

Maria J. Moncada Senior Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420 (561) 304-5795 (561) 691-7135 (Facsimile) Email: Maria.Moncada@fpl.com

October 30, 2018

VIA HAND DELIVERY

Ms. Carlotta S. Stauffer
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
Betty Easley Conference Center, Room 110
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850



NECEIVED TPSC

Re:

Florida Power & Light Company's Request for Confidential Classification of Certain Material Provided in Connection with the Monthly Fuel Filings Docket No. 20180001-EI

Dear Ms. Stauffer:

I enclose for filing in the above-referenced matter Florida Power & Light Company's ("FPL") Request for Confidential Classification. The Request includes Attachments A, B and C.

Attachment A contains the confidential information that is the subject of FPL's Request for Confidential Classification. Attachment A is submitted for filing separately and marked "ATTACHMENT A – CONFIDENTIAL." Attachment B is an edited version of Attachment A, in which the information FPL asserts is confidential has been redacted. Attachment C contains FPL's justification for its request for confidential classification.

In accordance with Rule 25-22.006(3)(d), FPL requests confidential treatment of the information in Attachment A pending disposition of FPL's request for Confidential Classification.

Please contact me should you or your Staff have any questions regarding this filing.

Sincerely,

Maria J. Moncada

Enclosures

cc: parties of record (w/Request for Confidential Classification)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor

Docket No. 20180001-EI Date: October 30, 2018

REQUEST FOR CONFIDENTIAL CLASSIFICATION

Pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, Florida Power & Light Company ("FPL") requests confidential classification of certain information on Florida Public Service Commission ("FPSC" or "Commission") Forms 423-1(a), 423-2, 423-2(a) and 423-2(b) for the third quarter of 2018. In support of this request, FPL states as follows:

1. Petitioner's principal business address is as follows:

Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408

Orders, notices, or other pleadings related to this request should be served on:

Kenneth A. Hoffman Vice President Regulatory Affairs Florida Power & Light Company 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301-1858 (850) 521-3919 (850) 521-3939 Fax

Email: Ken.Hoffman@fpl.com

Maria J. Moncada Senior Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, FL 33408-0420 (561) 304-5795 (561) 691-7135 Fax Email: Maria.Moncada@fpl.com

- 2. The following attachments are included herewith and made a part hereof:
 - a. Attachment A includes the complete and unedited version of Florida Power & Light Company's (FPL) July, August and September, 2018 Forms 423-1, 423-1(a) and 423-1(b); R.W. Scherer's (Plant Scherer) June, July and August Forms 423-2, 423-2(a) and 423-2(b) which contain certain information that FPL asserts should be accorded confidential treatment. The information in Attachment A for which FPL seeks confidential classification has been highlighted. Attachment A is submitted separately in a sealed envelope marked "CONFIDENTIAL."
 - b. Attachment B is the edited version of Attachment A. All information that FPL asserts is entitled to confidential treatment has been redacted in Attachment B.
 - c. Attachment C identifies information for which confidential treatment is sought and, with regard to each item or type of information, contains a brief statement that explains the need for confidentiality and refers to the specific statutory basis or bases for the request.
- 3. Pursuant to section 366.093, FPL seeks confidential protection for the information highlighted in Attachment A. FPL submits that such information is proprietary confidential business information within the meaning of section 366.093(3). Pursuant to section 366.093, such materials are entitled to confidential treatment and are exempt from the disclosure provisions of the public records law. Thus, once the Commission determines that the information in question is proprietary confidential business information, the Commission is not required to engage in any further analysis or review such as weighing the harm of disclosure against the public interest in access to the information.
- 4. The statutory bases and support for FPL's assertion of confidentiality with regard to specific items or types of information are set forth in Attachment C. The information for which confidential classification is sought is intended to be and is treated by FPL as confidential and, to the best of FPL's knowledge and belief, has not been publicly disclosed.

5. Upon a finding by the Commission that the material in Attachment A for which FPL seeks confidential treatment is proprietary confidential business information within the meaning of section 366.093(3), pursuant to section 366.093(4) such materials should not be declassified for twenty-four (24) months, or as otherwise extended by the Commission. Further, the materials should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business.

WHEREFORE, for the above and foregoing reasons, including those set forth in the supporting materials included herewith, Florida Power & Light Company respectfully requests that its Request for Confidential Classification be granted.

Respectfully submitted, Maria J. Moncada, Esq. Senior Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420

Tel.: (561) 304-5795 Fax: (561) 691-7135/

Email: Maria.Moncada@fpl.com

Maria J. Moncada Florida Bar No. 773301

CERTIFICATE OF SERVICE Docket 20180001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished

by electronic delivery on the 30th day of October 2018 to the following:

Suzanne Brownless, Esq.
Danijela Janjic, Esq.
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
sbrownle@psc.state.fl.us
djanjic@psc.state.fl.us

J.R. Kelly, Esq.
Patricia Christensen, Esq.
Charles Rehwinkel, Esq.
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399
kelly.jr@leg.state.fl.us
christensen.patty@leg.state.fl.us
rehwinkel.charles@leg.state.fl.us

Paula K. Brown, Manager **Tampa Electric Company** Regulatory Coordinator Post Office Box 111 Tampa, Florida 33601-0111 regdept@tecoenergy.com

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Attorneys for Tampa Electric Company

Andrew Maurey
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Division of Accounting and Finance
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
amaurey@psc.state.fl.us
mbarrett@psc.state.fl.us

Matthew R. Bernier, Esq. 106 East College Avenue, Suite 800 Tallahassee, Florida 32301 matthew.bernier@duke-energy.com

