Tel 850.444.6111



July 27, 2001

Ms. Blanca S. Bayo, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 010827-EI

Enclosed is Gulf Power Company's Request for Confidential Classification to the Company's response to request numbered 10 of Commission Staff's First Request for Production of Documents to Gulf Power Company, Nos. 1-15.

Sincerely, Lusan D. Ritenous

Susan D. Ritenour

Assistant Secretary and Assistant Treasurer

lw

Enclosure

cc: Beggs and Lane

Jeffrey A. Stone, Esquire

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Gulf Power Company's petition for)	
approval of purchased power arrangement)	Docket No.: 010827-EI
regarding Smith Unit 3 for cost recovery)	Date Filed: July 30, 2001
through recovery clauses dealing with)	
purchased capacity and purchased energy.)	
	_)	

REQUEST FOR CONFIDENTIAL CLASSIFICATION

GULF POWER COMPANY ["Gulf Power", "Gulf", or "the Company"], by and through its undersigned attorney and pursuant to Rule 25-22.006, Florida Administrative Code, hereby files a request that the Florida Public Service Commission enter an order protecting from public disclosure the Company's response to request numbered 10 of Commission Staff's 1st Request for Production of Documents to Gulf Power Company (Nos. 1-15). As grounds for this request, the Company states:

1. On July 19, 2001, Gulf submitted its response to request numbered 10 of Commission Staff's 1st Request for Production of Documents to Gulf Power Company (Nos. 1-15) under a Notice of Intent to Request Confidential Classification. This response contains proprietary confidential business information regarding bid/proposal information and information relating to competitive interests the disclosure of which would cause irreparable harm to Gulf Power Company and the Southern Company. This information is entitled to confidential classification pursuant to §366.093(3)(d) and (e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf Power and the ability of Gulf to enter into contracts on terms favorable to it and its ratepayers. The information for which confidential classification is sought is intended to be and is treated by Gulf Power Company and

the Southern Company as private and is not otherwise publically available.

- 2. The response to request numbered 10 provides detailed information that was provided to Gulf by third parties who submitted proposals in response to Gulf's Request for Proposals in docket 990325-EI. This information is treated as confidential by those third parties and in turn by Gulf at their request. Disclosure of this information would cause irreparable harm to those third parties by impairing their ability to compete in their native markets. These third parties may decline to submit proposals on future electric plant additions in Florida if the specifics of their proposals are made public. This would result in fewer proposals and potentially a less robust market. A less robust market may result in higher costs to electricity customers of Gulf and in Florida as a whole. Gulf's ability to obtain future plant additions on terms favorable to it and its ratepayers would be harmed. Thus, Gulf Power Company requests that this information be granted confidential classification pursuant to Section 366.093(3)(d), Florida Statutes.
- 3. The response to request numbered 10 provided by Gulf also details specific cost information of Gulf Power Company. This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf Power. Cost information can be utilized by Gulf's competitors to negatively impact Gulf's ability to compete in electricity markets. Specific cost information of Gulf's competitors' is not publically available. Making Gulf's information public would result in an uneven playing field for Gulf. Thus, Gulf Power Company requests that this information be granted confidential classification pursuant to Section 366.093(3)(e), Florida Statutes.

4. Submitted as Exhibit "A" is a copy of the response to request numbered 10 of Commission Staff's 1st Request for Production of Documents to Gulf Power Company (Nos. 1-15) which has highlighted the information for which confidential classification is requested. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" are two (2) edited copies of the responses which may be made available for public review and inspection. Attached as Exhibit "C" to this request is a line-by-line justification for the request for confidential classification.

5. The material for which confidential classification is requested is intended to be, and is treated as, confidential by Gulf Power Company, the Southern Company and those third parties who submitted proposals in response to Gulf's Request for proposals and has not been otherwise publicly disclosed.

WHEREFORE, Gulf Power Company respectfully requests that the Commission enter an order protecting the information highlighted on Exhibit "A" from public disclosure as proprietary confidential business information.

