



Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

October 10, 2013

Hand Delivery

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

REDACTED

RECEIVED - FPSC
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COMMISSION
CLERK

Re: Docket No. 130003-GU - **Purchased gas adjustment (PGA) true-up.**

Dear Ms. Cole:

Attached for filing, please find the original and 7 copies of Florida Public Utilities Company's Request for Confidential Treatment of certain information contained in its Responses to Commission Staff's First Set of Interrogatories (Nos. 1- 3) in the referenced docket. Included with this request are one highlighted copy and two redacted copies, as require by Rule.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know 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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cc: Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas Adjustment) Docket No. 130003-GU
(PGA) True-Up)
_____) Filed: October 10, 2013

**FLORIDA PUBLIC UTILITIES COMPANY'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION OF INFORMATION IN ITS
RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-3)**

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 Set of Interrogatories (Nos. 1- 3). In support of this Request, FPUC states that:

1. FPUC requests confidential classification of the highlighted rates and amounts in the responses to Interrogatories 2 and 3, which represent contractual terms and conditions that both FPUC and Florida Gas Transmission (FGT) treat 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 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 following (lines/pages) of its Responses to Staff's First Set of Interrogatories:

Page 4 (Response to Interrogatory 2a), highlighted numbers in the second line of the response and the number in the fourth line of the response. The first number in the second line, as well as the number in the fourth line are confidential contractual terms. The second number in the second line is a total number, which, if disclosed, would allow one to extrapolate the first number in that same line.

Page 5 (Response to Interrogatory 3a), highlighted amount in the fifth line of the response, as well as the numbers in the seventh and eighth lines of that same response. As with the amounts on page 4, the number in the fifth line as well as the number in the eighth line represent confidential contractual information, while the number in the seventh line represents a total amount, which, if disclosed, would allow one to extrapolate the number in the fifth line.


4. The information set forth in these identified sections is proprietary contractual 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 deem afford this information confidential

treatment and exempt from Section 119.07, Florida Statutes. Included with this Request is a highlighted copy of the Interrogatory Responses. Also enclosed are two redacted copies of the same information.

5. 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 Set of Interrogatories (Nos. 1 – 3) be classified as "proprietary confidential business information," and thus, exempt from Section 119.07, Florida Statutes.

RESPECTFULLY SUBMITTED this 10th day of October, 2013.



Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 618
Tallahassee, FL 32301
(850) 521-1706

Attorneys for FPUC

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct redacted copy of foregoing in Docket No. 130003-GU has been furnished by regular U.S. Mail to the following parties of record this 10th day of October, 2013:

Cheryl Martin Florida Public Utilities 1641 Worthington Road, Suite 220 West Palm Beach, FL 33409-6703	Ansley Watson, Jr. MacFarlane Ferguson Law Firm P.O. Box 1531 Tampa, FL 33601-1531
Michael Lawson Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399	J.R. Kelly/Patricia Christensen Office of Public Counsel c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400
Paula Brown/Kandi Floyd Peoples Gas System P.O. Box 111 Tampa, FL 33601-0111	Mr. Andy Shoaf St. Joe Natural Gas Company, Inc. P.O. Box 549 Port St. Joe, FL 32457-0549
Carolyn Bermudez Florida City Gas 933 East 25 th Street Hialeah, FL 33013-3498	Elizabeth Wade/ Brian Sulmonetti AGL Resources Inc. Ten Peachtree Place Location 1470 Atlanta, GA 30309


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

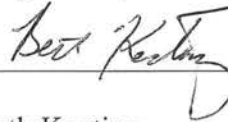
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Purchased Gas Adjustment) Docket No. 130003-GU
(PGA) True-Up)
_____) Filed: October 10, 2013

**FLORIDA PUBLIC UTILITIES COMPANY'S
RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (NOS. 1-3)**

Florida Public Utilities Company ("FPUC" or "Company"), hereby submits its Responses to the First Set of Interrogatories (Nos. 1 – 3) served on the Company on September 20, 2013, by Commission Staff. The individual responses follow this cover sheet. Redacted copies have been provided in accordance with the certificate of service attached hereto.

