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REDACTED

HAND DELIVERY

October 2, 2015

Ms. Carlotta Stauffer, Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 ECEIVED FINC

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Re: Docket No. 150001-EI: Fuel and Purchased Power Cost Recovery Clause with Generating Performance Incentive Factor

Dear Ms. Stauffer:

Attached for filing, please find the original and seven copies of Florida Public Utilities Company's Request for Confidential Classification for certain information in the Company's Responses to the Second Set of Interrogatories served upon the Company by Commission Staff. With this filing are highlighted and redacted copies of the subject information, as required by Rule 25-22.006, F.A.C.

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,

COM AFD Beth Keating

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

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery DOCKET NO. 150001-EI clause with generating performance incentive factor. DATED: October 2, 2015

REQUEST FOR CONFIDENTIAL CLASSIFICATION AND MOTION FOR A TEMPORARY PROTECTIVE ORDER

Florida Public Utilities Company ("FPU" or "Company"), 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 to protect the information contained in its responses to Commission Staff's Second Set of Interrogatories to the Company. The Company likewise requests the issuance of a Temporary Protective Order to protect this information, in accordance with Rule 25-22.006(6)(c). In support of this Request, FPU states that:

1. The information contained in certain discovery responses includes information identifying specific monetary amounts that FPUC has either already incurred or projects to incur for services provided by consultants and legal counsel in furtherance of specific projects. The information is treated by the Company as competitively sensitive information and it is information that, if disclosed in the manner presented in these discovery responses, could be used by others to extrapolate contractual information, the disclosure of which would impair FPUC's ability to negotiate favorable rates with other similar such vendors in the future to the detriment of the Company and its customers.

- 2. The information at issue is, as noted, considered proprietary confidential business information by FPU, and has not otherwise been disclosed publicly. Disclosure of this information would publicly reveal information regarding the Company's contracts with vendors that could also adversely impact various projects or the Company's ability to contract with these or other similar vendors.
- 3. The information for which FPU 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.

4. Specifically, FPU seeks confidential classification and a Protective Order for the

highlighted information in the following (lines/pages) in the referenced testimony:

Document	Page/Line/Location	Description	Rationale	
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Document	Page/Line/Location	Description	Rationale
FPUC's Responses to Staff's Second Set of Interrogatories, Response to Interrogatory 2 (a) and 2(b); Interrogatory 7, Interrogatory 8(b); and Interrogatory 9(c)	Highlighted amounts on numbered Pages 1, 2, 3, 26, 27, 29, 30, 33, and 34	Fee information for consultants and legal services in 2016	Information reveals specific contractual information between FPU and its vendors; disclosure of this information would impair the Company's ability to contract for goods and services with other similar such vendors. The information also reflects specific work performed in furtherance of certain fuel related projects, some of which are not yet finalized. Disclosure of this information could impair the viability and completion of the projects. (Section 366.093(d) and (e))

5. The information at issue falls squarely under Section 366.093(3)(d), Florida Statutes. Release of the referenced information as a public record would harm FPU's business operations and ratepayers by impairing the Company's ability to effectively negotiate for goods and services, as well as impair the ability to bring these projects to fruition. As such, FPU requests that the Commission afford this information confidential treatment and thus exempt from Section 119.07, Florida Statutes. FPU further requests that the Commission issue a temporary protective order, in accordance with Rule 25-22.006(6)(c), Florida Administrative Code, to protect this information when provided to the Office of Public Counsel, which is a party to this proceeding.

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6. Included with this Request is a highlighted copy of the referenced documents. Also enclosed are two redacted copies of the information.

7. FPU 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, FPU respectfully requests that:

- the highlighted portions of its Responses to Commission Staff's Second Set of Interrogatories, be classified as "proprietary confidential business information," and thus, exempt from Section 119.07, Florida Statutes;
- 2) confidential classification be granted for a period of at least 18 months from the issuance of the Commission's Order; and
- a Temporary Protective Order be issued to protect this information when provided to the Office of Public Counsel.

RESPECTFULLY SUBMITTED this 2nd day of October, 2015.

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Beth Keating Bar NO. 0022756 Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 618 Tallahassee, FL 32301 (850) 521-1706

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Electronic Mail to the following parties of record this 2nd day of October, 2015:

Suzanne Brownless Martha Barrera Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 <u>Sbrownle@PSC.STATE.FL.US</u> Jeffrey Stone/Russell Badders/Steven Griffin Bagga & Lana	James D. Beasley/J. Jeffry Wahlen/Ashley Daniels Ausley Law Firm Post Office Box 391 Tallahassee, FL 32302 jbeasley@ausley.com jwahlen@ausley.com adaniels@ausley.com James W. Brew/Owen Kopon Stone Matheis Xenopoulos & Brew, PC Eighth Floor, West Tower
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By: _ Jeck Ch

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INTERROGATORY RESPONSES

- For the purposes of this interrogatory and sub-parts, please refer Page 3, Lines 11-14 of the 2016 Projection testimony of Curtis D. Young, filed on September 1, 2015. Please respond to the following:
 - a. Identify by vendor and estimated amount(s), the "contracted consultants" the Company is projecting to use in 2016 to provide *fuel-related goods or services*.
 In your response, specifically identify and describe the *fuel-related goods or* services each vendor will provide.

