

Florida Power & Light Company, ite 810, Tallahassee, FL 32301

> **Natalie Smith Principal Attorney** Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420 (561) 691-7207 (561) 691-7135 (Facsimile)

March 13, 2006

### VIA HAND DELIVERY

Ms. Blanca S. Bayó, Director Division of the Commission Clerk and **Administrative Services** Florida Public Service Commission Betty Easley Conference Center 2540 Shumard Oak Boulevard, Room 110 Tallahassee, FL 32399-0850

CONFIDENTIAL DQCUMENT FILING

Docket No. 06 (2) 5

Florida Power & Light Company Request for Confidential Classification for Certain Documents and Information Filed in Connection with its

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are the original

**Petition for Determination of Need** 

Dear Ms. Bayó:

Re:

	Zarotopop tot amang on committee a company ( - 1 - ) and an order
	and two (2) copies of a Request for Confidential Classification for Certain Documents and
	Information Filed in Connection with its Petition for Determination of Need (Request). The
CMP	Request pertains to five CONFIDENTIAL Appendices to the Need Study, Appendices C-1
COM	through C-5. All of these CONFIDENTIAL documents are being filed in connection with
	FPL's petition styled In re: Florida Power & Light Company's Petition to Determine Need for
TR	West County Energy Center Units 1 and 2 Electrical Power Plants. That petition is being file
CR	separately today.
CL.	
	The Request itself does not contain confidential information. However, Attachment A to
PC	the request, which is contained in a separate box, does contain <b>CONFIDENTIAL</b> information,
RCA	which is highlighted. Attachment A is submitted in separate boxes because of the volume of
	confidential documents. Those boxes are labeled.
CR	
GA	
	CONFIDENTIAL MATERIALS
	Appendices C-1 Through C-5 to
HT(	1CONF
	FPL's Need Study for Electrical Power Plant 2007  DOCUMENT NUMBER-DATE
	DECEMBER A SHARE

FPSC-BUREAU OF RECORDS

02157 MAR 138

**FPSC-COMMISSION CLERK** 

an FPL Group company

Ms. Blanca S. Bayó, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission March 13, 2006 Page 2

So that your office will have redacted copies available for public disclosure, two redacted copies, which are referred to in the Request as Attachment B, are submitted as well in the boxes labeled:

#### REDACTED CONFIDENTIAL MATERIALS

Appendices C-1 Through C-5 to

FPL's Need Study for Electrical Power Plants

Also being filed is a diskette containing the electronic version of the Request and Attachment C, which is a line-by-line justification of the confidential status of the Confidential Information. The enclosed diskette is HD density, the operating system in Windows 2000, and the word processing software in which the document appears is Word 2000. If you have any questions regarding this transmittal, please contact me at (561) 691-7207.

Sincerely

Natalie F. Smith

NFS:ec Enclosures

ORIGINAL

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Florida Power & Light Company's	)	Docket No. CODD - El
Petition to Determine Need for West County	Energy)	
Center Units 1 and 2 Electrical Power Plants	)	
	)	Filed: March 13, 2006

## FLORIDA POWER & LIGHT COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION FOR CERTAIN DOCUMENTS AND INFORMATION FILED IN CONNECTION WITH ITS PETITION FOR DETERMINATION OF NEED

Pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, Florida Power & Light Company ("FPL") requests confidential classification of certain confidential information provided to the Florida Public Service Commission ("the PSC or the Commission") in connection with FPL's Petition to Determination Need for West County Energy Center Units 1 and 2 Electrical Power Plants ("the Confidential Information"). In support of its request, FPL states:

### Justification for Confidential Classification

- 1. The Confidential Information is contained in documents provided to the Commission in connection with FPL's Petition to Determine Need for West County Energy Center Units 1 and 2 Electrical Power Plants.
- 2. The Confidential Information for which FPL seeks confidential classification consists of five confidential Appendices to the Need Study document that was filed in support of FPL's Petition to Determine Need for West County Energy Center Units 1 and 2 Electrical Power Plants. Appendix C-1 is a summary of the five proposals submitted to FPL in response to its 2005 Request for Proposals ("RFP") and is the input sheet used in the economic evaluation of

the proposals. Appendices C-2 through C-4 are computer input and output reports containing the confidential bid information submitted in response to FPL's RFP and confidential FPL unit operating data. Appendix C-5 is a summary of the net equity adjustment calculations for the RFP proposals.

