

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

For DN 00582-13, which is in locked storage. You must be authorized to view this DN.-CLK

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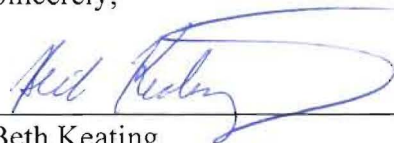
Re: Docket 120313 -- Petition for approval of transportation service agreement with Florida Public Utilities Company, by Peninsula Pipeline Company, Inc.

Dear Ms. Cole:

Enclosed for filing, please find the original and 7 copies of Florida Public Utilities Company's Request for Confidential Classification of certain information in its Responses to Staff's First Data Request (redacted). With this filing, FPUC 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
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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

FLORIDA PUBLIC UTILITIES COMPANY'S REQUEST
FOR CONFIDENTIAL CLASSIFICATION OF INFORMATION
IN ITS RESPONSES TO STAFF'S FIRST DATA REQUEST

Florida Public Utilities Company ("FPUC"), 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 of information contained in its Responses to Commission Staff's First Data Requests to the Company in the referenced Docket. In support of this Request, FPUC states that:

1. FPUC requests confidential classification of the highlighted amount contained in its Responses to Commission Staff's data requests. The amount identified, if disclosed, would enable a competitor to back into confidential contractual data. FPUC 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 FPUC 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 disclosed unless disclosed pursuant to a statutory provision, an order of a court

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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, FPUC seeks confidential classification of the highlighted amount in its response to Data Request 3 regarding the projected impact of the contract on the PGA in 2014.

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 FPUC's business operations and ratepayers by impairing the Company's ability to effectively negotiate for goods and services. As such, FPUC 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 FPUC's Data Responses with the confidential information highlighted. Also enclosed are two redacted copies of the same information.

6. FPUC 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, FPU respectfully requests that the confidential information be returned to the Company.

WHEREFORE, FPUC respectfully requests that the highlighted information contained in its Responses to Staff's First Data Requests be classified as "proprietary confidential business information," and thus, exempt from Section 119.07, Florida Statutes.

RESPECTFULLY SUBMITTED this 29th day of January, 2013.



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(850) 521-1706

Attorneys for FPUC

FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES TO STAFF'S FIRST SET OF
DATA REQUEST

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

1. Prior to Peninsula Pipeline Company's (Peninsula) purchase of the Riviera Lateral, did FPUC pay Florida Gas Transmission (FGT) for the use of the Riviera Lateral?

Company Response: FPUC did not pay FGT specifically for the use of the Riviera Lateral. FPUC has a contract with FGT for pipeline capacity and for specific delivery points in Florida, including one on the Riviera Lateral. FPUC and FGT will amend the contract to relocate the amount of capacity contracted for delivery to the existing city gate station on the Riviera Lateral to the new interconnect constructed by Peninsula and FGT near the Florida Turnpike, at the beginning of the Riviera Lateral.

2. If yes, did FPUC recover those costs through the PGA and what was the \$/therm PGA factor associated with the Riviera Lateral FPUC recovered from the general body of ratepayers for the past five years?

Company Response: See response to Question 1 above. Not applicable.

3. Will FPUC seek to recover the payments to Peninsula through the PGA? If yes, what is the projected \$/therm PGA factor in 2014.

Company Response: Yes. The projected \$/therm impact to the PGA factor for 2014 is [REDACTED] per therm.

4. Could FPUC have purchased the Riviera Lateral itself, as opposed to contracting with Peninsula? Please discuss the pros and cons of each decision.

Company Response: Yes, FPUC could have purchased the Riviera Lateral itself.

If FPUC had purchased the Riviera Lateral, FPUC would have incurred significant capital costs (purchase price of lateral, new city gate station, etc.) which would have been included in rate base. At one time, FGT's Riviera Lateral provided service to both FPUC and FP&L's Riviera Beach Power Plant. As such, the amount of capacity of the Riviera Lateral (approximately 5.4 miles of 12" diameter line and approximately 1.3 miles of 8" diameter line) is substantially more than what FPUC has contracted for through its agreement with Peninsula (in essence, the lateral is oversized for what FPUC needs are). Therefore, FPUC has been able to only purchase the amount of capacity that it needs from Peninsula to provide service to this area of its distribution system customers, thus efficiently utilizing the infrastructure without unduly burdening its customers. In addition, most of the existing FGT lateral is 12" steel pipe. FPUC does not currently have this size pipe in its distribution system. Therefore, in order to properly operate and maintain the lateral, FPUC would need to acquire

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**FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSES TO STAFF'S FIRST SET OF
DATA REQUEST**

new tools, equipment and materials and train its employees/contractors in procedures for this size pipe.

5. Please discuss how FPUC's ratepayers will benefit from FPUC contracting with Peninsula to deliver gas from FGT to FPUC.

Company Response: See Company Response to Question 4.