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COMMISSION

CLERK

D. Bruce May, Jr.

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bruce.may@hklaw.com

claim of confidentiality
notice of intent
request for confidentiality
filed by OPC

August 10, 2011

For DN 15047-1, which
is in locked storage. You must be
authorized to view this DN.-CLK

Via Hand Delivery

Ms. Ann Cole, Director Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Betty Easley Conference Center, Room 110 Tallahassee, FL 32399-0850

Re:

In re: Application for increase in water and wastewater rates in Alachua, Brevard, DeSoto, Hardee, Highlands, Lake, Lee, Marion, Orange, Palm Beach, Pasco, Polk, Putnam, Seminole, Sumter, Volusia, and Washington Counties by Aqua Utilities Florida, Inc., Docket No. 100330-WS

Dear Ms. Cole:

Pursuant to Rule 25-22.006(4), Florida Administrative Code, enclosed for filing on behalf of Aqua Utilities Florida, Inc. ("AUF") are the original and fifteen (15) copies of AUF's Request for Confidential Classification of certain specified confidential proprietary information set forth in Confidential Exhibit TR-3 to the direct testimony of AUF witness, William T. Rendell. A separate, sealed envelope marked "Confidential" contains Composite Exhibit A to the original Request for Confidential Classification. This envelope contains one copy of the confidential exhibit with the confidential information subject to the request highlighted in transparent ink. Composite Exhibit B contains two copies of the confidential exhibit with confidential provisions blocked out.

DOCUMENT NUMBER-DATE 05646 AUG 10 =

FPSC-COMMISSION CLERK

Ann Cole August 10, 2011 Page 2

For our records, please acknowledge your receipt of this filing on the enclosed copy of this letter. Thank you for your consideration.

Sincerely,

HOLLAND & KNIGHT LLP

Bruce May

DBM:kjg

Enclosures

cc: Ralph Jaeger, Esq. (via Hand-Delivery)
Caroline Klancke, Esq. (via Hand-Delivery)
J.R. Kelly, Esq. (via Hand-Delivery)
Patricia Christensen, Esq. (via Hand-Delivery
Kenneth Curtin (via Overnight-Delivery)
Kelly Sullivan (via Overnight-Delivery)

Troy Rendell (via Hand-Delivery) Kim Joyce (via Overnight-Delivery)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for increase in water and)	
wastewater rates in Alachua, Brevard, DeSoto,)	DOCKET NO. 100330-WS
Hardee, Highlands, Lake, Lee, Marion, Orange,)	
Palm Beach, Pasco, Polk, Putnam,)	DATED: August 10, 2011
Seminole, Sumter, Volusia, and Washington)	
Counties by Aqua Utilities Florida, Inc.)	
)	

AQUA UTILITIES FLORIDA, INC.'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

Aqua Utilities Florida, Inc. ("AUF"), pursuant to Section 367.156, Florida Statutes, and Rules 25-22.006(3)&(4), Florida Administrative Code, respectfully requests that the Commission enter an order granting confidential classification for a Market-Based Salary Study being filed contemporaneously as Exhibit TR-3 to the direct testimony of AUF witness, William T. Rendell (the "AUF Study"). In support of its request, AUF states:

- 1. The AUF Study contains proprietary information pertaining to a market-based, competitive compensation analysis regarding AUF's system operators and field technicians. As described more fully below, the AUF Study contains highly proprietary confidential salary information, the disclosure of which would harm AUF's business operations. Accordingly, AUF is providing the Study in redacted form to protect the information that its treats as confidential.
- 2. Section 367.156(3), Fla. Stat., defines proprietary confidential business information as "information, regardless of form or characteristics, which is owned or controlled by the person or company, is intended to be and is treated by the person or company as private in that the disclosure of the information would cause harm to the ratepayers or the person's or company's business operations, and has not been disclosed unless disclosed pursuant to a statutory provision, an order of a court or administrative body, or a private agreement that provides that the information will not be released to the public." Section 367.156(3)(e), Florida

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provides that the information will not be released to the public." Section 367.156(3)(e), Florida Statutes, further provides that proprietary confidential business information includes "[i]nformation relating to the competitive interests, the disclosure of which would impair the competitive businesses of the provider of the information."

- 3. As explained in the pre-filed direct testimony of Mr. Rendell, the AUF Study sets forth the salaries for AUF's operators and technicians employees, and benchmarks those salaries against the salaries offered by other utilities which compete in the market with AUF for those key employees. AUF keeps this information strictly confidential to prevent other competing utility companies from luring these key employees away. AUF also keeps the information confidential to mitigate possible infighting among its employees who have the same position but receive varying wages.
- 4. There is no doubt that disclosure of this proprietary information in the AUF Study would harm AUF's business operations and its competitive interests. Moreover, disclosure of this confidential employee compensation information would violate those employees' rights of privacy guaranteed by Article I, Section 23 of the Florida Constitution. The First District Court of Appeal has made it clear that this type of competitively sensitive compensation information is proprietary confidential business information and should be protected from public disclosure. See *Florida Power & Light Company et al. v. Public Service Commission*, 31 So. 3d 860 (Fla. 1st DCA 2010).
- 5. Thus, the AUF Study is entitled to confidential classification pursuant to Section 367.156, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, and is exempt from Section 119.07(1), Florida Statutes, and Article I, Section 24(a), of the Florida Constitution, because it contains employee-specific compensation information that, if disclosed to the public, would harm AUF's "business operations" and its "competitive interests". As such, the AUF

Study constitutes "proprietary confidential business information" as defined in Section 367.156, Florida Statutes.

