#### LAW OFFICES

# Messer, Caparello & Self

A Professional Association

Post Office Box 1876 Tallahassee, Florida 32302-1876 Internet: www.lawfla.com

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

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by Sebring Gas	)	
System, Inc. for confidential	)	Docket No.
treatment of certain documents	)	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 12<sup>th</sup> 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.

3

COMPANY:

**SEBRING GAS CO** 

TITLE:

SALARIES

RKY

PERIOD:

YEAR END 12/31/01

DATE:

**OCTOBER 10, 2002** 

AUDITOR:

WP NO.

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 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.

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 2001.

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

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SEERING FL 33870	9 Advanced EIC payment 0.00	5 Medicare wages and tips	6 Medicare tax withheld			
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JERRY H. MELENDY, JR.	b Employers identification number					
	59-2662862	_	12 c			
SEBRING FL 33875-8245	d Employee's social security number		12 d			
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ALDIT REQUEST #5

TITEM A1- WZ FOR AFFILLIATE COMPANY.

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