

**REDACTED**

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January 29, 2013

**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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COMMISSION  
CLERK

**Re: Docket 120313 -- Petition for approval of transportation service agreement with Florida Public Utilities Company, by Peninsula Pipeline Company, Inc.**

Dear Ms. Cole:

Enclosed for filing, please find the original and 7 copies of Peninsula Pipeline Company's Request for Confidential Classification of certain information in its Responses to Staff's First Data Request (redacted). With this filing, PPC's submits one highlighted and two redacted copies of the subject information 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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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Petition for Approval of Transportation )  
Service Agreement with Florida Public ) DOCKET NO. 120313-GP  
Utilities Company, by Peninsula Pipeline )  
Company, Inc. ) FILED: January 29, 2013

PENINSULA PIPELINE COMPANY'S REQUEST  
FOR CONFIDENTIAL CLASSIFICATION OF INFORMATION  
IN ITS RESPONSES TO STAFF'S FIRST DATA REQUEST

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(4), Florida Administrative Code, hereby submits its Request for Confidential Classification for information contained in its Responses to Commission Staff's First Data Requests to the Company in the referenced Docket. In support of this Request, Peninsula states that:

1. Peninsula requests confidential classification of the highlighted amount contained in its Responses to Commission Staff's data requests, as well as the highlighted amounts in Attachment 2 to those Responses. The amounts identified, if disclosed, would enable a competitor to back into confidential contractual data. Peninsula treats the identified information 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 Company treats 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

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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 highlighted amount in its response to Data Request 6 regarding the amount paid to FGT for the Riviera lateral, as well the highlighted numbers in all four columns for the rows identified as “FPUC-Nassau County,” “Florida City Gas – Sebastian,” and “FPUC-Riviera Lateral” contained in Attachment 2 to its Responses.

4. The information identified is highly proprietary competitive information that falls squarely under Section 366.093(3)(d) and (e), Florida Statutes. Release of the referenced information as a public record would harm Peninsula’s business operations by impairing the Company’s ability to effectively negotiate for goods and services. As such, Peninsula requests that the Commission afford this information confidential treatment and exempt from Section 119.07, Florida Statutes. Included with this Request is a copy of Peninsula’s Responses, along with Attachment 2, wherein the confidential information is highlighted. Also enclosed are two redacted copies of the same information.

6. 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 Responses to Staff's First Data Requests, as well as Attachment 2 to those Responses, be classified as "proprietary confidential business information," and thus, exempt from Section 119.07, Florida Statutes.

RESPECTFULLY SUBMITTED this 29th day of January, 2013.



Beth Keating  
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(850) 521-1706

*Attorneys for PPC*

PENINSULA'S RESPONSES TO STAFF'S FIRST SET OF DATA REQUEST

**REDACTED**

**RE: Docket No. 120313-GU - Petition for approval of transportation service agreement with Florida Public Utilities Company, by Peninsula Pipeline Company, Inc.**

1. Please provide a map showing the Riviera Lateral and its interconnection points with Florida Gas Transmission (FGT) and Florida Public Utilities Company (FPUC).

**Company Response:** See Attachment 1.

2. Please state if there are any other customers, other than FPUC, currently served off the Riviera Lateral?

**Company Response:** At this time, no other customers are served off of the Riviera Lateral.

3. Please state if Peninsula is aware of any potential customers that could also take service off the Riviera Lateral in the future? Is the Riviera Lateral large enough to serve additional customers?

**Company Response:** Yes, the Company is aware of future, potential customers that could receive service, from the Company, FPUC or other entities, off of the Riviera Lateral. The Riviera Lateral is large enough and the Company has sufficient capacity on the Riviera Lateral to provide such service.

4. Please state whether Peninsula will have to construct any additional facilities to provide transportation service to FPUC or is the existing Riviera Lateral sufficient to transport gas from FGT to FPUC. If yes, please discuss those facilities.

**Company Response:** Yes, the Company will need to construct a new interconnect facility near the Florida Turnpike between the Company and FGT and one or more new interconnect points between the Company and FPUC or other customers served off of the Riviera Lateral. FPUC already has one existing interconnect point (the existing FGT/FPUC city gate station) that Peninsula will continue to utilize to provide service to FPUC.

5. Was the purchase of the Riviera Lateral from FGT the result of a bilateral negotiation between the companies or did FGT solicit bids or in anyway offer this asset to other buyers?

**Company Response:** FGT has, for many years, been attempting to sell off its small diameter laterals. Typically, this has been accomplished through direct negotiations between FGT and potential new owners (primarily industrial customers, local LDC and/or intrastate pipelines). In this instance, FGT and the Company entered into direct, bilateral negotiations for the purchase of the Riviera Lateral.



## PENINSULA'S RESPONSES TO STAFF'S FIRST SET OF DATA REQUEST

6. What was the price Peninsula paid to FGT to purchase the Riviera Lateral?

**Company Response:** The Company has agreed to pay ██████████ to FGT for the purchase of the existing Riviera Lateral. This amount does not include any cost to add the additional facilities necessary to provide service described in the Company's Response to Question 4.

7. Please identify and explain the type of costs the monthly reservation charge as shown on Exhibit A to the agreement is designed to recover.

**Company Response:** The monthly reservation charge is designed to recover the total cost of service that the Company expects to incur over the life of the contract for the amount of Riviera Lateral capacity that FPUC has contracted. The total cost of service includes, but is not limited to, return on investment, return of investment, other taxes, including property taxes, operating and maintenance costs, interest expense and income taxes.

