

Robert L. McGee, Jr. Regulatory & Pricing Manager

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December 9, 2016

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

RE: Docket No. 160186-EI

Dear Ms. Stauffer:

Enclosed for filing in the above-referenced docket is Gulf Power Company's Request for Confidential Classification pertaining to certain portions of Gulf's response to Staff's Third Set of Interrogatories (Nos. 39-98) and Staff's Third Request for Production of Documents to Gulf Power Company (Nos. 14-27). Also enclosed is a copy of Gulf Power's Request for Confidential Classification and Exhibit "A" which is a justification for confidential treatment of the Confidential Information in Microsoft Word format. A copy of the confidential documents are provided on a separate DVD labeled "Confidential."

Sincerely,

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Robert L. McGee, Jr. Regulatory and Pricing Manager

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Enclosures

cc: Beggs & Lane Jeffrey A. Stone, Esq. Gunster Law Firm Charles A. Guyton, Esq. Richard A. Melson, Esq. COMMISSION COMMISSION COMMISSION AFD APA ECO ENG I (COonly) GCL IDM TEL CLK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for rate increase by Gulf Power Company. Docket No. Dated: 160186-EI December 12, 2016

GULF POWER COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

Gulf Power Company ("Gulf Power," "Gulf," or the "Company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, hereby requests confidential classification of certain documents and information produced in Response to Staff's Third Request for Production of Documents to Gulf Power Company (Nos. 14-27) and Staff's Third Set of Interrogatories to Gulf Power Company (Nos. 39-98) (collectively "Staff's Discovery"). Confidential information submitted in response to Staff's Discovery has been segregated and placed upon the enclosed DVD bearing the label "CONFIDENTIAL" ("Confidential Information"). This DVD should be treated as confidential in its entirety.

Description of the Document(s)

The Confidential Information consists of Microsoft Excel, Microsoft Word, and PDF files produced in response to Document Request numbers 14, 20, 21, 25, and 26, as well as Interrogatory number 97. These documents are identified with specificity on Exhibit "A" to this Request. In support of this request, the Company states:

1. Subsection 366.093(1), Florida Statutes, provides that any records "found by the Commission to be propriety confidential business information shall be kept confidential and shall be exempt from s. 119.07(1), Florida Statutes [requiring disclosure under the Public Records Act]." Proprietary confidential business information includes, but is not limited to "[i]nformation concerning . . . 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."

Subsection 366.093(3)(d), Florida Statutes. Proprietary confidential business information also includes "[i]information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information." Section 366.093(3)(e), Florida Statutes. The Confidential Information that is the subject of this request and motion falls within the statutory categories and, thus, constitutes propriety confidential business information entitled to protection under Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code.

2. Attached hereto as Exhibit "A" is a justification for confidential treatment of the Confidential Information.

3. Attached hereto as Exhibit "B" are public versions of the Document(s) with the Confidential Information redacted, unless previously filed or confidential in their entirety as indicated.

4. The Confidential Information is intended to be and is treated by Gulf Power as private and, to this attorney's knowledge, has not been publicly disclosed.

Requested Duration of Confidential Classification

5. Gulf Power requests that the Confidential Information be treated by the Commission as confidential proprietary business information for at least the 18 month period prescribed in Rule 25-22.006(9)(a), Florida Administrative Code. If, and to the extent that the Company is in need of confidential classification of the Confidential Information beyond the 18 month period set forth in the Commission rule, the justification and grounds for such extended confidential treatment are set forth in Exhibit "C" to this request and motion.

WHEREFORE, Gulf Power Company respectfully requests that the Confidential Information that is the subject of this request and motion be accorded confidential classification

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for the reasons set forth herein and for a minimum period of 18 months, subject to any request for a longer period of confidential classification as may be set forth in Exhibit "C" to this request and motion.

Respectfully submitted this 9th day of December, 2016,

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JEFFREY A. STONE Florida Bar No. 325953 RUSSELL A. BADDERS Florida Bar No. 007455 STEVEN R. GRIFFIN Florida Bar No. 0627569 Beggs & Lane P. O. Box 12950 Pensacola, FL 32591 (850) 432-2451 Attorneys for Gulf Power Company

EXHIBIT "A"

JUSTIFICATION FOR CONFIDENTIAL TREATMENT OF PORTIONS OF GULF POWER'S RESPONSES TO STAFF'S THIRD REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 14-27) AND STAFF'S THIRD SET OF INTERROGATORIES (NOS. 39-98)

POD	Bates Pages or File Names	Detailed Description	Rationale
<u>Request</u>			
<u>No.</u>			
14	Transmission Pole Inspection_CONF (59-	Entire document	(1)
	168)		
20	Trans Map New 230kV Lines CONF	Entire document	(1)
21	Trans Map Upgraded and Retired Lines	Entire document	(1)
	CONF		
25	Commercial FIRE February 2016-	Entire document	(2)
	Commercial Capacity Run_conf		
25 & 26	FIRE 2016 Res 15 SEER_conf	Entire document	(2)
	FIRE 2016 Res 16 SEER_conf	Entire document	(2)
1	FIRE 2016 Res 17 SEER_conf	Entire document	(2)
	FIRE 2016 Res Ceiling Insulation_conf	Entire document	(2)
	FIRE 2016 Res Duct Sealing_conf	Entire document	(2)
	FIRE 2016 Res HE Room AC_conf	Entire document	(2)
	FIRE 2016 Res HP Window_conf	Entire document	(2)
	FIRE 2016 Res HVAC Tune-up_conf	Entire document	(2)
	FIRE 2016 Res QI_conf	Entire document	(2)
	FIRE 2016 Res Reflective Roof_conf	Entire document	(2)

