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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Audit Control No. 06-135-2-1

In re: Application of UTILITIES, INC. OF FLORIDA for an increase in water and wastewater rates in Marion, Orange, Pasco, Pinellas, and Seminole Counties, Florida

DOCKET NO. 060253-WS

REQUEST FOR CONFIDENTIAL CLASSIFICATION

UTILITIES, INC. and its affiliates (collectively, "UI"), by and through its undersigned attorneys and pursuant to Rule 25-22.006, Florida Administrative Code and Section 367.156, Florida Statutes, hereby requests confidential classification of certain work papers provided by UI in connection with the audit of this matter.

- 1. The information which UI seeks to be classified as confidential falls within the following classifications:
 - A. Information relating to the competitive interests of UI, the disclosure of which would impair the competitive businesses of UI;
 - B. Information concerning bids or other contractual data, the disclosure of which would impair the efforts of UI to contract for goods or services on favorable terms:
 - C. Information relating to UI, none of which are publicly traded, which UI considers proprietary and confidential and which would not be disseminated to the public in the ordinary course of business; and
 - D. Information which UI treats as confidential and privileged, and which

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- the courts of this state would, but for the use in this proceeding, treat as confidential and privileged as a matter of course.
- 2. The disclosure of the information for which UI requests confidential classification would harm UI and have an adverse impact on ratepayers who obtain service from UI's Florida subsidiaries in the following ways:
 - A. Impair UI's ability to negotiate for goods and services competitively with other utilities both locally and on a national basis;
 - B. Unfairly disclose confidential and privileged information which is irrelevant to, and have no impact on, the outcome of this proceeding;
 - C. Provide prospective sellers and buyers of utility systems owned by UI with an unfair advantage in that they could determine how much UI would be willing to pay for a utility system, or sell a utility system for, thus impair UI's ability to sell and buy utility systems at reasonable prices.
- 3. Pursuant to Rule 25-22.006((4)(a), attached are copies of the documents for which confidential classification is requested, one with the confidential information highlighted and two with such information masked, together with the justification table required by Rule 25-22.006(4)(c).
- 4. Since the beginning of the year, UI has filed 14 rate proceedings in the State of Florida alone. In the course of assisting Staff in conducting this audit, correcting deficiencies and responding to data requests, UI inadvertently overlooked the fling of this Request for Confidential Classification within the 21 days provided in the Rule. The delay in filing this Request for Confidential Classification was the result of an oversight during a

period of time when UI was experiencing and overwhelming amount of activity. The period of delay is not significant. Allowing filing at this time will not impair the rights of any interested person.

WHEREFORE, Utilities, Inc., requests this Commission find and determine that the referenced audit work papers are entitled to confidential treatment pursuant to Section 367.156, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, and exempt from public disclosure.

Respectfully submitted on this 3/4 day of August, 2006, by:

ROSE, SUNDSTROM & BENTLEY, LLP Sanlando Center 2180 W. State Road 434, Suite 2118 Longwood, FL 32779

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Justification Table

Required by Rule 25-22.006(4)(c)

Item No. (From Confidential Documents Control Log)	Description	Page No./Line	Justification Pursuant to Section 367.156(3) or Harm to Utility and to Rate Payers
1 (31-4)	Audited Financial Statements	All of pages 3-16	Confidential because the information consists of: 1 Information relating to the competitive interests of UI, the disclosure of which would impair the competitive businesses of UI; 2. Information concerning bids or other contractual data, the disclosure of which would impair the efforts of UI to contract for goods or services on favorable terms; 3. Information relating to UI, none of which are publicly traded, which UI considers proprietary and confidential and which would not be disseminated to the public in the ordinary course of business; and 4. Information which UI treats as confidential and privileged, and which the courts of this state would, but for the use in this proceeding, treat as confidential and privileged as a matter of course. Harm to UI and ratepayers because: 1. Impair UI's ability to negotiate for goods and services competitively with other utilities both locally and on a national basis; 2. Unfairly disclose confidential and privileged information which is irrelevant to, and have no impact on, the outcome of this proceeding; C. Provide prospective sellers and buyers of utility systems owned by UI with an unfair advantage in that they could determine how much UI would be willing to pay for a utility system, or sell a utility system for, thus impair UI's ability to sell and buy utility systems at reasonable prices.

3 (9-1)	Management Representation Letter	Lines 29-31 of Page 5	Confidential because the information consists of: 1. Information relating to UI, none of which are publicly traded, which UI considers proprietary and confidential and which would not be disseminated to the public in the ordinary course of business; and 2. Information which UI treats as confidential and privileged, and which the courts of this state would, but for the use in this proceeding, treat as confidential and privileged as a matter of course. Harm to UI and ratepayers because: 1. Impair UI's ability to negotiate for goods and services competitively with other utilities both locally and on a national basis. 2. Unfairly disclose confidential and privileged information which is irrelevant to, and have no impact on, the outcome of this proceeding.
13 48-7/6	401(k) audit engagement letter	Line 24 of page 3	Confidential because the information consists of: 1 Information relating to the competitive interests of UI, the disclosure of which would impair the competitive businesses of UI; 2. Information concerning bids or other contractual data, the disclosure of which would impair the efforts of UI to contract for goods or services on favorable terms; 3. Information relating to UI, none of which are publicly traded, which UI considers proprietary and confidential and which would not be disseminated to the public in the ordinary course of business; and 4. Information which UI treats as confidential and privileged, and which the courts of this state would, but for the use in this proceeding, treat as confidential and privileged as a matter of course. Harm to UI and ratepayers because: 1. Impair UI's ability to negotiate for goods and services competitively with other utilities both locally and on a national basis; 2. Unfairly disclose confidential and privileged information which is irrelevant to, and have no impact on, the outcome of this proceeding.