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Jeffrey A. Stone C. Shane Boyett Gulf Power Company One Energy Place Pensacola, Florida 32520-0780 jastone@southernco.com csboyett@southernco.com

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rab@beggslane.com
srg@beggslane.com
Attorneys for Gulf Power Company

Mike Cassel Director, Regulatory and Governmental **Affairs**

Florida Public Utilities Company 1750 S.W. 14th Street, Suite 200 Fernandina Beach, Florida 32034 mcassel@fpuc.com

Beth Keating, Esq. Gunster Law Firm 215 South Monroe St., Suite 601 Tallahassee, Florida 32301-1804 bkeating@gunster.com Attorneys for Florida **Public Utilities Company**

John T. LaVia, III, Esq. Gardner, Bist, Wiener, et al. 1300 Thomaswood Drive Tallahassee, Florida 32308 schef@gbwlegal.com ilavia@gbwlegal.com Attorneys for Florida Retail Federation

Robert Scheffel Wright, Esq.

James W. Brew, Esq. Laura A. Wynn, Esq. Stone Mattheis Xenopoulos & Brew, PC 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower Washington, DC 20007-5201 jbrew@smxblaw.com law@smxblaw.com

Attorneys for PCS Phosphate -White Springs

Jon C. Moyle, Esq. Moyle Law Firm, P.A. 118 N. Gadsden St. Tallahassee, Florida 32301 jmoyle@moylelaw.com

Attorneys for Florida Industrial Power **Users Group**

By:

Maria J. Mondada Fla. Bar No. 773301

*Copies of Exhibits B and C are available upon request.

6892768

ATTACHMENT "A"

CONFIDENTIAL FILED UNDER SEPARATE COVER

FPL FPSC FORM 423-1(a)

R.W. SCHERER FPSC FORMS

423-2

423-2 (a)

423-2 (b)

ATTACHMENT "B" EDITED VERSION

FPL FPSC FORM 423-1(a)

R.W. SCHERER FPSC FORMS 423-2 423-2 (a) 423-2 (b) Page 1 of 1

FPSC FORM NO. 423-1 (a)

- 1. REPORTING MONTH: JUL YEAR: 2018
- 2. REPORTING COMPANY: FLORIDA POWER_LIGHT COMPANY

MONTHLY REPORT OF COST AND QUALITY OF FUEL OIL FOR ELECTRIC PLANTS
DETAIL OF INVOICE AND TRANSPORTATION CHARGES

- 3. NAME, TITLE _TELEPHONE NUMBER OF CONTACT PERSON CONCERNING DATA SUBMITIED ON THIS FORM: RENAE DEATON, REGULATORY AFFAIRS, (561) 691-2839
- 4. SIGNATURE OF OFFICIAL SUBMITTING REPORT:

5. DATE COMPLETED: 10/04/2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(1)	(J)	(K)	(L)	(M)	(N)	(0)	(P)	(Q)	(R)
LINE NO.	PLANT	SUPPLIER	DELIVERY LOCATION	DELIVERY DATE	TYPE OIL	VOLUME (BBLS)		INVOICE AMOUNT (\$)	DISCOUNT		PRICE	QUALITY ADJUST. (\$/BBL)			ADDITIONAL TRANS CHGS (\$/BBL)		DELIVERED PRICE (\$/BBL)
1 GFL		APEC		07/25/2018	F03	11337								0.0000)		95.2533
2 GFL		APEC		07/31/2018	F03	3329								0.0000)		96.5800
3 POK		TOC		07/27/2018	F03	58514								0.0000)		96.6342



FPSC Form No. 423-2

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS ORIGIN, TONNAGE, DELIVERED PRICE, AND AS RECEIVED QUALITY

1. Reporting Month:

June

Year:

2018

4. Name, Title & Telephone Number of Contact Person Concerning Data

Submitted on this Form: Renae Deaton

561 691-2839

2. Reporting Company:

FLORIDA POWER & LIGHT COMPANY

3. Plant Name:

R.W.SCHERER

5. Signature of Official Submitting Report:

6. Date Completed:

16-Aug-18

Zen Brokun

Line No. (a)	Supplier Name (b)	Mine Location (c)	Purchase Type (d)	Transport Mode (e)	Tons (f)	Purchase Price (\$/Ton) (g)	Effective Transport Charges (\$/Ton) (h)	Total FOB Plant Price (\$/Ton) (i)	Sulfur Content (%) (j)	Btu Content (Btu/lb) (k)	Ash Content (%) (I)	Moisture Content (%) (m)
(1)	CONTURA COAL SALES, LL	19/WY/5	S	UR	30,941.32			38.907	0.38	8,267	4.52	30.76



FPSC Form No. 423-2(a)

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS DETAILED PURCHASED COAL INVOICE INFORMATION

1. Reporting Month:

June

Year:

2018

4. Name, Title & Telephone Number of Contact Person Concerning Data Submitted on this Form: Renae Deaton

561 691-2839

2. Reporting Company:

FLORIDA POWER & LIGHT COMPANY

3. Plant Name:

R.W.SCHERER

5. Signature of Official Submitting Report:

6. Date Completed:

16-Aug-18

Line No. (a)	Supplier Name (b)	Mine Location (c)	Purch. <u>Type</u> (d)	<u>Tons</u> (e)	FOB Mine Price (\$/Ton)	Shorthaul & Loading Charges (\$/Ton) (g)	Original Invoice Price (\$/Ton) (h)	Retroactive Price Increase (\$/Ton) (i)	Base Price (\$/Ton)	Quality Adjustments (\$/Ton) (k)	Effective Purchase Price (\$/Ton) (I)
(1)	CONTURA COAL SALES,	LI 19/WY/5	S	30,941.32		0.147		-		(0.340)	



