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Exhibit E

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Public Service Commission

April 13, 2006

Natalie F. Smith, Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408-042

RE: Docket 060224-EI, March 13, 2006, Request for confidential classification concerning staff audit working papers prepared during "Florida Power & Light Service Connect Process Audit for the Year ended December 31, 2004, Audit No. 05-285-4-1, Documents 01604-06, 01605-03, and 02151-06

Dear Ms. Smith:

We have read the March 13, 2005 request for confidential classification based on the utility's argument that this material should be protected because the information is competitively sensitive.

Section 366.093(3)(e), Florida Statutes, provides that a confidential classification may be granted to "Information pertaining to competitive interests, the disclosure of which would impair the competitive business of the provider of that information." Ordinarily, the argument that material is competitively sensitive applies to information concerning purchasing or selling general goods or services in the marketplace.

In this case, the material that is involved is customer information that is transferred from the electric monopoly to an affiliate who then markets the information. The transfer and sale of the electric monopoly's customer information has not previously been considered by this Commission, nor has the characterization of the transfer been made clear.

Selling customer directories has occurred for many years in the telephone industry. However, directory revenues in the telephone industry are clearly considered "above the line" utility revenues; See 47 Code of Federal Regulations, Part 32, Uniform Systems of Account for Telecommunications Companies, Account 32.5320 entitled: "Directory Revenue".

Until found otherwise, staff considers selling utility customer information to be a utility exercise of its duties and responsibilities. Therefore the argument that this audit pertains to competitive information does not seem consistent. Additional justification as to why this information should be granted a confidential classification is needed. Perceived deficiencies are listed below:

Item 1: Staff Audit Report

Item 2: All Audit Working Papers

A.) Information in the PSC staff audit report presents a summary of the auditor's comments after an examination of regulatory matters. The material in the PSC staff auditor's report is presented in a highly summarized form and presents financial information pertaining to a point in time such that information in a staff audit report is generally not considered to cause competitive or contractual harm. In our opinion, the audit report in this matter should be public record. Please fully justify why release of information within this audit report is considered to cause harm.

B). The staff's audit examines the disclosure of methods used, costs incurred, and sales achieved by distribution of utility customer information. Sale of utility customer information is not perceived to be a competitive exercise. Please explain what statutory authority, tariff provisions, or findings from a prior case of this Commission support confidential classification for the sale of customer information by FPL and its affiliate.

C). For many years, rate-regulated telephone companies published telephone directories listing customer information, but revenues received from these listings were considered utility revenue; See Code of Federal Regulations, 47 Code of Federal Regulations, Part 32, Uniform Systems of Account for Telecommunications Companies, Account 32.5320 entitled: "Directory Revenue" (Also see website http://www.access.gpo.gov/nara/cfr/waisidx_05/47cfr32_05.html). Without a directory of telephone numbers, telephone service would have been inefficient. Monies from directory activities are still considered utility revenue today when the Commission calculates Regulatory Assessment Fee liabilities. Please fully explain why a rate-regulated electric utility and its affiliate consider distributing information about its customers a competitive exercise. That explanation should include an analysis of whether the transfer of this information to the affiliate was a market-based transaction.

D). Section 366.093(1), F.S., provides; "The Commission shall continue to have reasonable access to all public utility records and records of the utility's affiliated companies, including its parent company, regarding transactions or cost allocations among the utility and such affiliated companies, and such records necessary to ensure that a utility's ratepayers do not subsidize non utility operations....." Section 366.093(3)(f), F.S., provides that employee personnel information related to compensation, duties, qualifications or responsibilities does not qualify for a confidential classification. These two statutory provisions taken together have been interpreted by the Commission such that work-related personnel information received from a utility or a utility affiliate or parent is considered public. See Commission Order PSC-97-0022-FOF-WS, issued January 6, 1997, in Docket No. 960451-WS. Please explain why these specific statutes do not apply to extensive amounts of information concerning the general processing and oversight of utility customer information covered by the audit.

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E). According to FPL, sales scripts are used when selling certain products. Aren't these scripts released repeatedly to the public as sales are made? Why should material repeatedly told the general public be granted a confidential classification?

F). Distribution of customer information from the electric monopoly to third parties may only occur with the authorization of the customers. Inappropriate or unfair distribution of this information to third parties could result in, or could be perceived to result in, monopoly subsidies being given to these third parties. Since distribution of this information is perceived to be a utility exercise, why should the names of these buyers of monopoly electric information be granted a confidential classification?

G). Oversight of the distribution of monopoly customer information as to costs incurred and revenues received is a duty and responsibility of FPL employees. Why should the results of operations from distribution of customer information be granted a confidential classification?

Response to Perceived Deficiencies

Staff's concern in this case is that matters concerning the processing, distribution and sale of monopoly customer information are not eligible for a confidential classification because such activities are not considered a competitive exercise. Further, existing statutes provide that duties and responsibilities of the utility and affiliate employees are public. The perceived public information would be all information in this matter concerning the distribution of customer information including full and complete descriptions of the processes used, information concerning costs incurred by the utility or its affiliates, revenues earned, and the names of the buyers of the customer information.

In response to these perceived deficiencies, the utility may provide additional justification as to why the Commission should grant these audit materials a confidential classification. Within 14 days from the date of this letter, as deemed necessary, the utility may modify its pleading, justification, redacted or highlighted copies within its request; otherwise, a recommendation will be presented to the prehearing officer based upon the existing record.

If you have any technical questions concerning this matter, please contact me, Bob Freeman at telephone: 850-413-6485 or email: bfreeman@psc.state.fl.us If you have any procedural questions or if you would like to talk to the staff attorney assigned to the case please contact Richard Bellak at telephone: 850-413-6092 or email: rbellak@psc.state.fl.us

Sincerely,

Robert Freeman
Governmental analyst