Respectfully submitted,



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

*Attorneys for Florida Public Utilities
Company*

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INTERROGATORY 1

INTERROGATORIES

1. The petition filed on September 10, 2013, page 2, paragraph 7, refers to prior Commission rulings allowing recovery of similar costs. Please provide such prior Commission order numbers.

Company Response:

By Order No. PSC-12-0639-FOF-GU, issued December 3, 2012, the Commission approved a PGA Cap for FPUC, which included and reflected similar such costs, as is reflected in the Testimony in that Docket of Ms. Napier, as well as the corresponding Petition of the Company, submitted on September 5, 2012, in that proceeding.

Also, by Order No. 12-0230-PAA-GU, issued in Docket No. 110271-GU (page 6), the Commission specifically recognized that the Company proposed to recovery costs such as those referenced at page 2 of the Company's Petition, through the PGA. In determining that the costs were appropriate and the contracts at issue were prudent, the Commission further recognized that the impact on FPUC's PGA cap would be minimal – thus, also recognizing that they would be recovered through the PGA mechanism.

In addition, by Order No. PSC-11-0527-FOF-GU, issued November 9, 2011, in Docket No. 110003-GU, the Commission accepted FPUC's projections for 2012, which likewise included amounts for pipeline extensions, as reflected at pages 3 – 5 of Ms. Martin's testimony in that proceeding.

Further supporting precedent includes, Order No. 14546, issued in Docket No. 850001-EI, wherein the Commission recognized, in the electric utility context, that transportation costs are

appropriate for cost recovery through the Fuel and Capacity cost recovery mechanism, as opposed to recovery through base rates. Likewise, the Commission has recognized that pipeline costs are appropriate for recovery through that clause mechanism by Orders Nos. PSC-06-1057-FOF-EI, issued in Docket No. 060001-EI, and PSC-07-0294-PAA-EI, issued in Docket No. 060793-EI.

(Response provided by Counsel)

INTERROGATORY 2

2. Regarding the direct testimony of Witness Napier, p 6, lines 24-25, please state:
- a. the dollar amount of the FGT capacity and related gas supplies for Ft. Meade customers that are included in the 2014 projection.

Company Response:

In its 2014 projections, the Company has included estimates of \$428,145 in fuel costs and \$ [REDACTED] for FGT reservation charges for capacity for a total cost of \$ [REDACTED] as it relates to Ft. Meade customers beginning in January 2014. The reservation charges are for [REDACTED] Dths/day/month.

(Napier)

- b. the therm sales associated with the Ft. Meade customers included in the 2014 projected therm sales.

Company Response:

The Company has included 1,095,000 therms in its 2014 projected therm sales associated with the Ft. Meade customers.

(Napier)

INTERROGATORY 3

3. Regarding the direct testimony of Witness Napier, p 7, lines 1-4, please state:
- a. the dollar amount for the gas supply costs for Okeechobee customers included in the 2014 projection

Company Response:

Peninsula Pipeline (PPC), will be constructing the intrastate pipeline in this area for this expansion. The Company expects to pay PPC for the pipeline expansion and capacity and will recover this cost through its PGA mechanism. Since the contracts for this expansion have not been finalized, the Company has estimated that it will pay, beginning January, 2014, \$330,396 annually for fuel costs and [REDACTED] annually in reservation charges for the capacity and pipeline expansion. The total costs included in the 2014 projections are [REDACTED] for the customers in the Okeechobee area. The Company expects to receive redirected capacity of [REDACTED] Dths/day.

(Napier)

- b. the therm sales associated with new customers in the City of Okeechobee included in the 2014 projected therm sales.

Company Response:

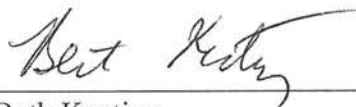
The Company has included 705,536 therms in its 2014 projected therm sales for the new customers in the Okeechobee area.

(Napier)

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AFFIDAVIT

STATE OF FLORIDA)

COUNTY OF PALM BEACH)

I hereby certify that on this 10th day of October, 2013, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared MICHELLE NAPIER, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 2 and 3 from STAFF'S FIRST SET OF INTERROGATORIES TO FLORIDA PUBLIC UTILITIES COMPANY (NOS. 1-3) in Docket No(s). 130003-GU, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 10th day of October, 2013.



Dina Bellechas

Notary Public
State of Florida, at Large

My Commission Expires:

December 13, 2015