FPSC Form No. 423-2(b)

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS DETAILED TRANSPORTATION INVOICE INFORMATION

Reporting Month:
 Reporting Company:

June

Year:

2018

 Name, Title & Telephone Number of Contact Person Concerning Data Submitted on this Form: Renae Deaton

FLORIDA POWER & LIGHT COMPANY 561 691-2839

3. Plant Name:

R.W.SCHERER

5. Signature of Official Submitting Report:

6. Date Completed:

16-Aug-18

Brokeron

							Additional	Rail Char	ges	Water	borne Charge	s		1	Total	
Line No. (a)	Supplier Name (b)	Mine Location (c)	Shipping Point (d)	Transport <u>Mode</u> (e)	Tons (f)	Effective Purchase Price (\$/Ton) (g)	Shorthaul & Loading Charges (\$/Ton) (h)	Rail Rate (\$/Ton) (i)	Other Rail Charges (\$/Ton) (j)	River Barge Rate (\$/Ton) (k)	Trans- loading Rate (\$/Ton) (I)	Ocean Barge Rate (\$/Ton) (m)	Other Water Charges (\$/Ton)	Other Related Charges (\$/Ton)	Transpor- tation Charges (\$/Ton) (p)	FOB Plant Price (\$/Ton) (q)
(1)	CONTURA COAL SALES	19/WY/5	EAGLE BUTTE, W	UR	30,941.32		0.04			-31	3963	*				38.907



Page 1 of 1

FPSC FORM NO. 423-1 (a)

- 1. REPORTING MONTH: AUG YEAR: 2018
- 2. REPORTING COMPANY: FLORIDA POWER_LIGHT COMPANY

MONTHLY REPORT OF COST AND QUALITY OF FUEL OIL FOR ELECTRIC PLANTS DETAIL OF INVOICE AND TRANSPORTATION CHARGES

- NAME, TITLE_TELEPHONE NUMBER OF CONTACT PERSON CONCERNING DATA SUBMITTED ONTHIS FORM: RENAE DEATON, REGULATORY AFFAIRS. (561) 691-2839
- 4. SIGNATURE OF OFFICIAL SUBMITTING REPORT:

5. DATE COMPLETED: 10/04/2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(1)	(J)	(K)	(L)	(M)	(N)	(0)	(P)	(Q)	(R)
LINE NO.	PLANT	SUPPLIER	DELIVERY LOCATION	DELIVERY DATE	TYPE OIL	VOLUME (BBLS)			DISCOUNT			QUALITY ADJUST. (\$/BBL)	EFFECTIVE PUR PRICE (\$/BBL)		ADDITIONAL TRANS CHGS (\$/BBL)		DELIVERED PRICE (\$/BBL)
1 GFL		APEC		08/11/2018	F03	8442								0.0000			94.7943
2 TP5		PORT		08/24/2018	F03	16706	į.							0.0000	1		94.2743
3 PMT		SUBURBAN		08/23/2018	PRO	146								0.0000)		68.9084



FPSC Form No. 423-2

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS ORIGIN, TONNAGE, DELIVERED PRICE, AND AS RECEIVED QUALITY

Reporting Month:

July

Year:

2018

 Name, Title & Telephone Number of Contact Person Concerning Data Submitted on this Form: Renae Deaton

561 691-2839

2. Reporting Company:

FLORIDA POWER & LIGHT COMPANY

3. Plant Name:

R.W.SCHERER

5. Signature of Official Submitting Report:

6. Date Completed:

20-Sep-18

Line No. (a)	Supplier Name (b)	Mine Location (c)	Purchase Type (d)	Transport Mode (e)	Tons (f)	Purchase Price (\$/Ton) (g)	Effective Transport Charges (\$/Ton) (h)	Total FOB Plant Price (\$/Ton) (i)	Sulfur Content (%) (j)	Btu Content (Btu/lb) (k)	Ash Content (%) (I)	Moisture Content (%) (m)
(1)	CONTURA COAL SALES, LL	19/WY/5	S	UR	19,156.83			39.461	0.38	8,286	4.69	30.81
(2)	BUCKSKIN MINING COMPA	19/WY/5	S	UR	57,406.53			39.283	0.40	8,436	4.73	29.39
(3)	BUCKSKIN MINING COMPA	19/WY/5	S	UR	22,454.19			39.171	0.38	8,376	4.70	29.81



FPSC Form No. 423-2(a)

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS DETAILED PURCHASED COAL INVOICE INFORMATION

1. Reporting Month:

July

Year:

2018

4. Name, Title & Telephone Number of Contact Person Concerning Data

Submitted on this Form: Renae Deaton 561 691-2839

2. Reporting Company:

FLORIDA POWER & LIGHT COMPANY

3. Plant Name:

R.W.SCHERER

5. Signature of Official Submitting Report: 7 in Burkery

6. Date Completed:

20-Sep-18

Line <u>No.</u> (a)	Supplier Name (b)	Mine Location (c)	Purch. Type (d)	<u>Tons</u> (e)	FOB Mine Price (\$/Ton) (f)	Shorthaul & Loading Charges (\$/Ton)	Original Invoice Price (\$/Ton) (h)	Retroactive Price Increase (\$/Ton) (i)	Base Price (\$/Ton)	Quality Adjustments (\$/Ton) (k)	Effective Purchase Price (\$/Ton)
(1)	CONTURA COAL SALES,	LI 19/WY/5	S	19,156.83		0.147		20		(0.286)	
(2)	BUCKSKIN MINING COMP	PA 19/WY/5	S	57,406.53		0.140		-		0.002	
(3)	BUCKSKIN MINING COMP	PA 19/WY/5	S	22,454.19		0.140		-		(0.110)	