Respectfully submitted this 2 th day of July 2001,

JEFFREY A. STONE

Florida Bar No. 325953

RUSSELL A. BADDERS

Florida Bar No. 007455

Beggs & Lane

P. O. Box 12950

(700 Blount Building)

Pensacola, FL 32576-2950

(850) 432-2451

Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Gulf Power Company's petition for)	
approval of purchased power arrangement)	Docket No.: 010827-EI
regarding Smith Unit 3 for cost recovery)	Date Filed: July 30, 2001
through recovery clauses dealing with)	
purchased capacity and purchased energy.)	
)	

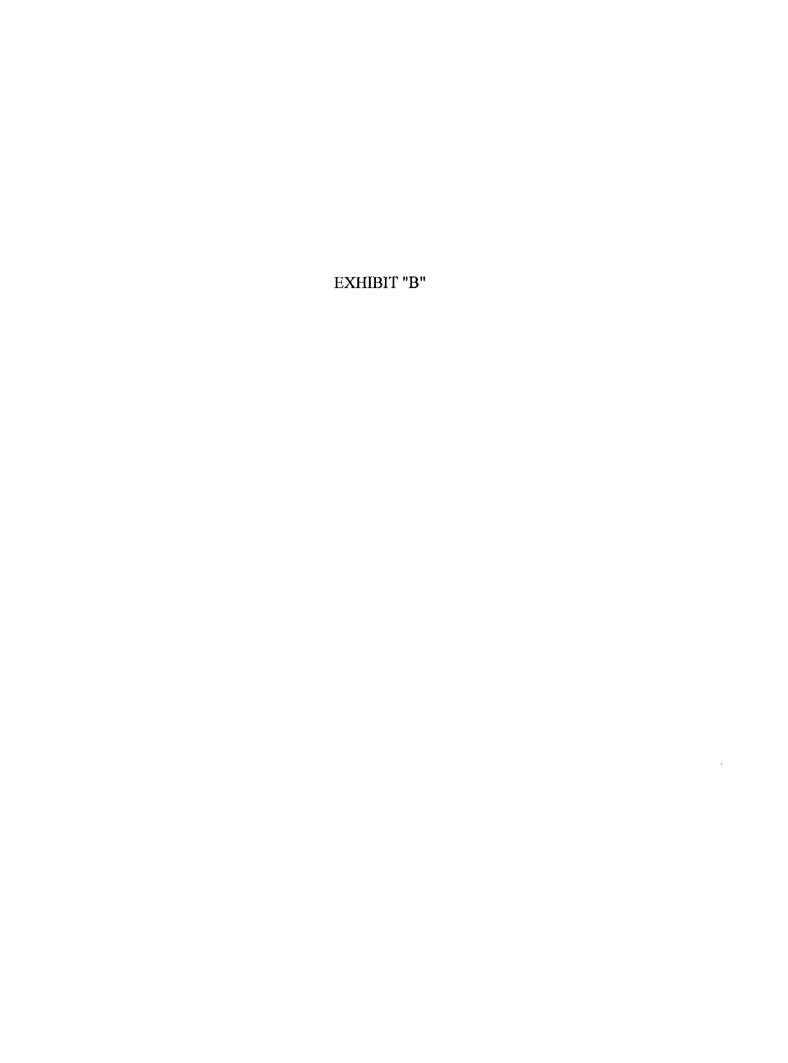
REQUEST FOR CONFIDENTIAL CLASSIFICATION

EXHIBIT "A"

The information provided herein should be maintained as proprietary confidential business information pursuant to Section 366.093 and Rule 25-22.006, F.A.C.

EXHIBIT "A"

Provided to the Division of Records and Reporting under separate cover as confidential information



Staff's First Request for Production of Documents Docket No. 010827-EI GULF POWER COMPANY July 19, 2001 Item No. 10

10. Ms. Burke's prefiled testimony, at page 4, lines 19 through 20 states: "That evaluation revealed that Smith Unit 3 was the most cost-effective alternative for the customers of Gulf Power Company." Please provide copies of all documentation and analysis that Gulf relied on to support this assertion.

Answer:

See attached.

