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Public Service Commission

June 18, 2008

Jessica A. Cano, Esq.  
Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach, FL 33408

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08 JUN 18 PM 3:17  
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**RE: Request for Additional Information**

Docket 011403-EI: Request for a Fourth Extension of Confidential Classification  
Audit No. 01-073-4-1 and Document Numbers 13412-01 and 13656-01

Dear Ms. Cano:

We have reviewed FPL's request for a fourth extension of confidential classification which was filed on May 28, 2008. This request concerns portions of the staff working papers prepared during staff's Earnings Surveillance for the year 2000.

Pursuant to Section 366.093(4), Florida Statutes, a confidential classification period is limited to eighteen (18) months unless the applicant can demonstrate good cause for a longer classification period. The Florida Administrative Code describes good cause as a period necessary "to protect the ratepayers or the business operations of the utility or affected person." Rule 25-22.006(9)(a), F.A.C. The Florida Public Service Commission (FPSC) has found that requests for extension of confidential classification considered reasonable for up to a five (5) year period. See Commission Order No. PSC-94-1224-CFO-EI, issued October 6, 1994, in Docket No. 940001.

In its most recent filing, FPL has requested an additional eighteen (18) month extension for information resulting from the internal audits conducted in the year 2000. If a fourth extension of confidential classification were to be granted, the confidential information status of the information would exceed five (5) years. Therefore, staff is requiring that FPL provide additional justification that demonstrates good cause as to why the information should remain confidential.

**STAFF'S FINDINGS AND REQUESTS**

- After staff's review of the documents, staff noted that portions of the information may not cause harm if the information was released. Specifically, the information at issue is not the audit reports themselves, but merely staff's notes taken from specific reports of the internal auditors.

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REQUEST NO. 1: Please provide additional information explaining why it would be harmful to FPL to release the information contained in staff's notes which were taken from specific reports of the internal auditors and not the audit reports themselves.

- Internal audits are performed to review the operations of the utility by making recommendations for improving utility operations or findings in specific areas as assigned in the scope of the internal audit. However, after the passage of time, the operations of a utility may change<sup>1</sup> and solutions to audit recommendations are implemented. Therefore, information once deemed classified as confidential can become stale and irrelevant with the passage of time.

REQUEST NO. 2: Please provide additional information as to why the information obtained in the year 2000 is still relevant to FPL's current operations.

- In its request, FPL concludes that the information is not stale or public. However, it has not explained the reasons why this confidential classification should remain after five (5) years.

REQUEST NO. 3: Please provide additional information as to why the information which relates to specific reports of the internal auditors in the year 2000 is not stale or public and should be granted confidential protection for an additional period.

### **RESPONSE TO STAFF'S REQUESTS**

Please provide the above-requested information by July 7, 2008. As deemed necessary, the FPL may modify its pleading, justification, redacted or highlighted copies within its request by July 11, 2008. Otherwise, a recommendation will be presented to the Prehearing Officer based upon the existing record.

If you have any questions concerning this matter, please contact me at (850) 413-6216 or email [bshankle@psc.state.fl.us](mailto:bshankle@psc.state.fl.us).

Sincerely,



Beth Shankle-Anderson  
Office of the General Counsel

Cc: Office of the Commission Clerk (McClean)  
Bureau of Auditing (Freeman, Vandiver)

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<sup>1</sup> Lawrence B. Sawyer, *The Practice of Modern Internal Auditing* (1973), Section regarding "Permanent Files", Page 109