FPSC Form No. 423-2(b)

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS DETAILED TRANSPORTATION INVOICE INFORMATION

Reporting Month;
 Reporting Company;

3. Plant Name:

July

R.W.SCHERER

Year:

2018

 Name, Title & Telephone Number of Contact Person Concerning Data Submitted on this Form; Renae Deaton

561 691-2839

FLORIDA POWER & LIGHT COMPANY

5. Signature of Official Submitting Report:

6. Date Completed:

20-Sep-18

Kan Brookway

							Additional	Rail Charg	jes	Water	borne Charge	8			Total	
Line No. (a)	Supplier Name (b)	Mine Location (c)	Shipping Point (d)	Transport Mode (e)	Tons (f)	Effective Purchase Price (\$/Ton) (g)	Shorthaul & Loading Charges (\$/Ton) (h)	Rail Rate (\$/Ton) (i)	Other Rail Charges (\$/Ton)	River Barge Rate (\$/Ton) (k)	Trans- loading Rate (\$/Ton) (I)	Ocean Barge Rate (\$/Ton) (m)	Other Water Charges (\$/Ton) (n)	Other Related Charges (\$/Ton)	Transpor- tation Charges (\$/Ton) (p)	FOB Plant Price (\$/Ton) (q)
(1)	CONTURA COAL SALES	19/WY/5	EAGLE BUTTE, W	UR	19,156.83		020		3	•		8	5			39.461
(2)	BUCKSKIN MINING COM	19/WY/5	BUCKSKIN JUNCT	UR	57,406.53		525		9	95	147	-	3			39.283
(3)	BUCKSKIN MINING COM	19/WY/5	BUCKSKIN JUNCT	UR	22,454.19		240		2	(2)	(12)	2	2	-		39.171

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Page 1 of 1

FPSC FORM NO. 423-1 (a)

1. REPORTING MONTH: SEP YEAR: 2018

2. REPORTING COMPANY: FLORIDA POWER LIGHT COMPANY

MONTHLY REPORT OF COSTAND QUALITY OF FUEL OIL FOR ELECTRIC PLANTS
DETAIL OF INVOICE AND TRANSPORTATION CHARGES

3. NAME, TITLE TELEPHONE NUMBER OF CONTACT PERSON CONCERNING DATA SUBMITIED ON THIS FORM: RENAE DEATON, REGULATORY AFFAIRS, (561) 691-2839

4. SIGNATURE OF OFFICIAL SUBMITTING REPORT

5. DATE COMPLETED: 10/04/2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(1)	(J)	(K)	(L)	(M)	(N)	(0)	(P)	(Q)	(R)
LINE NO.	PLANT	SUPPLIER	DELIVERY LOCATION	DELIVERY DATE	TYPE OIL	VOLUME (BBLS)		INVOICE AMOUNT (\$)	DISCOU	NET NT AMOUNT (\$)	NET PRICE (\$/BBL)	QUALITY ADJUST. (\$/BBL)	EFFECTIVE PUR PRICE (\$/BBL)		ADDITIONAL	OTHER CHGS (\$/BBL)	DELIVERED PRICE (\$/BBL)
1 PFM		APEC		09/28/2018	F03	1740								0.0000	E.		105.9586
2 PFM		APEC		09/29/2018	F03	534								0.0000			105.3576
3 PWC		APEC		09/28/2018	F03	15822								0.0000			98.8155
4 PWC		APEC		09/30/2018	F03	3204								0.0000			98.8174
5 TP5		PORT		09/10/2018	F03	4754								0.0000			95.8072
6 PMR		INDIANTOWN		09/18/2018	PRO	480								0.0000			84.8400



FPSC Form No. 423-2

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS ORIGIN, TONNAGE, DELIVERED PRICE, AND AS RECEIVED QUALITY

Reporting Month:

August

Year:

2018

 Name, Title & Telephone Number of Contact Person Concerning Data Submitted on this Form: Renae Deaton 561 691-2839

2. Reporting Company:

FLORIDA POWER & LIGHT COMPANY

3. Plant Name:

R.W.SCHERER

5. Signature of Official Submitting Report:

6. Date Completed:

23-Oct-18

Zen Brockway

Line <u>No.</u> (a)	Supplier Name (b)	Mine Location (c)	Purchase Type (d)	Transport Mode (e)	Tons (f)	Purchase Price (\$/Ton) (g)	Effective Transport Charges (\$/Ton) (h)	Total FOB Plant Price (\$/Ton)	Sulfur Content (%) (j)	Btu Content (Btu/lb) (k)	Ash Content (%) (I)	Moisture Content (%) (m)
(1)	CONTURA COAL SALES, LL	19/WY/5	S	UR	19,525.73			39.348	0.42	8,226	4.81	30.87
(2)	BUCKSKIN MINING COMPA	19/WY/5	S	UR	162,098.12			39.306	0.29	8,423	4.34	30.03



FPSC Form No. 423-2(a)

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS DETAILED PURCHASED COAL INVOICE INFORMATION

1. Reporting Month:

2. Reporting Company:

August

Year:

2018

4. Name, Title & Telephone Number of Contact Person Concerning Data Submitted on this Form: Renae Deaton

Submitted on this Form: Renae L

FLORIDA POWER & LIGHT COMPANY 561 691-2839

3. Plant Name:

R.W.SCHERER

5. Signature of Official Submitting Report: I'm Brokery

6. Date Completed:

23-Oct-18

Line No. (a)	Supplier Name (b)	Mine Location (c)	Purch. Type (d)	Tons (e)	FOB Mine Price (\$/Ton)	Shorthaul & Loading Charges (\$/Ton) (g)	Original Invoice Price (\$/Ton) (h)	Retroactive Price Increase (\$/Ton) (i)	Base Price (\$/Ton)	Quality Adjustments (\$/Ton) (k)	Effective Purchase Price (\$/Ton)
(1)	CONTURA COAL SALES,	LI 19/WY/5	S	19,525.73		0.147		75 7 5		(0.499)	
(2)	BUCKSKIN MINING COMF	PA 19/WY/5	S	162,098.12		0.140		74		0.035	