- 6. In support of this request and as required by Rule 25-22.006(4), AUF has enclosed the following:
 - Confidential Attachment A: A separate, sealed envelope containing the unredacted Study with the appropriate lines containing confidential information highlighted. The highlighted confidential information on the Study is limited to confidential salary information. All of the highlighted confidential information is treated by AUF as private and has not been disclosed. This information should be afforded confidential treatment pending a decision on AUF's request by the Commission; and,
 - Attachment B: Two copies of the Study with the information for which AUF has requested confidential classification blocked out.

WHEREFORE, AUF respectfully requests that the Commission enter an order: (i) protecting against public disclosure the specified confidential information in the AUF Study; (ii) specifying how the confidential information is to be handled during the course of the proceeding; and, (iii) prescribing measures to protect the information from disclosure outside of the proceeding.

Respectfully submitted this 10th day of August, 2011.

HOLLAND & KNIGHT LLP

D Bruce May, Jr.

Fla. Bar No. 354473

Gigi Rollini

Fla. Bar No. 684491 Holland & Knight LLP Post Office Drawer 810

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Aqua America, Inc. 762 West Lancaster Avenue Bryn Mawr, PA 19010 (610) 645-1077 (Telephone) (610) 519-0989 (Facsimile)

Attorneys for Aqua Utilities Florida, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was furnished by handdelivery or overnight delivery** this 10th day of August, 2011 to:

Ralph Jaeger Caroline Klancke Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Kelly Sullivan**
570 Osprey Lakes Circle
Chuluota, FL 32667-6658

J.R. Kelly
Patricia Christensen
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c/o The Florida Legislature
111 W Madison St, Room 812
Tallahassee, FL 32399-1400

Kenneth M. Curtin**
Adams and Reese LLP
150 Second Avenue North, Suite 1700
St. Petersburg, Florida 33701

Attorney

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REDACTED

Docket No. 100330-WS

Exhibit TR-3 to the Direct Testimony of William T. Rendell

REDACTOR

EXHIBIT B

REDACTED PUBLIC VERSION

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REDACTED

Aqua FL Market Study Phase 2 Pro Forma Expense Adjustments

Shaded columns are Confidential

Exp as of 06/07/10

			,										00/07/10				
			Water	ww	Current	Loca-	2010			2007	2010	Hire	Yrs	Exper-	Lic-	Total	Ideal Compar
Seq	Employee	Current Job Title		Lic	Base Pay	tion	Grade	Zone	Min	Market	Market	Date	Ехр	ience	ense	Pts	atio
1	ph68iGi	Operator-In-Training		D		SAR		3						1	1	2	83.3%
2	am77ich	Facility Operator I		С		LEES		3						2	1	3	93.3%
3	ne72aze	Facility Operator I	С			SAR		3						1	1	2	83.3%
4	nc77cCa	Facility Operator I	С			SEM		3						2	1	3	93.3%
5	el83her	Facility Operator II	С	Α		LAKE		3						1	2	3	93.3%
6	hn87yke	Facility Operator II	С	Α		LEES		3						1	2	3	93.3%
7	ur72ous	Facility Operator II	С	С		LEES		3						1	2	3	93.3%
8	ph77arr	Facility Operator II	С	С		PALA		4						1	2	3	93.3%
9	ry75iss	Facility Operator II	С			PALA		4						1	1	2	83.3%
10	Do84rot	Facility Operator II	С	В		SAR		3						0	2	2	83.3%
11	dw67hri	Facility Operator II		С		SEB		3						1	1	2	83.3%
12	ed71era	Facility Operator II		С		SEM		3						2	1	3	93.3%
13	rr87hit	Facility Operator II	С	С		PALA		4						0	2	2	83.3%
14	ld72ost	Facility Operator III	C	В		JASM		4						1	1	2	83.3%
15	ve70ull	Facility Operator III	В	В		LAKE		3						3	2	5	113.3%
16	am84ren	Facility Operator III	С	Α		LEES		3						2	1	3	93.3%
17	Da72ari	Facility Operator III	В	Α		PALA		4						2	2	4	103.3%
18	oh87orr	Facility Operator III	С	В		LEES		3						3	1	4	103.3%
19	et77art	Facility Operator III	В	В		SAR		3						0	2	2	83.3%
20	Sa68eMa	Utility Tech I				JASM		4						1	0	1	73.3%
21	le77cNa	Utility Tech I				LEES		3						2	0	2	83.3%
22	en71ris	Utility Tech I				OCAL		4						2	0	2	83.3%
23	an68esm	Utility Tech I				SAR		3						2	0	2	83.3%
24	in83chm	Utility Tech I				SAR		3						1	0	1	73.3%
25	th76edb	Utility Tech I				SUN		4						3	0	3	93.3%
26	as76ink	Utility Tech II	III			JASM		4						2	1	3	93.3%
27	•	Utility Tech II				LEES		3						2	0	2	83.3%
28		Utility Tech II				LEE\$		3						1	0	1	73.3%
29		Utility Technician II	III			LEES		3						1	1	2	83.3%
30		Utility Tech II				LEES		3						1	0	1	73.3%
31	Be78ick	Utility Tech II				SAR		3						1	0	1	73.3%
32		Utility Tech II				SAR		3						2	0	2	83.3%
33		Utility Tech II				SAR		3						2	0	2	83.3%
34		Utility Tech III	111	С		LAKE		3						3	0	3	93.3%
35		Utility Tech III	Ш			LEES		3						3	0	3	93.3%
36	ua71ira	Utility Tech III	II			SEM		3						3	1	4	103.3%