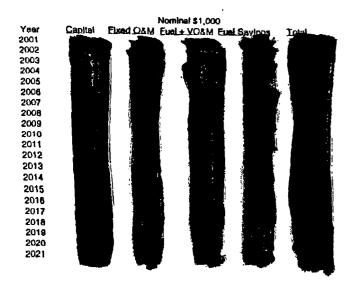
GULF POWER COMPANY April 19, 1999 Item No. 1

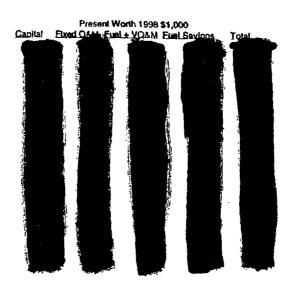
1. Provide a 20-year, present worth revenue requirements (PWRR) analysis of Gulf's proposed Smith Unit 3, the other self-build options, and all respondents to Gulf's Request for Proposals (RFP). Provide both on an annual and a cumulative PWRR basis, and separate capital, fixed operations and maintenance (O&M), and variable costs for each year. Include all financial assumptions for the self-build options and the respondents.

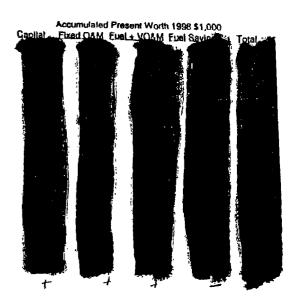
RESPONSE:

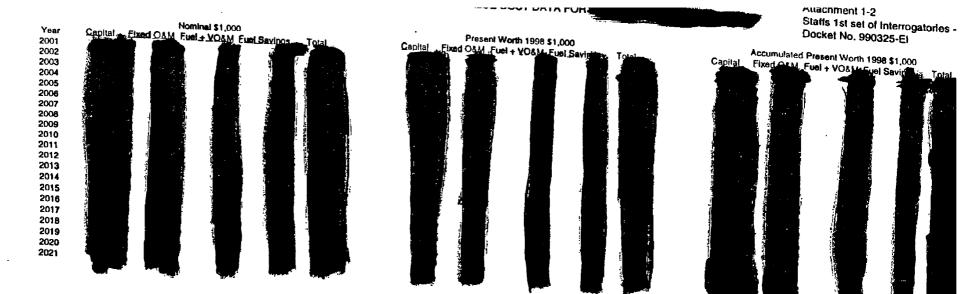
The values requested for the four self-build analysis options are attached. The financial assumptions used for the Self-build analysis are those shown for 1997 in the answer to Interrogatory No. 13. The response for the figures pertaining to the RFP analyses have been filed with a Letter of Intent to request Confidential treatment.

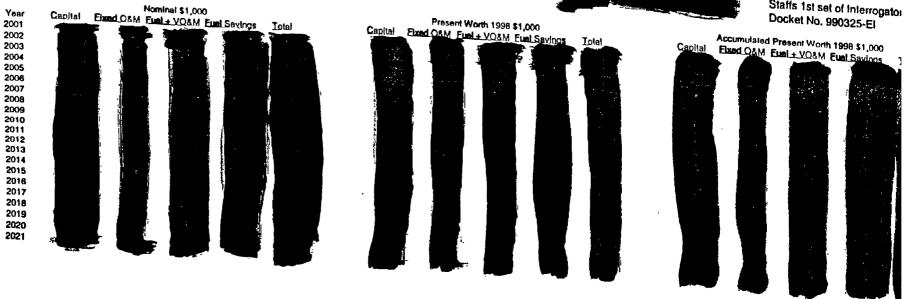
TABULATION OF ANNUAL AND CUMULATIVE PRESENT VALUE COST DATA FOR SMITH CC SELF-BUILD OPTION