FPSC Form No. 423-2(b)

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS DETAILED TRANSPORTATION INVOICE INFORMATION

Reporting Month:
 Reporting Company:

August

Year:

FLORIDA POWER & LIGHT COMPANY

2018

 Name, Title & Telephone Number of Contact Person Concerning Data Submitted on this Form: Renae Deaton

561 691-2839

3. Plant Name:

R.W.SCHERER

5. Signature of Official Submitting Report:

6. Date Completed:

23-Oct-18

Ken Brokuay

							Additional	Rail Charg	jes	Water	borne Charges	5			Total		
Line No. (a)	Supplier Name (b)	Mine Location (c)	Shipping Point (d)	Transport Mode (e)	Tons (f)	Effective Purchase Price (\$/Ton) (g)	Shorthaul & Loading Charges (\$/Ton) (h)	Rail Rate (\$/Ton) (i)	Other Rail Charges (\$/Ton) (j)	River Barge Rate (\$/Ton) (k)	Trans- loading Rate (\$/Ton)	Ocean Barge Rate (\$/Ton) (m)	Other Water Charges (\$/Ton) (n)	Other Related Charges (\$/Ton) (0)	Transpor- tation Charges (\$/Ton) (p)	FOB Plant Price (\$/Ton) (q)	
(1)	CONTURA COAL SALES	19/WY/5	EAGLE BUTTE, W	UR	19,525.73		+				-	5400	-	2		39.348	
(2)	BUCKSKIN MINING COM	19/WY/5	BUCKSKIN JUNCT	UR	162,098.12						*	(4))	540	2		39.306	

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Justification for Confidentiality for Florida Power & Light Company Report of July 2018:

<u>FORM</u>	LINE(S)	<u>COLUMN</u>	RATIONALE
423-1(a)	1-3	Н	(1)
423-1(a)	1-3	I	(2)
423-1(a)	1-3	J	(2), (3)
423-1(a)	1-3	K	(2)
423-1(a)	1-3	L	(2)
423-1(a)	1-3	M	(2), (4)
423-1(a)	1-3	N	(2), (5)
423-1(a)	1-3	P	(6), (7), (8)
423-1(a)	1-3	Q	(6), (7), (8)

Rationale for confidentiality:

(1) This information is contractual information which, if made public, "would impair the efforts of [FPL] to contract for goods or services on favorable terms." Section 366.093(3)(d), Fla. Stat. The information delineates the price per barrel FPL has paid for fuel oil for specific shipments from specific suppliers. This information would allow suppliers to compare an individual supplier's price with the market quote for that date of delivery and thereby determine the contract pricing formula between FPL and that supplier.

Contract pricing formulas generally contain two components, which are: (1) a markup in the market quoted price for that day; and (2) a transportation charge for delivery at an FPL chosen port of delivery. Discounts and quality adjustment components of fuel price contract formulas are discussed in paragraphs 3 and 4. Disclosure of the invoice price would allow suppliers to determine the contract price formula of their competitors. The knowledge of others' prices (*i.e.*, contract formulas) among fuel oil suppliers is reasonably likely to cause the suppliers to converge on a target price, or to follow a price leader, effectively eliminating

any opportunity for a major buyer like FPL to obtain price concessions from any one supplier. The end result is reasonably likely to be increased fuel oil prices and therefore increased electric rates.

- (2) The contract data found in Columns I through N are an algebraic function of Column H. That is, the publication of these Columns together, or independently, could allow a supplier to derive the invoice price of oil.
- (3) If FPL fuel contracts provide for an early payment incentive in the form of a discount from the invoice price, the existence and amount of such discount is confidential for the reasons stated in paragraph (1) relative to price concessions.
- (4) For fuel that does not meet contract requirements, FPL may reject the shipment, or accept the shipment and apply a quality adjustment. The amount of the quality adjustment is, in effect, a pricing term which is as important as the price itself and is therefore confidential for the reasons stated in paragraph (1) relative to price concessions.
- (5) Column N is as important as H from a confidentiality standpoint because of the relatively few times that there are quality or discount adjustments. That is, Column N will equal Column H most of the time. Consequently, Column N needs to be protected for the same reasons as set forth in paragraph (1).
- (6) Column R is used to mask the delivered price of fuel such that the invoice or effective price of fuel cannot be determined. Columns P and Q are algebraic variables of Column R. Consequently, disclosure of Columns P and Q would allow a supplier to calculate the invoice or effective purchase price of oil (Columns H and N) by subtracting these columnar variables from Column R.
- (7) Terminaling and transportation services in Florida tend to have the same, if not more severe, oligopolistic attributes of fuel oil suppliers. Due to the small demand in Florida for both of these services, market entry is difficult. In instances in which FPL has attempted to determine the level of interest in bidding either or both of these services, FPL has found only a very few qualified parties with such an interest. Consequently, disclosure of these contract data is reasonably likely to result in increased prices for terminaling and transportation services.
- (8) Petroleum inspection services also have the market characteristics of an oligopoly. Due to the limited number of fuel terminal operations, there are correspondingly few requirements for fuel inspection services. In FPL's last bidding process for petroleum inspection services, only six qualified bidders were found for FPL's bid solicitations. Consequently, disclosure of these contract data is reasonably likely to result in increased prices for petroleum inspection services.