- 3. The material for which confidential classification is sought is intended to be and has been treated by FPL as private and confidential and has not been publicly disclosed. The Confidential Information for which FPL seeks confidential classification will continue to be confidential for more than 18 months; therefore, FPL seeks confidential classification for 36 months with the opportunity to request continuation of the confidential classification.
- 4. Much of the material for which confidential classification is sought is the proprietary business information of proposers that responded to the RFP issued by FPL to solicit proposals to meet FPL's 2009-2011 capacity need. Such information is intended to be and has been treated by the RFP proposers and FPL as private and has not been publicly disclosed. The documents contain extensive proprietary confidential business information regarding the RFP proposers and confidential information concerning proposals or other contractual data that FPL has a duty to keep confidential. The disclosure of such information would significantly impair the competitive business interests of the RFP respondents and impair their efforts to contract for goods and services on favorable terms. Additionally, such disclosure could impair FPL's ability to obtain competitive proposals for future needs. Thus, disclosure of the Confidential Information would injure the RFP proposers, FPL and FPL's customers.
- 5. The remainder of the Confidential Information for which FPL seeks confidential classification is FPL unit performance data, including but not limited to projected forced outage rates, heat rates, and fixed and variable O&M, the disclosure of which would impair FPL's

competitive interests and injure FPL's customers. FPL's customers would be injured by the disclosure of this information because disclosure would adversely affect FPL's ability to make off-system sales to benefit FPL's customers. This type of confidential information is protected against disclosure by Section 366.093(3)(e).

- 6. A non-redacted copy of the confidential documents, with all Confidential Information highlighted, is enclosed as Exhibit A in boxes marked "CONFIDENTIAL." Exhibit B is composed boxes of the same material with all Confidential Information redacted. Exhibit C is a line-by-line justification of the confidential status of the Confidential Information. The statutory bases for FPL's assertion of confidentiality with regard to each document or portion thereof are set forth in Exhibit C under the column titled "FLORIDA STATUTE 366.093(3)." The letters in that column refer to the subsection(s) of Section 366.093(3) that provide justification for FPL's request. Further support for FPL's Request for Confidential Classification of the referenced material is provided through the affidavit of Steven R. Sim, included as Exhibit D to this request.
- 7. Upon a finding by the Commission that the information highlighted in Exhibit A, and referenced in Exhibit C, is proprietary confidential business information, the information should not be declassified for a period of at least eighteen (18) months and preferably 36 months. The material should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. See § 366.093(4).

WHEREFORE, for the above and foregoing reasons, as more fully set forth in the supporting materials and affidavits included with this request, Florida Power & Light Company

# respectfully requests that its Request for Confidential Classification be granted.

Respectfully submitted,

R. Wade Litchfield, Esquire Bryan Anderson, Esquire Natalie F. Smith, Esquire Attorneys for Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Telephone: 561-691-7101

Bv:

Natalie F. Smith

# ATTACHMENT A CONFIDENTIAL MATERIALS

RE: FLORIDA POWER & LIGHT COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION for CERTAIN DOCUMENTS and INFORMATION FILED IN CONNECTION WITH ITS PETITION TO DETERMINE NEED FOR WEST COUNTY ENERGY CENTER UNITS 1 AND 2 ELECTRICAL POWER PLANT

APPENDICES C-1 THROUGH C-5 FPL'S NEED STUDY FOR ELECTRICAL POWER PLANT 2009

# **ATTACHMENT B**

# REDACTED CONFIDENTIAL MATERIALS

RE: FLORIDA POWER & LIGHT COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION for CERTAIN DOCUMENTS and INFORMATION FILED IN CONNECTION WITH ITS PETITION TO DETERMINE NEED FOR WEST COUNTY ENERGY CETNER UNITS 1 AND 2 ELECTRICAL POWER PLANT

APPENDICES C-1 THROUGH C-5
FPL'S NEED STUDY FOR ELECTRICAL POWER
PLANT 2007

# ATTACHMENT C

# Florida Power & Light Company Confidentiality Justification

# ATTACHMENT C

# Florida Power & Light Company Confidentiality Justification

Appendix	Page Numbers	Description	Justification
C-1	DON 0001	Guaranteed Firm Capacity & Heat Rates;	Fla. Stat. § 366.093(3)(d)
	_	Guaranteed Capacity Pricing; Guaranteed	
	DON 0007	Energy Pricing; Availability & Outage	
		Information; Guaranteed Startup Prices;	
		Fuel Costs	
C-2	DON 0008	Forced Outage Rate; Heat Rate; Fixed	Fla. Stat. § 366.093(3)(d)&(e)
	_	O&M Variable O&M Capacity factor,	
	DON 1036	Generation GWH; Fuel Cost; Production	
		Cost in \$; Production Cost in \$/MWH	
C-3	DON 1037	Cash Flows with AFUDC; In-Service	Fla. Stat. § 366.093(3)(d)&(e)
	_	Costs for Capital Expenditures, Revenue	
	DON 1143	Requirements Schedules, Annual Capacity	
		Payment Schedules, Fixed O&M	
		Payments, Capital Replacement Schedules	
	}	for Portfolio Components, Portfolio	
		Capacity Payments and Revenue	
		Requirement Totals, Portfolio Fixed	
		Costs, Portfolio Startup Costs, Portfolio	
		Variable O&M Costs, Portfolio Variable	
		Costs, Portfolio Fuel Costs	