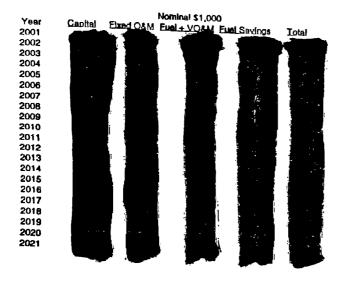


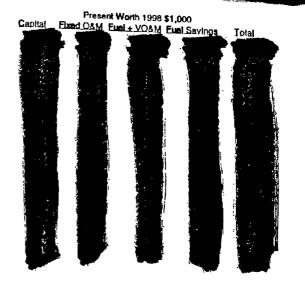


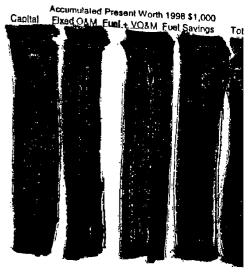




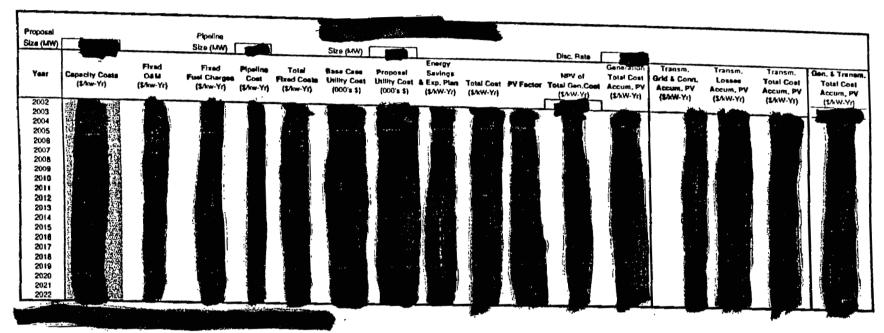






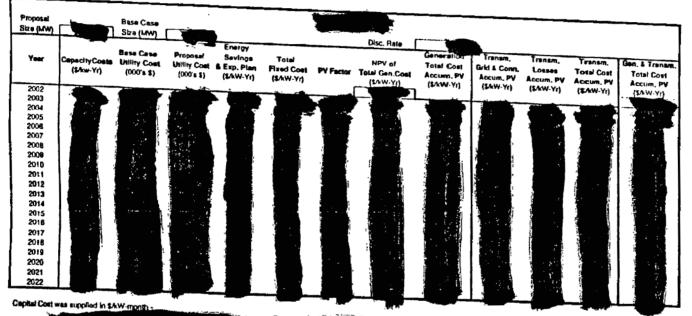


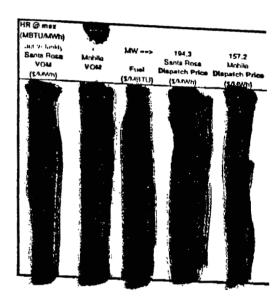
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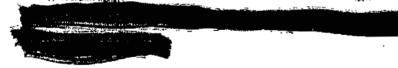




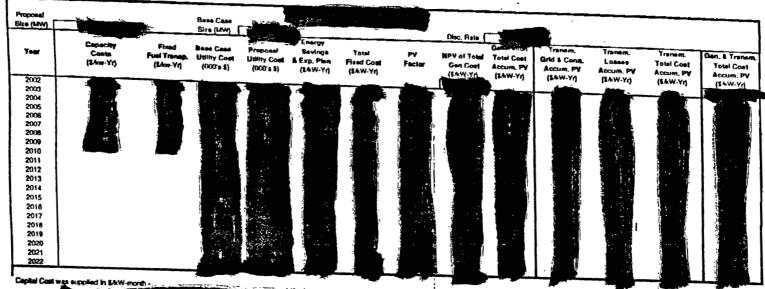
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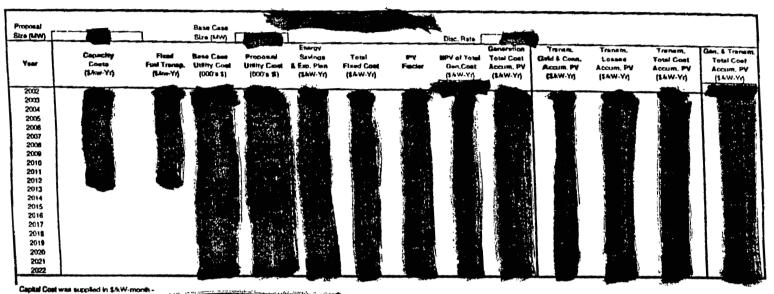