Justification for Confidentiality for R.W. Scherer (Plant Scherer) Report of June 2018:

FORM	LINE(S)	COLUMNS	RATIONALE
423-2	1	G, H	(1)

Rationale for Confidentiality:

(1) On April 1, 2010, FPL was contacted by the BNSF Railway, which transports coal to Plant Scherer, concerning FPL's disclosure of BNSF transportation rate information on FPL's Form 423 filing. BNSF has asserted that the transportation rate information is confidential pursuant to its Rail Transportation Agreement BNSF-C-12339 with Georgia Power Company ("GPC") and that FPL is obligated to maintain the confidentiality of that information. Accordingly, FPL is designating as confidential certain information in the Form 423 filing that, by itself or in conjunction with other information in the filing, would reveal publicly BNSF transportation rate information. FPL argues that this information is confidential under Sections 366.093(3)(d) and 366.093(3)(e), Fla. Stat., because its disclosure would "impair the efforts of [GPC, as agent for FPL] to contract for goods and services on favorable terms" and would "impair the competitive business of" BNSF.

Justification for Confidentiality for R.W. Scherer (Plant Scherer) Report of June 2018

FORM	LINE(S)	COLUMNS	RATIONALE
423-2(a)	1	F, H, J, L	(1)

Rationale for Confidentiality:

(1) On April 1, 2010, FPL was contacted by the BNSF Railway, which transports coal to Plant Scherer, concerning FPL's disclosure of BNSF transportation rate information on FPL's Form 423 filing. BNSF has asserted that the transportation rate information is confidential pursuant to its Rail Transportation Agreement BNSF-C-12339 with Georgia Power Company ("GPC") and that FPL is obligated to maintain the confidentiality of that information. Accordingly, FPL is designating as confidential certain information in the Form 423 filing that, by itself or in conjunction with other information in the filing, would reveal publicly BNSF transportation rate information. FPL argues that this information is confidential under Sections 366.093(3)(d) and 366.093(3)(e), Fla. Stat., because its disclosure would "impair the efforts of [GPC, as agent for FPL] to contract for goods and services on favorable terms" and would "impair the competitive business of" BNSF.

Justification for Confidentiality for R.W. Scherer (Plant Scherer) Report of June 2018:

FORM	LINE(S)	COLUMNS	RATIONALE
423-2(b)	1	G, I, P	(1)

Rationale for Confidentiality:

(1) On April 1, 2010, FPL was contacted by the BNSF Railway, which transports coal to Plant Scherer, concerning FPL's disclosure of BNSF transportation rate information on FPL's Form 423 filing. BNSF has asserted that the transportation rate information is confidential pursuant to its Rail Transportation Agreement BNSF-C-12339 with Georgia Power Company ("GPC") and that FPL is obligated to maintain the confidentiality of that information. Accordingly, FPL is designating as confidential certain information in the Form 423 filing that, by itself or in conjunction with other information in the filing, would reveal publicly BNSF transportation rate information. FPL argues that this information is confidential under Sections 366.093(3)(d) and 366.093(3)(e), Fla. Stat., because its disclosure would "impair the efforts of [GPC, as agent for FPL] to contract for goods and services on favorable terms" and would "impair the competitive business of" BNSF.

Justification for Confidentiality for Florida Power & Light Company Report of August 2018:

FORM	LINE(S)	COLUMN	RATIONALE
423-1(a)	1-3	Н	(1)
423-1(a)	1-3	I	(2)
423-1(a)	1-3	J	(2), (3)
423-1(a)	1-3	K	(2)
423-1(a)	1-3	L	(2)
423-1(a)	1-3	М	(2), (4)
423-1(a)	1-3	N	(2), (5)
423-1(a)	1-3	P	(6), (7), (8)
423-1(a)	1-3	Q	(6), (7), (8)

Rationale for confidentiality:

(2) This information is contractual information which, if made public, "would impair the efforts of [FPL] to contract for goods or services on favorable terms." Section 366.093(3)(d), Fla. Stat. The information delineates the price per barrel FPL has paid for fuel oil for specific shipments from specific suppliers. This information would allow suppliers to compare an individual supplier's price with the market quote for that date of delivery and thereby determine the contract pricing formula between FPL and that supplier.

Contract pricing formulas generally contain two components, which are: (1) a markup in the market quoted price for that day; and (2) a transportation charge for delivery at an FPL chosen port of delivery. Discounts and quality adjustment components of fuel price contract formulas are discussed in paragraphs 3 and 4. Disclosure of the invoice price would allow suppliers to determine the contract price formula of their competitors. The knowledge of others' prices (*i.e.*, contract formulas) among fuel oil suppliers is reasonably likely to cause the suppliers to converge on a target price, or to follow a price leader, effectively eliminating any opportunity for a major buyer like FPL to obtain price concessions from any one supplier. The end result is reasonably likely to be increased fuel oil prices and therefore increased electric rates.

- (2) The contract data found in Columns I through N are an algebraic function of Column H. That is, the publication of these Columns together, or independently, could allow a supplier to derive the invoice price of oil.
- (3) If FPL fuel contracts provide for an early payment incentive in the form of a discount from the invoice price, the existence and amount of such discount is confidential for the reasons stated in paragraph (1) relative to price concessions.
- (4) For fuel that does not meet contract requirements, FPL may reject the shipment, or accept the shipment and apply a quality adjustment. The amount of the quality adjustment is, in effect, a pricing term which is as important as the price itself and is therefore confidential for the reasons stated in paragraph (1) relative to price concessions.
- (5) Column N is as important as H from a confidentiality standpoint because of the relatively few times that there are quality or discount adjustments. That is, Column N will equal Column H most of the time. Consequently, Column N needs to be protected for the same reasons as set forth in paragraph (1).
- (6) Column R is used to mask the delivered price of fuel such that the invoice or effective price of fuel cannot be determined. Columns P and Q are algebraic variables of Column R. Consequently, disclosure of Columns P and Q would allow a supplier to calculate the invoice

or effective purchase price of oil (Columns H and N) by subtracting these columnar variables from Column R.

