



REDACTED

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March 13, 2012

BY HAND DELIVERY

Ms. Ann Cole, Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

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

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CLERK

Docket No. 110271-GU - Petition by Peninsula Pipeline Company for Approval of Agreement with Florida Public Utilities Company

Docket No. 110277-GU - Application for approval of tariff revision to reflect service in Nassau and Okeechobee Counties, by Florida Public Utilities Company

Dear Ms. Cole:

Enclosed for filing, please find the original and 7 copies of Peninsula Pipeline Company's Request for Confidentiality for information contained in its Responses to Staff's Second Data Request in the referenced dockets. Enclosed with this filing are one highlighted and two redacted copies of each document in accordance with Rule 25-22.006, F.A.C.

Thank you for your assistance with this filing. As always, please don't hesitate to contact me if you have any questions whatsoever.

Sincerely,

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

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DOCUMENT NUMBER-DATE

01465 MAR 13 2012

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Petition for Approval of Transportation Service Agreement with Florida Public Utilities Company by Peninsula Pipeline Company, Inc.)	DOCKET NO.	110271-GU
Application for approval of tariff revision to reflect service in Nassau and Okeechobee Counties, by Florida Public Utilities Company)	DOCKET NO.	110277-GU
)	FILED:	MARCH 13, 2012

PENINSULA PIPELINE COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

Peninsula Pipeline Company ("Peninsula" or "Company") by and through its undersigned counsel, pursuant to Section 366.093, Florida Statutes, and consistent with Rule 25-22.006(3), Florida Administrative Code, hereby submits its Request for Confidential Classification for information contained in its response to Commission Staff's Data Request No. 10 of Staff's Second Data Requests to the Company, as well as information contained in Attachment 1 ("Comparison of Nassau County Cost"), submitted in response to Data Request No. 11. The redacted responses have also been filed today in this Docket. In support thereof, Peninsula hereby states:

1. Peninsula seeks confidential classification of the highlighted cost information in the response to Data Request No. 10, which includes contractual information, as well as specific cost information tied to contracts that Peninsula and FPUC treat as proprietary confidential business information consistent with the definition of that term in Section 366.093, Florida Statutes.
2. The information for which Peninsula seeks confidential classification is information that the specified Companies treat as confidential, and that meets the definition of "proprietary

confidential business information” as set forth in Section 366.093(3), Florida Statutes, which provides:

(3) Proprietary confidential business information means 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 private agreement that provides that the information will not be released to the public. Proprietary confidential business information includes, but is not limited to:

- (a) Trade secrets.
- (b) Internal auditing controls and reports of internal auditors.
- (c) Security measures, systems, or procedures.
- (d) Information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.
- (e) Information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.
- (f) Employee personnel information unrelated to compensation, duties, qualifications, or responsibilities.

3. Specifically, Peninsula seeks confidential classification of the information in its response Data Request No. 10 (Paragraph 1, line 5; Paragraph 2, line 10), as well as the highlighted amounts in all lines of the columns identified as “Year 1” through “Year 15” on Attachment 1, provided in response to Data Request No. 11, which provides a cost comparison between the originally filed Firm Transportation Agreement and the revised Firm Transportation Agreement. Also in Attachment 1, Peninsula requests confidential classification of the highlighted information in line 5 under the column header “Original PPC/FPUC Agreement,” as well as comparable, highlighted information in line 5 in the column below, which is titled “Amended and Revised PPC/FPUC Agreement.” Release of the referenced information as a public record

would harm both Peninsula and FPUC's business operations and ratepayers by impairing the Companies' respective abilities to effectively negotiate for goods and services. Moreover, release of the highlighted information under the Agreement-specific columns would be detrimental in that it includes negotiated interstate capacity costs that the Companies treat as confidential, and which, if released, could damage future negotiations for capacity and impair FPUC's ability to obtain favorable rates with other interstate pipelines. As such, Peninsula requests that the Commission protect this information consistent with Rule 25-22.006, Florida Administrative Code. To the extent of Peninsula's knowledge, none of this information is otherwise available in the public domain.

4. Included with this Request is a highlighted copy of Attachment 1. In addition, two redacted copies of the document is enclosed.

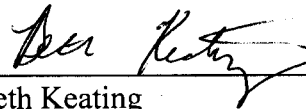
5. Peninsula asks that confidential classification be granted for a period of at least 18 months. Should the Commission no longer find that it needs to retain the information, Peninsula respectfully requests that the confidential information be returned to the Company.