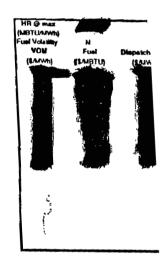


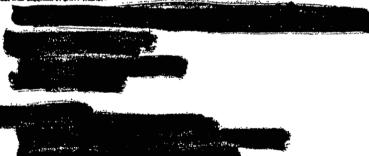


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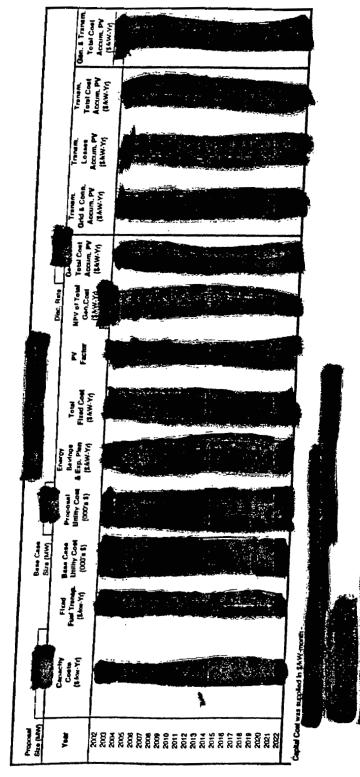
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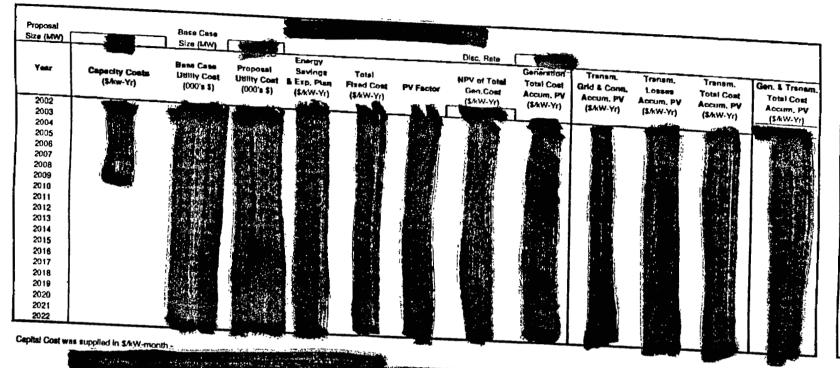


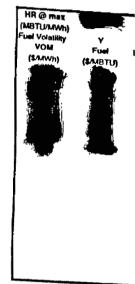
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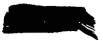
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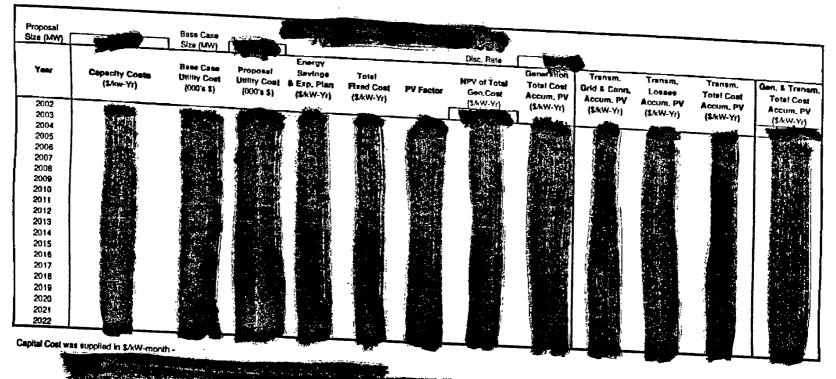


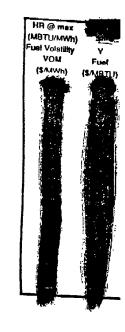
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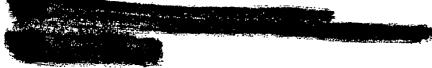