- (9) Terminaling and transportation services in Florida tend to have the same, if not more severe, oligopolistic attributes of fuel oil suppliers. Due to the small demand in Florida for both of these services, market entry is difficult. In instances in which FPL has attempted to determine the level of interest in bidding either or both of these services, FPL has found only a very few qualified parties with such an interest. Consequently, disclosure of these contract data is reasonably likely to result in increased prices for terminaling and transportation services.
- (10) Petroleum inspection services also have the market characteristics of an oligopoly. Due to the limited number of fuel terminal operations, there are correspondingly few requirements for fuel inspection services. In FPL's last bidding process for petroleum inspection services, only six qualified bidders were found for FPL's bid solicitations. Consequently, disclosure of these contract data is reasonably likely to result in increased prices for petroleum inspection services.

Justification for Confidentiality for R.W. Scherer (Plant Scherer) Report of July 2018:

<u>FORM</u>	LINE(S)	COLUMNS	RATIONALE
423-2	1-3	G, H	(1)

Rationale for Confidentiality:

(1) On April 1, 2010, FPL was contacted by the BNSF Railway, which transports coal to Plant Scherer, concerning FPL's disclosure of BNSF transportation rate information on FPL's Form 423 filing. BNSF has asserted that the transportation rate information is confidential pursuant to its Rail Transportation Agreement BNSF-C-12339 with Georgia Power Company ("GPC") and that FPL is obligated to maintain the confidentiality of that information. Accordingly, FPL is designating as confidential certain information in the Form 423 filing that, by itself or in conjunction with other information in the filing, would reveal publicly BNSF transportation rate information. FPL argues that this information is confidential under Sections 366.093(3)(d) and 366.093(3)(e), Fla. Stat., because its disclosure would "impair the efforts of [GPC, as agent for FPL] to contract for goods and services on favorable terms" and would "impair the competitive business of" BNSF.

Justification for Confidentiality for R.W. Scherer (Plant Scherer) Report of July 2018

FORM	LINE(S)	COLUMNS	RATIONALE
423-2(a)	1-3	F, H, J, L	(1)

Rationale for Confidentiality:

(1) On April 1, 2010, FPL was contacted by the BNSF Railway, which transports coal to Plant Scherer, concerning FPL's disclosure of BNSF transportation rate information on FPL's Form 423 filing. BNSF has asserted that the transportation rate information is confidential pursuant to its Rail Transportation Agreement BNSF-C-12339 with Georgia Power Company ("GPC") and that FPL is obligated to maintain the confidentiality of that information. Accordingly, FPL is designating as confidential certain information in the Form 423 filing that, by itself or in conjunction with other information in the filing, would reveal publicly BNSF transportation rate information. FPL argues that this information is confidential under Sections 366.093(3)(d) and 366.093(3)(e), Fla. Stat., because its disclosure would "impair the efforts of [GPC, as agent for FPL] to contract for goods and services on favorable terms" and would "impair the competitive business of" BNSF.

Justification for Confidentiality for R.W. Scherer (Plant Scherer) Report of July 2018:

FORM	LINE(S)	COLUMNS	RATIONALE
423-2(b)	1-3	G, I, P	(1)

Rationale for Confidentiality:

(1) On April 1, 2010, FPL was contacted by the BNSF Railway, which transports coal to Plant Scherer, concerning FPL's disclosure of BNSF transportation rate information on FPL's Form 423 filing. BNSF has asserted that the transportation rate information is confidential pursuant to its Rail Transportation Agreement BNSF-C-12339 with Georgia Power Company ("GPC") and that FPL is obligated to maintain the confidentiality of that information. Accordingly, FPL is designating as confidential certain information in the Form 423 filing that, by itself or in conjunction with other information in the filing, would reveal publicly BNSF transportation rate information. FPL argues that this information is confidential under Sections 366.093(3)(d) and 366.093(3)(e), Fla. Stat., because its disclosure would "impair the efforts of [GPC, as agent for FPL] to contract for goods and services on favorable terms" and would "impair the competitive business of" BNSF.

Justification for Confidentiality for Florida Power & Light Company Report of September 2018:

FORM	LINE(S)	COLUMN	RATIONALE
423-1(a)	1-6	Н	(1)
423-1(a)	1-6	1	(2)
423-1(a)	1-6	J	(2), (3)
423-1(a)	1-6	K	(2)
423-1(a)	1-6	L	(2)
423-1(a)	1-6	M	(2), (4)
423-1(a)	1-6	N	(2), (5)
423-1(a)	1-6	P	(6), (7), (8)
423-1(a)	1-6	Q	(6), (7), (8)

Rationale for confidentiality:

(3) This information is contractual information which, if made public, "would impair the efforts of [FPL] to contract for goods or services on favorable terms." Section 366.093(3)(d), Fla. Stat. The information delineates the price per barrel FPL has paid for fuel oil for specific shipments from specific suppliers. This information would allow suppliers to compare an individual supplier's price with the market quote for that date of delivery and thereby determine the contract pricing formula between FPL and that supplier.