COMPANY RESPONSE:

Sterling Energy Services, LLC -

Evaluation of CHP related generation on Amelia Island in order to reduce the overall purchased power cost and improve reliability to FPUC customers.

Passero Associates

Evaluation and permitting of Solar Photovoltaic installation on Amelia Island.

Golder Associates -

Evaluation and permitting of CHP related generation on Amelia Island.

Christensen & Associates -

Economic evaluation and analysis of purchase power agreements, CHP projects and Solar Photovoltaic projects in order to reduce the overall purchased power cost and improve reliability to FPUC customers...

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2(a) continued

McLelland & Pierpont -

Optimization of transmission interconnections and purchases from Independent Power Producers and Co-generators in order to reduce the overall purchased power cost and improve reliability to FPUC customers.

b. Identify by vendor the estimated charges for "legal services" the Company is projecting to use in 2016 to provide *fuel-related goods or services*. In your response, specifically identify and describe the *fuel-related goods or services* each vendor will provide.

COMPANY RESPONSE:

Gunster -

Legal development and review of contracts related to purchased power agreements, agreements with co-generators and qualifying facilities, and regulatory consulting and representation with regard to the necessary approvals of such agreements.

King & Spalding -

Research and legal review of FERC related issues regarding purchased power agreements and transmission of associated power.

BakerHostetler -

Legal contract development and review of the business terms associated with purchased power agreements.

Stinson, Leonard, Street -

Legal review of contracts related to the development of new CHP contracts.

 Provide a breakdown of all non-fuel costs, including legal fees, consulting fees, and administrative costs, that have been included in the calculation of the fuel factors for 2016.

COMPANY RESPONSE:

Sterling Energy Services, LLC -

Evaluation of CHP related generation on Amelia Island in order to reduce the overall purchased power cost and improve reliability to FPUC customers.

Passero Associates -

Evaluation and permitting of Solar Photovoltaic installation on Amelia Island.

Golder Associates -

Evaluation and permitting of CHP related generation on Amelia Island.

Christensen & Associates -

Economic evaluation and analysis of purchase power agreements, CHP projects and Solar Photovoltaic projects in order to reduce the overall purchased power cost and improve reliability to FPUC customers.

McLelland & Pierpont -

Optimization of transmission interconnections and purchases from Independent Power Producers and Co-generators in order to reduce the overall purchased power cost and improve reliability to FPUC customers.

Gunster -

Legal development and review of contracts related to purchased power agreements, agreements with co-generators and qualifying facilities, and regulatory consulting and representation with regard to the necessary approvals of such agreements.

King & Spalding -

Research and legal review of FERC related issues regarding purchased power agreements and transmission of associated power.

BakerHostetler -

Legal review of the business terms associated with purchased power agreements and new contract development.

Stinson, Leonard, Street -

Legal review of contracts related to the development of new CHP contracts

Taxes on Company Usage - \$10,000

FPL Interconnection Costs. - \$107,000

b. Please provide a detailed breakdown of this amount.

COMPANY RESPONSE:

Gunster -

Legal development and review of contracts related to purchased power agreements, agreements with co-generators and qualifying facilities, and regulatory consulting and representation with regard to the necessary approvals of such agreements.

King & Spalding –

Research and legal review of FERC related issues regarding purchased power agreements and transmission of associated power.

BakerHostetler -

Legal review of the business terms associated with purchased power agreements and new contract development.

Christensen & Associates

Economic evaluation and analysis of purchase power agreements, CHP projects and Solar Photovoltaic projects in order to reduce the overall purchased power cost and improve reliability to FPUC customers.

McLelland & Pierpont -

Optimization of transmission interconnections and purchases from Independent Power Producers and Co-generators in order to reduce the overall purchased power cost and improve reliability to FPUC customers.

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8(b) continued

Kathy L. Welch-

Consolidation of Fuel for the Electric Divisions involving the restructuring and reformatting of A Schedules and E Schedules periodically filed with the Commission.

Taxes on Company Usage - \$4,578

Please provide a detailed breakdown of the year to date (January-July, 2015)
expense of \$161,318.

COMPANY RESPONSE:

Gunster -

Legal development and review of contracts related to purchased power agreements, agreements with co-generators and qualifying facilities, and regulatory consulting and representation with regard to the necessary approvals of such agreements.

King & Spalding -

Research and legal review of FERC related issues regarding purchased power agreements and transmission of associated power.

BakerHostetler -

Legal review of the business terms associated with purchased power agreements and new contract development.

Sterling Energy Services, LLC -

Evaluation of CHP related generation on Amelia Island in order to reduce the overall purchased power cost and improve reliability to FPUC customers.

Christensen & Associates -

Economic evaluation and analysis of purchase power agreements, CHP projects and Solar Photovoltaic projects in order to reduce the overall purchased power cost and improve reliability to FPUC customers.

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McLelland & Pierpont -

Optimization of transmission interconnections and purchases from Independent Power Producers and Co-generators in order to reduce the overall purchased power cost and improve reliability to FPUC customers.

Kathy L. Welch -

Consolidation of Fuel for the Electric Divisions involving the restructuring and reformatting of A Schedules and E Schedules periodically filed with the Commission.