.	18. State income tax		
19. Locality name	20. Local wages, tips, etc.	21. Local income tax		

Form W-2 Wage & Tax Statement Dept. of the Treasury-IRS OMB No. 1545-0008

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return This information is being furnished to the IRS		Void	2000	OMB No. 1545-0008
a. Control number E: 000002	1. Wages, tips, other compensation 14575.00	2. Federal income tax withheld		
b. Employer's ID No. 59-2718595	3. Social security wages 14575.00	4. Social security tax withheld		
	5. Medicare wages and tips 14575.00	6. Medicare tax withheld		
c. Employer's name, address, and ZIP code SUNSHINE COMPANIES II, INC. 5825 US 27 NORTH SEBRING, FL 33870				
d. Employer's social security number				
e. Employee's name, address, and ZIP code JERRY H. MELENDY, JR. SEBRING, FL 33872				
7. Social security tips 0.00	8. Allocated tips 0.00	9. Advance EIC payment 0.00		
10. Dependent care benefits 0.00	11. Nonqualified plans 0.00	12. Benefits included in Box 1 0.00		
13. See instrs. for Box 13		14. Other		
15. Statutory employee Deceased Pension plan Legal rep. Deferred compensation				
16. State Employer's state ID No.	17. State wages, tips, etc.	18. State income tax		
19. Locality name	20. Local wages, tips, etc.	21. Local income tax		

Form W-2 Wage & Tax Statement Dept. of the Treasury-IRS OMB No. 1545-0008

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SUNSHINE COMPANIES IV, INC.
5825 US 27 NORTH
SEBRING FL 33870

e Employee's name, address, and Zip code

JERRY H. MELENDY, JR.
SEBRING FL 33875-8246

9 Advanced EIC payment	0.00	5 Medicare wages and tips	37100.00	6 Medicare tax withheld	
10 Dependent care benefits	0.00	11 Non-qualified plans	0.00	12 See instructions for box 12	
13 Health Coverage	Retirement plan	Third Party coverage	14 Other	12 b	
b Employer identification number				12 c	
59-2662862				12 d	
d Employee's Social Security Number					
13 State	Employer's State ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax
					20 Name of locality

Copy B to be filed with employer's FEDERAL income tax return (this information is being furnished to the Internal Revenue Service).

Dept. of the Treasury-IRS

This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.

Form W-2 Wage and Tax Statement 2001

c Employer's name, address, and Zip code

SUNSHINE COMPANIES IV, INC.
5825 US 27 NORTH
SEBRING FL 33870

e Employee's name, address, and Zip code

JERRY H. MELENDY, JR.
SEBRING FL 33875-8246

7 Social Security tips	0.00	1 Wages, tips, other compensation	37100.00	2 Federal income tax withheld	
8 Allocated tips	0.00	3 Social Security wages	37100.00	4 Social Security tax withheld	
9 Advanced EIC payment	0.00	5 Medicare wages and tips	37100.00	6 Medicare tax withheld	
10 Dependent care benefits	0.00	11 Non-qualified plans	0.00	12 See instructions for box 12	
13 Health Coverage	Retirement plan	Third Party coverage	14 Other	12 b	
b Employer identification number				12 c	
59-2662862				12 d	
d Employee's social security number					
13 State	Employer's State ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax
					20 Name of locality

Copy C for EMPLOYER'S RECORDS (See notice on back)

Dept. of the Treasury-IRS

Form W-2 Wage and Tax Statement 2001

c Employer's name, address, and Zip code

SUNSHINE COMPANIES IV, INC.
5825 US 27 NORTH
SEBRING FL 33870

e Employee's name, address, and Zip code

JERRY H. MELENDY, JR.
SEBRING FL 33875-8246

7 Social Security tips	0.00	1 Wages, tips, other compensation	37100.00	2 Federal income tax withheld	
8 Allocated tips	0.00	3 Social Security wages	37100.00	4 Social Security tax withheld	
9 Advanced EIC payment	0.00	5 Medicare wages and tips	37100.00	6 Medicare tax withheld	
10 Dependent care benefits	0.00	11 Non-qualified plans	0.00	12 See instructions for box 12	
13 Health Coverage	Retirement plan	Third Party coverage	14 Other	12 b	
b Employer identification number				12 c	
59-2662862				12 d	
d Employee's social security number					
13 State	Employer's State ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax
					20 Name of locality

Copy 2 to be filed with EMPLOYEE'S State, City, or Local Income Tax Return

Dept. of the Treasury-IRS

Form W-2 Wage and Tax Statement 2001

c Employer's name, address, and Zip code

SUNSHINE COMPANIES IV, INC.
5825 US 27 NORTH
SEBRING FL 33870

e Employee's name, address, and Zip code

JERRY H. MELENDY, JR.
SEBRING FL 33875-8246

7 Social Security tips	0.00	1 Wages, tips, other compensation	37100.00	2 Federal income tax withheld	
8 Allocated tips	0.00	3 Social Security wages	37100.00	4 Social Security tax withheld	
9 Advanced EIC payment	0.00	5 Medicare wages and tips	37100.00	6 Medicare tax withheld	
10 Dependent care benefits	0.00	11 Non-qualified plans	0.00	12 See instructions for box 12	
13 Health Coverage	Retirement plan	Third Party coverage	14 Other	12 b	
b Employer identification number				12 c	
59-2662862				12 d	
d Employee's social security number					
13 State	Employer's State ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax
					20 Name of locality

Copy 2 to be filed with EMPLOYEE'S State, City, or Local Income Tax Return

Dept. of the Treasury-IRS

2001

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