Interro-	Bates Pages or File Names				Detailed Description	Rationale			
<u>gatory</u>									
<u>No.</u>									
97	Staff	ROG	97	ATTACHMENT	Entire document	(3)			
	CONF.xlsx								

(1) The information identified on the listed pages/files includes documents detailing Gulf's transmission line inspection procedures. It also contains guidelines, maps, and other information regarding Gulf's transmission infrastructure and function. This information is sensitive and competitively sensitive. Public disclosure of Gulf's transmission infrastructure details could present both a security and functionality risk to Gulf and its customers. Moreover, access to this information would bestow an unfair advantage on Gulf's competitors to the extent that such competitors would not similarly be required to expend such resources to develop similar policies, procedures, and guidelines. The

Company's competitors are not similarly required to disclose such information and access to such information would harm the Company's competitive interests. This information is confidential pursuant to Section 366.093(3)(e), Florida Statutes.

- (2)The information identified on the listed pages/files contains confidential financial data and results generated by a proprietary Gulf financial model. The model is utilized by Gulf, in part, to perform cost-effectiveness analyses for Gulf's demand-side management measures and plans. The model utilizes various inputs, including but not limited to Company-specific avoided costs relating to fuel, generation, transmission, and distribution. The model and the information it contains is subject to substantial procedures to maintain its secrecy. Only select Gulf and Southern Company Services personnel and their legal counsel are granted access to it, and those personnel receive access only on a "need to know" basis. More specifically, public disclosure of the information would provide other utilities, independent power producers, and vendors of demand-side management services details related to the Company's avoided cost components and the calculations used in the Company's model that determine pricing and cost effectiveness of marketing programs, individual customer loads, and certain supply-side and demand-side options. The information would bestow an unfair advantage on such entities with respect to resource planning, projected generation costs, and DSM program development and contracting. If suppliers had access to such information, it would place Gulf at an economic disadvantage and provide an economic advantage to its competitors and/or bidders who have access to such information, which could increase costs to Gulf and result in higher rates to customers. Gulf's ability to negotiate the optimum price and contract terms and conditions would be undermined if competitors and suppliers were given access to the company's costs through disclosure of this information. Finally, Gulf's competitors are not required to disclose their avoided cost components. This information is confidential pursuant to Section 366.093(3)(e), Florida Statutes.
- (3) The information identified on the listed pages/files contains confidential financial data regarding a particular land site owned by Gulf, including various costs and financial analyses regarding those costs. Access to the information would provide insight into the costs of the Company, which could undermine Gulf's competitive position. Gulf's competitors are not similarly required to disclose such information, and therefore, access to such cost information would harm Gulf and could result in its competitors manipulating the market by artificially setting prices based on such information. This information is confidential pursuant to Section 366.093(3)(d) and (e), Florida Statutes.

EXHIBIT "B"

PUBLIC VERSION(S) OF THE DOCUMENT(S)

Attached hereto (unless previously filed as may be noted below) are two public versions of the Document(s) with the Confidential Information redacted.

Public Version(s) of the Document(s) attached

Public Version(s) of the Document(s) previously filed on _____

Document(s) are confidential in their entirety X

EXHIBIT "C"

REQUESTED DURATION OF CONFIDENTIAL CLASSIFICATION

Gulf Power requests that the Confidential Information that is the subject of this request be treated as proprietary confidential business information exempt from the Public Records Law for a minimum of 18 months from the date of the order granting such classification. To the extent the company needs confidential protection of the Confidential Information for a period longer than 18 months, the company's justification therefor is set forth below:

n/a

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition for Increase in Rates By Gulf Power Company

Docket No.: 160186-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by overnight mail this 9th day of December, 2016 to the following:

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Office of Public Counsel J. R. Kelly/Stephanie A. Morse Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 kelly.jr@leg.state.fl.us morse.stephanie@leg.state.fl.us

Southern Alliance for Clean Energy Bradley Marshall, Esq. Alisa Coe, Esq. Earthjustice 111 S. Martin Luther King Jr. Blvd. Tallahassee, FL 32301 bmarshall@earthjustice.org acoe@earthjustice.org Office of the General Counsel Theresa Tan Kelley Corbari 2540 Shumard Oak Blvd Tallahassee, FL 32399-0850 <u>Itan@psc.state.fl.us</u> <u>kcorbari@psc.state.fl.us</u> <u>blheriss@psc.state.fl.us</u> <u>scuello@psc.state.fl.us</u> <u>kyoung@psc.state.fl.us</u>

Federal Executive Agencies c/o Thomas A. Jernigan AFCEC/JA-ULFSC 139 Barnes Drive, Suite 1 Tyndall Air Force Base, FL 32403 Thomas.Jernigan.3@us.af.mil

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