

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Audit Control No. 07-052-4-1

In re: Application of
UTILITIES, INC. OF SANDALHAVEN
for an increase in water and wastewater
rates in Charlotte County, Florida

DOCKET NO. 060285-SU

REQUEST FOR CONFIDENTIAL CLASSIFICATION

UTILITIES, INC. OF SANDALHAVEN, for and on behalf of itself and its parent and affiliate companies (collectively, "Sandalhaven") , 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 Sandalhaven in connection with the audit of this utility.

1. Utilities, Inc., the immediate parent company of Sandalhaven, and Hydro Star LLC, the holder of 100% of the shares of Utilities, Inc., are not publicly traded companies. Therefore the rules and principles applicable to the disclosure of information contained in the financial statements of publicly traded companies do not apply in this case.

CMP _____
COM _____
CTR _____ 2. The information which Sandalhaven seeks to be classified as confidential falls within the following classifications:

ECR _____
GCL 1 A. Information relating to the competitive interests of Sandalhaven, the disclosure of which would impair the competitive businesses of Sandalhaven;

OPC _____
RCA 1 B. Information concerning bids or other contractual data, the disclosure of which would impair the efforts of Sandalhaven to contract for goods or

SCR _____
SGA _____
SEC _____

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services on favorable terms;

C. Information relating to Sandalhaven and its parent and affiliated companies, none of which are publicly traded, which Sandalhaven considers proprietary and confidential and which would not be disseminated to the public in the ordinary course of business; and

D. Information which Sandalhaven 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.

3. The disclosure of the information for which Sandalhaven requests confidential classification would harm Sandalhaven and have an adverse impact on ratepayers who obtain service from Sandalhaven's Florida and other state subsidiaries in the following ways:

A. Impair their 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 Sandalhaven's parent and affiliate companies with an unfair advantage in that they could determine how much Sandalhaven would be willing to pay for a utility system, or sell a utility system for, thus impair Sandalhaven's ability to sell and buy utility systems at reasonable prices.

4. During the course of the audit of Sandalhaven's books and records, Sandalhaven's employees provided Staff with certain financial documents which they treat

as confidential and proprietary and marked such documents as such before providing them to Staff. Staff was therefore aware at all times of the confidential and proprietary nature of such documents.

5. 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).

WHEREFORE, Utilities, Inc. of Sandalhaven, 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 23rd day
of May, 2007, by:

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BY: 

VALERIE L. LORD

Justification Table

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

Item No.	Description	Page No./Line	Justification
1	Audited Financial Statement of Utilities, Inc. and Subsidiary Companies ("UI")	Page 5, Lines 14 and 15 Page 6, Lines 17, 18 and 20 Page 7, Lines 42, 43, 45 and 46	<p style="text-align: center;">Pursuant to Section 367.156(3) or Harm to Utility and to Rate Payers</p> <p>Note: Utilities, Inc. and its immediate parent company are NOT publicly traded.</p> <p>Confidential because the information consists of:</p> <ol style="list-style-type: none"> 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. <p>Harm to UI and ratepayers because:</p> <ol style="list-style-type: none"> 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; <p>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.</p>