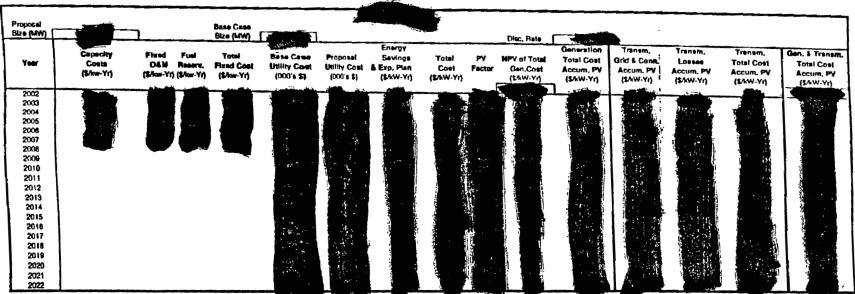








CONFIDENT



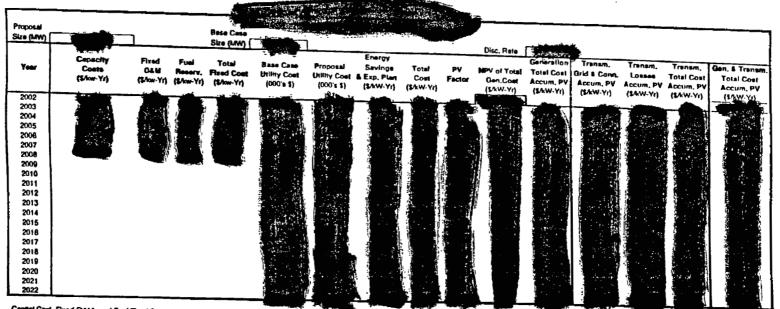


Capital Cost, Fixed O&M, and Fuel Fixed Costs were supplied in \$AW-month-



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CONFIDENT



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Final Propos

Capital Cost, Fixed O&M, and Fuel Fixed Costs were supplied in \$AW-month -



Confidential

Accumulated PV (2002\$) of Generation and Transmission Total Cost

EXHIBIT "C"

Line-by-Line Justification

Page/Line(s)

Pages 3 - 4

Entire chart including all lines and columns except for column headings and column showing year. In addition, the name of the respondent is redacted.

Page 6 - 14

Entire chart including all lines and columns. All footnotes are redacted however, column headings are not confidential and are shown.

Page 15 Chart in its entirety.

Pages 1 - 2, 5, 15

Entire chart including all lines and columns and footnotes. Column headings and column showing year are not confidential. In addition, the name of the respondent is redacted.

Justification

This information details specific proposal information provided to Gulf by third parties who submitted proposals in response to Gulf's Request for Proposals in docket no. 990325-EI. This information is treated as confidential by those third parties and in turn by Gulf at their request. Disclosure of this information would cause irreparable harm to those third parties by impairing their ability to compete in their native markets. These third parties may decline to submit proposals on future electric plant additions in Florida if the specifics of their proposals are made public. This would result in fewer proposals and potentially a less robust market. A less robust market may result in higher costs to electricity customers of Gulf and in Florida as a whole. Thus, Gulf Power Company requests that this information be granted confidential classification pursuant to Section 366.093(3)(d), Florida Statutes.

This information details specific cost information for Gulf Power Company. This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes, as information, the public disclosure of which would cause irreparable harm to the competitive interests of Gulf Power. Cost information can be utilized by Gulf's competitors to negatively affect Gulf's ability to compete in electricity markets. Gulf's competitors' specific cost information is not publically available which, if Gulf's cost information is made public, would result in an uneven playing field for Gulf. Thus, Gulf Power Company requests that this information be granted confidential classification pursuant to Section 366.093(3)(e), Florida Statutes

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Gulf Power Company's petition for approval of purchased power arrangement regarding Smith Unit 3 for cost recovery through recovery clauses dealing with purchased capacity and purchased energy

Docket No.: 010827-EI

Certificate of Service

this 2 day of July 2001 by U.S. Mail or hand delivery to the following:

Marlene Stern, Esquire Staff Counsel FL Public Service Commission 2540 Shumard Oak Boulevard Tallahassee FL 32399-0863

John W. McWhirter, Esquire McWhirter Reeves, P.A. 400 N. Tampa St., Suite 2450 Tampa FL 33602

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c/o The Florida Legislature
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> JEFFREY A. STONE Florida Bar No. 325953 RUSSELL A. BADDERS Florida Bar No. 0007455 Beggs & Lane

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