Susan D. Ritenour Secretary and Treasurer and Regulatory Manager

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COMMISSION GULF CLERK A SOUTHERN COMPANY

June 27, 2011

claim of confidentiality \_ notice of intent request for confidentiality filed by OPC

For DN 04416-11 , which is in locked samige. You must be authorized to view this DN-CLK

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

Dear Ms. Cole:

RE: Docket No. 110001-EI

Enclosed is Gulf Power Company's Request for Confidential Classification pertaining to Gulf Power's response to Staff's Third Set of Interrogatories (Nos. 15-23) in the above referenced docket.

Sincerely,

Susan D. Retinous

COM nbm -**Enclosures** 

SSC CC:

**ADM** 

OPC

CLK

Beggs & Lane

Jeffrey A. Stone, Esq.

DOCUMENT NUMBER - DATE

04415 JUN 27 =:

FPSC-COMMISSION CLERK.

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchased power cost recovery clause and generating performance incentive factor

incentive factor

Docket No.: 110001-EI

Date: June 27, 2011

### REQUEST FOR CONFIDENTIAL CLASSIFICATION

GULF POWER COMPANY ["Gulf Power", "Gulf", or the "Company"], by and through its undersigned attorneys 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 certain information submitted by Gulf Power in response to Commission Staff's Third Set of Interrogatories to Gulf Power Company (Nos. 15-23). As grounds for this request, the Company states:

1. A portion of the information submitted by Gulf Power in response to interrogatory number 21 of Commission Staff's Third Set of Interrogatories constitutes proprietary confidential business information concerning bids or other contractual data the disclosure of which would impair the efforts of Gulf Power to contract for goods and/or services on favorable terms. The information is entitled to confidential classification pursuant to section 366.093(3)(d) and (e), Florida Statutes. Specifically, the confidential information involves the terms on which Gulf negotiated the deferral of planned contract coal shipments in 2010. Gulf Power and the counterparties involved consider this information to be competitively sensitive. Disclosure of this information could negatively impact Gulf's ability to negotiate pricing and/or other terms favorable to its customers in the future. In addition, potential counterparties may refuse to enter into future agreements with Gulf, or may charge higher prices, if these terms were made public.

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2. The information filed pursuant to this Request is intended to be, and is treated as, confidential by Gulf Power and, to this attorney's knowledge, has not been otherwise publicly disclosed.

3. Submitted as Exhibit "A" are copies of the subject documents, on which are 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 subject documents, which may be made available for public review and inspection. Attached as Exhibit "C" to this request is a line-by-line/field-by-field justification for the request for confidential classification.

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 24<sup>th</sup> day of June, 2011.

JEFFREY A. STONE

Florida Bar No. 325953

RUSSELL A. BADDERS

Florida Bar No. 007455

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**Attorneys for Gulf Power Company** 

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and purchased power cost			
recovery clause and generating performance	De	ocket No.: 110	0001-EI
incentive factor	Da	ate: June 2	27, 2011
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### REQUEST FOR CONFIDENTIAL CLASSIFICATION

### EXHIBIT "A"

Provided to the Commission Clerk under separate cover as confidential information.

# REDACTED

### EXHIBIT "B"

DOCUMENT NUMBER-DATE

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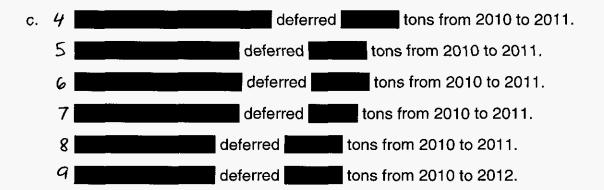
FPSC-COMMISSION CLERK

Staff's Third Set of Interrogatories Docket No. 110001-El June 27, 2011 Item No. 21 Page 2 of 2

## REDACTED

b. No fees were paid to any contract coal supplier to defer coal shipments to future periods. In most cases Gulf was able to negotiate agreements to defer contract coal shipments from 2010 into future periods that included no costs associated with the deferral. In one case there was an increase in the contract coal supplier's transportation cost associated with shipping a Colombian coal to Mobile, Alabama during a later period. Gulf agreed to extend the term of the associated coal supply agreement through 2011and reimburse the coal supplier for the increased shipping cost for the deferred tons. In exchange, the coal supplier agreed to remove 50,000 tons of higher priced coal from Gulf's 2010 contract commitment with no future make up. Replacement for the 50,000 tons of coal will be purchased using a competitive bid process either in 2011 or 2012 depending on the need, at a projected lower delivered cost than the contract coal delivered cost.

Since these will be actual coal transportation costs incurred by the coal supplier to secure forward ocean freight and are included in the price of the coal billed to Gulf, the cost will be a recoverable fuel expense. Gulf's customers benefited from the coal shipment deferral in 2010 because this allowed for a decrease in the level of coal-fired generation and an increase in the level of lower cost natural gas fired generation in the generation mix for the period.

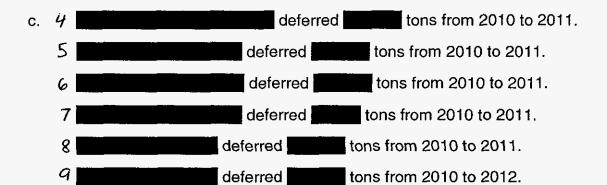


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Staff's Third Set of Interrogatories Docket No. 110001-El June 27, 2011 Item No. 21 Page 2 of 2

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### **EXHIBIT "C"**

### Line-by-Line/Field-by-Field Justification

### Line(s)/Field(s)

Response to Interrogatory #21 Page 2 of 2, Lines 1-9

### **Justification**

This information is entitled to confidential classification pursuant to §366.093(3) (d) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 1.

DOCUMENT NUMBER - DATE

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#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by U.S. mail this 27th day of June, 2011, on the following: John T. Burnett John T. Butler, Esq. Dianne M. Triplett Senior Attorney Progress Energy Service Co. Florida Power & Light Company P. O. Box 14042 700 Universe Boulevard

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Docket No.: 110001-EI

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