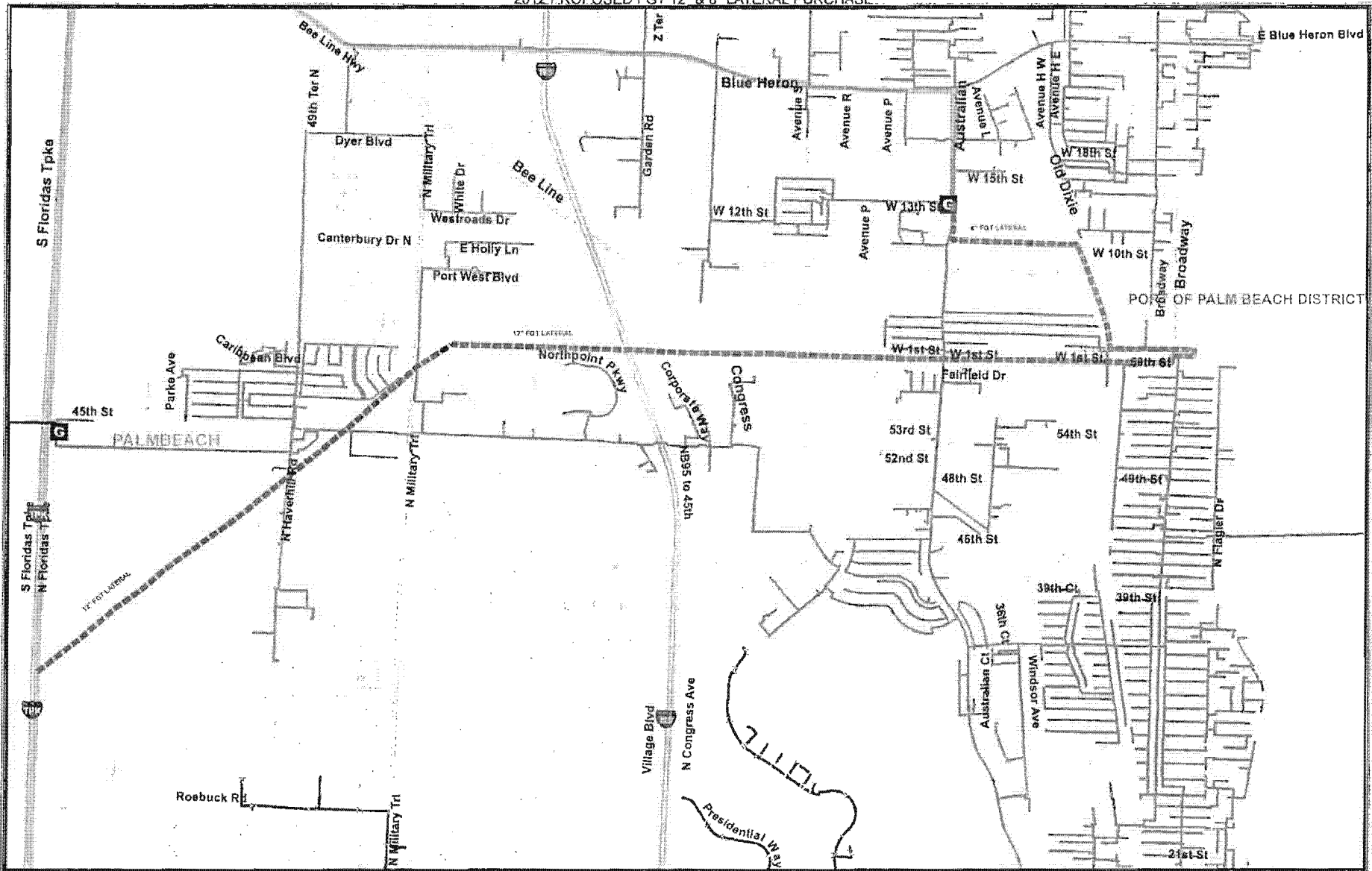
8. On pages 4-5 of the petition Peninsula stated that the rates in the proposed contract are consistent with a "market rate" in that they are within the range of the rates set forth in similar agreements between Peninsula other customers. Please provide an analysis to support this statement, and identify the similar agreements.

**Company Response:** See Attachment 2.

9. Please explain the basis for the fuel retention percentage (confidential number) shown in the agreement.

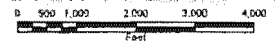
**Company Response:** The fuel retention percentage is consistent with standard industry parameters for this factor. Please see the fuel retention percentages shown on Attachment 2.

2012 PROPOSED FGT 12" & 8" LATERAL PURCHASE



2012 PROPOSED FGT PURCHASE	EXISTING 12" FGT MAINLINE
EXISTING 8" FGT TRANSMISSION LINES	EXISTING 12" GAS CENTRAL FEED LINES
	ON PRESSURE
	ON VACUUM

DATE: 01/11/12  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]  
 PROJECT NO: 1212112222



**Attachment 2**  
**Peninsula's Response to Staff's First Data Request**  
**Docket No. 120313-GU**  
**Response to Questions 8 and 9**

Similar Customers - LDC	Contracted Capacity (Dt/Day)	Annual Reservation Charge	Rate per Dt of Capacity	Fuel Retention Percentage
FPUC - Nassau County *	[REDACTED]			
Florida City Gas - Sebastian	[REDACTED]			
FPUC - Riviera Lateral	[REDACTED]			

\* The Annual Reservation Charge shown is net of required payment from Peninsula to PGS for Transportation Service through PGS' distribution system.