WHEREFORE, Peninsula respectfully requests that the highlighted information contained in its response to Staff Data Request No. 10, as well as highlighted information in Attachment 1 submitted in response to Data Request No. 11, be classified as "proprietary

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Peninsula's Request for Confidential Classification
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confidential business information," and thus, exempt from Section 119.07, Florida Statutes.

RESPECTFULLY SUBMITTED this 13th day of March, 2012.

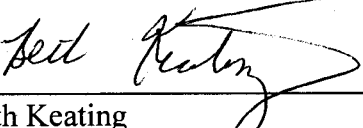


Beth Keating
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215 South Monroe St., Suite 601
Tallahassee, FL 32301
(850) 521-1706

CERTIFICATE OF SERVICE

I HEREBY ATTEST that a true and correct copy of the foregoing Request has been served upon the following by U.S. Mail this 13th Day of March, 2012, along with redacted copies of the referenced documents:

Office of the Public Counsel c/o The Florida Legislature 111 West Madison St., Rm. 812 Tallahassee, FL 32399-1400	Ms. Cheryl Martin, Director/Regulatory Affairs Florida Public Utilities Company 1641 Worthington Road, Suite 220 West Palm Beach, Fl 33409
Ansley Watson, Jr., Esquire Macfarlane Ferguson & McMullen P. O. Box 1531 Tampa, Florida 33601-1531 (813) 273-4321 aw@macfar.com	


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REDACTED

**Peninsula Pipeline Company
Responses to Staff's Second Data Request
Docket No. 110271-GU and
Docket No. 110277-GU**

The following questions refer to confidential Attachment 1 (Comparison of Nassau County Cost) provided in the amended petition filed in Docket No. 110271-GU:

- 10. Please explain the Peninsula Pipeline Company (PPC) Costs in the original and in the amended agreement.

Company Response: The PPC Costs in the original agreement were determined on the proposed project that would have originated at the interconnection point with the Southern Natural Gas Company, LLC (SONAT) in western Nassau County and terminated on Amelia Island. The total cost to Florida Public Utilities Company (FPUC) under the original agreement was [REDACTED] annually, which was a negotiated rate between PPC and FPUC for the original project. Under the original contract, PPC was to be responsible for all construction, operations and maintenance costs of the intrastate pipeline.

Under the amended agreement, the PPC Costs were determined on the amended proposed joint project for the Fernandina Beach Line, two wholly-owned laterals connected to the Fernandina Beach Line and the costs negotiated with Peoples Gas System (Peoples) for their new investments from the interconnection point with Florida Gas Transmission (FGT) through Duval County up to the Fernandina Beach Line. PPC is responsible for certain construction, operations and maintenance costs of the Fernandina Beach Line, all construction, operations and maintenance costs on the wholly-owned laterals plus the rate negotiated with Peoples for their investments described above. The negotiations for the revised and amended agreement resulted in a [REDACTED] annual rate for this project.

- 11. The cost comparison is shown for 6 years, however, the FPUC – Peninsula contract is for a longer time period. Please provide the same table for the length of the contract.

Company Response: See Attachment 1. (CONFIDENTIAL)

- 12. Please explain what the numbers in the line Savings (Cost) represent.

COM _____
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Company Response: The Savings (Cost) line represents the difference in total cost between the original agreement, which was the best proposal received by FPUC through its original request for proposals process, and the amended agreement. “Savings” means that the amended agreement results in lower overall costs for that particular year (and on an accumulated basis). “Cost” means that the original agreement results in lower overall costs for that particular year. As shown on Attachment 1, the amended agreement results in significant savings to FPUC (and its ratepayers) over the term of the agreement.

Comparison of Nassau County Cost
Original PPC/FPUC Agreement
Versus
Joint Project with PGS (REDACTED)

Attachment 1

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Original PPC/FPUC Agreement															
PPC Costs															
Interstate Capacity Requirements: Cypress Pipeline / day															
Interstate Capacity Costs:															
Commodity Costs (\$3.00/DT)															
Total Costs - Original Agreement															
Joint Project with PGS															
PPC Costs															
Interstate Capacity Requirements: FGT Pipeline / day															
Interstate Capacity Costs:															
Commodity Costs (\$3.00/DT)															
Total Costs - Joint Project															
Savings (Cost)															
Accumulated Savings (Costs)															