Appendix	Page Numbers	Description	Justification
C-4	DON 1144	Plant lateral gas flow limits MCF/day,	Fla. Stat. § 366.093(3)(d)&(e)
	_	proposal name (capacity and technology	
	DON 7932	description), ramp rate by station, down	
		time by station, up time by station, on-line	
		hours per start by station, start-up energy	
		MBtu/start by station, start-up cost \$/start	
		by station, variable O&M by station, force	
		outage rate by station, minimum load heat	
		rate by station, heat rate curve /	
		incremental heat rate by station, capacity	
		states by station, maintenance schedule	
		(year, month, day, duration) by station,	
		capacity by station, capacity output factor	
		by station, fuel consumption MBtu by	
		station, start-up cost M\$ by station, fuel	
		cost M\$ by station, variable O&M cost	
		M\$ by station, operating Cost \$/MWh by	
		station, total Cost \$/MWh by station,	
		average output heat rate by station, system	
		start-up cost M\$, system Variable O&M	
		cost M\$, system Operating Cost \$/MWh,	
		system Total Cost \$/MWh, fuel	
		consumption MBtu by fuel, fuel	
		consumption unit by fuel, fuel cost M\$ by	
		fuel, fuel rate \$/MWh by fuel, heat rate by	
		fuel, thermal generation cost M\$, thermal	
		generation cost \$/MWh, system total	
		production cost M\$, system total	
		production cost \$/MWh, system net	
		production cost M\$, system net production	
		cost \$/MWh, fuel MBtu by station by fuel,	
		fuel unit by station by fuel, fuel cost M\$	
		by station by fuel, fuel rate c/KWh by	
		station by fuel, station net output factor,	
		capacity factor by plant, fuel consumption	
		MBtu by plant, start-up cost M\$ by plant,	
		variable O&M cost M\$ by plant, total cost	
	D 037 000	M\$ by plant, total cost \$/MWh by plant	
C-5	DON 7933	Monthly capacity payments; Annual	Fla. Stat. § 366.093(3)(e)
	-	Capacity Payments; NPV Capacity	
	DON 7943	Payments; Debt equivalence; Equity	
		replaced to rebalance; Equity adjustment	

# ATTACHMENT D

# AFFIDAVIT OF STEVEN R. SIM

#### **EXHIBIT D**

#### AFFIDAVIT OF STEVEN R. SIM

STATE OF FLORIDA		
	)	
COUNTY OF MIAMI-DADE	)	

BEFORE ME, the undersigned authority, this day personally appeared Steven R. Sim, who, first being duly sworn, deposes and states:

- 1. My name is Steven R. Sim. I am employed by Florida Power & Light Company ("FPL") as a Supervisor in the Resource Assessment and Planning Department. In my role as Supervisor of a group that is responsible for determining FPL resource needs and developing an integrated resource plan, I administered the economic evaluation portion of FPL's 2005 Request for Proposals (RFP) resource need for 2009 2011.
- 2. I am familiar with the Confidential Appendices, Appendices C-1 through C-5, to the Need Study document supporting FPL's Petition to Determine Need for West County Energy Center Units 1 and 2 Electrical Power Plants.
- 3. I have reviewed FPL's Request for Confidential Classification for Certain Documents and Information Filed in Connection with its Petition for Determination of Need (the Request). The representations FPL makes in its Request regarding Confidential Information are true and correct. The information that FPL identifies as Confidential Information is proprietary and confidential, the disclosure of which would be harmful to FPL, the proposers who responded to FPL's RFP, and FPL's customers. This information is treated by FPL as confidential.

- 4. FPL seeks to protect two types of information as confidential. The first type is information identified as confidential and provided to FPL by RFP proposers. This includes, but is not limited to, capacity costs, energy prices, fixed and variable O&M, heat rates and unit availability. Disclosure of this information could impair the competitive interests of the RFP proposers and jeopardize their ability to negotiate contract terms. Disclosure of this information also would impair FPL's prospective ability to solicit capacity proposals, to the detriment of FPL's customers. This type of information is contained in all the documents for which FPL seeks confidential classification.
- 5. The second type of information FPL seeks to protect as proprietary and confidential is information regarding the cost and operation of FPL's generating units. This information is confidential to FPL just as this type of information is confidential to the RFP proposers. However, unlike information furnished by proposers that relates to potential units that may never be built, FPL's information relates to actual costs and operations of existing units. FPL competes in the wholesale power market, and the disclosure of this information would injure FPL's competitive interests and FPL's ability to favorably negotiate contractual terms. The disclosure of this information would disadvantage FPL in making off-system sales to benefit FPL's customers. This second type of information regarding FPL's generating units is in Appendices C-2 through C-4, for which FPL seeks confidential classification pursuant to section 366.093(3)(e), Florida Statutes.
  - 7. Affiant says nothing further.

Staven D Sim

My Commission Expires:

NOTARY PUBLIC-STATE OF FLORIDA

E. Martin

Commission # DD372939

Expires: NOV. 17, 2008

Bonded Thru Atlantic Bonding Co., Inc.