Contract pricing formulas generally contain two components, which are: (1) a markup in the market quoted price for that day; and (2) a transportation charge for delivery at an FPL chosen port of delivery. Discounts and quality adjustment components of fuel price contract formulas are discussed in paragraphs 3 and 4. Disclosure of the invoice price would allow suppliers to determine the contract price formula of their competitors. The knowledge of others' prices (*i.e.*, contract formulas) among fuel oil suppliers is reasonably likely to cause the suppliers to converge on a target price, or to follow a price leader, effectively eliminating any opportunity for a major buyer like FPL to obtain price concessions from any one supplier. The end result is reasonably likely to be increased fuel oil prices and therefore increased electric rates.

- (2) The contract data found in Columns I through N are an algebraic function of Column H. That is, the publication of these Columns together, or independently, could allow a supplier to derive the invoice price of oil.
- (3) If FPL fuel contracts provide for an early payment incentive in the form of a discount from the invoice price, the existence and amount of such discount is confidential for the reasons stated in paragraph (1) relative to price concessions.
- (4) For fuel that does not meet contract requirements, FPL may reject the shipment, or accept the shipment and apply a quality adjustment. The amount of the quality adjustment is, in effect, a pricing term which is as important as the price itself and is therefore confidential for the reasons stated in paragraph (1) relative to price concessions.
- (5) Column N is as important as H from a confidentiality standpoint because of the relatively few times that there are quality or discount adjustments. That is, Column N will equal Column H most of the time. Consequently, Column N needs to be protected for the same reasons as set forth in paragraph (1).
- (6) Column R is used to mask the delivered price of fuel such that the invoice or effective price of fuel cannot be determined. Columns P and Q are algebraic variables of Column R. Consequently, disclosure of Columns P and Q would allow a supplier to calculate the invoice or effective purchase price of oil (Columns H and N) by subtracting these columnar variables from Column R.
- (11) Terminaling and transportation services in Florida tend to have the same, if not more severe, oligopolistic attributes of fuel oil suppliers. Due to the small demand in Florida for both of these services, market entry is difficult. In instances in which FPL has attempted to determine the level of interest in bidding either or both of these services, FPL has found only a very few qualified parties with such an interest. Consequently, disclosure of these contract data is reasonably likely to result in increased prices for terminaling and transportation services.
- (12) Petroleum inspection services also have the market characteristics of an oligopoly. Due to the limited number of fuel terminal operations, there are correspondingly few requirements for fuel inspection services. In FPL's last bidding process for petroleum inspection services, only six qualified bidders were found for FPL's bid solicitations. Consequently, disclosure of these contract data is reasonably likely to result in increased prices for petroleum inspection services.

Justification for Confidentiality for R.W. Scherer (Plant Scherer) Report of August 2018

FORM	LINE(S)	COLUMNS	RATIONALE
423-2	1-2	G, H	(1)

Rationale for Confidentiality:

(1) On April 1, 2010, FPL was contacted by the BNSF Railway, which transports coal to Plant Scherer, concerning FPL's disclosure of BNSF transportation rate information on FPL's Form 423 filing. BNSF has asserted that the transportation rate information is confidential pursuant to its Rail Transportation Agreement BNSF-C-12339 with Georgia Power Company ("GPC") and that FPL is obligated to maintain the confidentiality of that information. Accordingly, FPL is designating as confidential certain information in the Form 423 filing that, by itself or in conjunction with other information in the filing, would reveal publicly BNSF transportation rate information. FPL argues that this information is confidential under Sections 366.093(3)(d) and 366.093(3)(e), Fla. Stat., because its disclosure would "impair the efforts of [GPC, as agent for FPL] to contract for goods and services on favorable terms" and would "impair the competitive business of" BNSF.

Justification for Confidentiality for R.W. Scherer (Plant Scherer) Report of August 2018:

<u>FORM</u>	LINE(S)	COLUMNS	RATIONALE
423-2(a)	1-2	F, H, J, L	(1)

Rationale for Confidentiality:

(1) On April 1, 2010, FPL was contacted by the BNSF Railway, which transports coal to Plant Scherer, concerning FPL's disclosure of BNSF transportation rate information on FPL's Form 423 filing. BNSF has asserted that the transportation rate information is confidential pursuant to its Rail Transportation Agreement BNSF-C-12339 with Georgia Power Company ("GPC") and that FPL is obligated to maintain the confidentiality of that information. Accordingly, FPL is designating as confidential certain information in the Form 423 filing that, by itself or in conjunction with other information in the filing, would reveal publicly BNSF transportation rate information. FPL argues that this information is confidential under Sections 366.093(3)(d) and 366.093(3)(e), Fla. Stat., because its disclosure would "impair the efforts of [GPC, as agent for FPL] to contract for goods and services on favorable terms" and would "impair the competitive business of" BNSF.

Justification for Confidentiality for R.W. Scherer (Plant Scherer) Report of August 2018:

FORM	LINE(S)	COLUMNS	RATIONALE
423-2(b)	1-2	G, I, P	(1)

Rationale for Confidentiality:

On April 1, 2010, FPL was contacted by the BNSF Railway, which transports coal to Plant Scherer, concerning FPL's disclosure of BNSF transportation rate information on FPL's Form 423 filing. BNSF has asserted that the transportation rate information is confidential pursuant to its Rail Transportation Agreement BNSF-C-12339 with Georgia Power Company ("GPC") and that FPL is obligated to maintain the confidentiality of that information. Accordingly, FPL is designating as confidential certain information in the Form 423 filing that, by itself or in conjunction with other information in the filing, would reveal publicly BNSF transportation rate information. FPL argues that this information is confidential under Sections 366.093(3)(d) and 366.093(3)(e), Fla. Stat., because its disclosure would "impair the efforts of [GPC, as agent for FPL] to contract for goods and services on favorable terms" and would "impair the competitive business of" BNSF.