Total \$1,350,447.15

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Aqua FL Market Study Phase 2 Pro Forma Expen

Seq	Employee	Current Job Title	Ideal Salary	2010 Salary	ı	ldeal crease	New Salary	Capital part of Ideal Incr		Expense part of Ideal Incr		C	overtime Incrs	Total Expense Incrs	
1	ph68iGi	Operator-In-Training													
2	am77ich	Facility Operator I				1,999.39		\$	39.99	\$	1,959.41	\$	47.03	\$	2,006.43
3	ne72aze	Facility Operator I			\$	3,892.11									
4	nc77cCa	Facility Operator I				2,311.72		\$	0.23	\$	-1	\$	29.03		1,291.23
5	el83her	Facility Operator II			\$	2,952.26		\$	0.30	\$		\$	321.18	-	3,114.01
6	hn87yke	Facility Operator II				2,276.39		\$	-	\$	•	\$	299.12		1,960.88
7	ur72ous	Facility Operator II			\$	5,043.01		\$	-	\$	4,750.51		522.56	-	5,273.07
8	ph77arr	Facility Operator II			\$	1,005.96		\$	10.06	\$	995.90	\$	252.96	\$	1,248.86
9	ry75iss	Facility Operator II												\$	-
10	Do84rot	Facility Operator II			\$	1,042.40		\$	-	\$		\$	133.43	- 1	547.26
11	dw67hri	Facility Operator II			\$	3,375.80		\$	-	\$	2,974.08		401.50	\$	3,375.58
12	ed71era	Facility Operator II			\$	3,909.98		\$	0.39	\$	3,648.01	\$	667.59	\$	4,315.59
13	rr87hit	Facility Operator II												\$	-
14	ld72ost	Facility Operator III												\$	-
15	ve70ull	Facility Operator III			\$	8,312.35		\$	0.83	\$	8,312.35	\$	1,595.97	\$	9,908.32
16	am84ren	Facility Operator III												\$	-
17	Da72ari	Facility Operator III			\$	7,869.67		\$	464.31	\$	6,579.05		2,111.87		8,690.92
18	oh87orr	Facility Operator III			\$	4,534.48		\$	353.69	\$	4,180.79	\$	723.28	Ş	4,904.07
19	et77art	Facility Operator III			\$	828.09		l						\$	-
20	Sa68eMa	Utility Tech I												\$	-
21	le77cNa	Utility Tech I						ŀ						\$	-
22	en71ris	Utility Tech I												\$	-
23	an68esm	Utility Tech I						ŀ						S	-
24	in83chm	Utility Tech I												\$	-
25	th76edb	Utility Tech I												\$	-
26	as76ink	Utility Tech II			\$	2,785.03		\$	172.67	\$	2,612.36	\$	219,44	\$	2,831.79
27	es66oyd	Utility Tech II						ļ						\$	-
28	rk72alt	Utility Tech II												\$	-
29	el82ust	Utility Technician II												\$	-
30	dd87est	Utility Tech II												\$	-
31	Be78ick	Utility Tech II												\$	-
32	rd66row	Utility Tech II												\$	-
33	ae68avi	Utility Tech II												\$	-
34	id69van	Utility Tech III			\$	3,023.59		\$	0.91	\$	2,996.38	\$	50.94	\$	3,047.32
35	II83wea	Utility Tech III												\$	-
36	ua71ìra	Utility Tech III			\$	8,091.56		\$	0.00	\$	8,018.73	\$	136.32	\$	8,155.05

Pro Forma Adj Amnt

\$ 63,253.79 \$1,413,700.94 \$ 1,043.38 \$ 53,158.19 \$ 7,512.20 \$ 60,670.39

Total

Docket No. 100330-WS

Exhibit TR-3 to the Direct Testimony of William T. Rendell

CONFIDENTIAL

EXHIBIT A