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January 20, 2017

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 Tenth Request for Production of Documents (Nos. 67-70) and Staff's Eleventh Set of Interrogatories to Gulf Power Company (Nos. 361-381). 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. Exhibit "B" which contains a public version of the documents with the Confidential Information redacted is included on a separate DVD. A copy of the confidential documents are provided on a separate DVD labeled "Confidential."

Sincerely,

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.

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### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for rate increase by Gulf
Power Company.

Docket No. 160186-EI
Dated: January 23, 2017

## GULF POWER COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION AND MOTION FOR TEMPORARY PROTECTIVE ORDER

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 Tenth Request for Production of Documents to Gulf Power Company (Nos. 67-70) and Staff's Eleventh Set of Interrogatories to Gulf Power Company (Nos. 361-381) (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 files and a document produced in response to Staff's Request for Production No. 67 and Staff's Interrogatories Nos. 376 and 377. 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 proprietary 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 proprietary confidential business information entitled to protection under Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code.

- Attached hereto as Exhibit "A" is a justification for confidential treatment of the Confidential Information.
- 3. Attached hereto is a DVD labeled Exhibit "B" containing public versions of the Document(s) with the Confidential Information redacted, unless previously filed 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.
- 5. For the same reasons set forth herein in support of its request for confidential classification, Gulf Power also moves the Commission for entry of a temporary protective order pursuant to Rule 25-22.006(6)(c), Florida Administrative Code, protecting the Confidential Information from public disclosure.

### Requested Duration of Confidential Classification

6. 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 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. The company further moves for the entry of a temporary protective order pursuant to Rule 25-22.006(6)(c), Florida Administrative Code, protecting the Confidential Information from public disclosure.

DATED this 20<sup>th</sup> day of January, 2017.

Respectfully submitted.

JEFFREY A. STONE Florida Bar No. 325953

RUSSELL A. BADDERS

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**Attorneys for Gulf Power Company** 

### **EXHIBIT "A"**

## JUSTIFICATION FOR CONFIDENTIAL TREATMENT OF PORTIONS OF GULF POWER'S ANSWERS TO STAFF'S TENTH REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 67-70) AND STAFF'S ELEVENTH SET OF INTERROGATORIES (NOS. 361-381)

POD	Bates Pages or File Names	Detailed Description	Rationale
No.	-		
67	forecastb16_v2 CONF	All highlighted information	(1)
	customer 1 CONF	All highlighted information	(1)
	customer 4 CONF	All highlighted information	(1)
	customer 6 CONF	All highlighted information	(1)
	customer 9 CONF	All highlighted information	(1)
	customer 10 CONF	All highlighted information	(1)
	customer 13 CONF	All highlighted information	(1)
	customer 14 CONF	All highlighted information	(1)
	customer 17 CONF	All highlighted information	(1)
	customer 19 CONF	All highlighted information	(1)
	customer 20 CONF	All highlighted information	(1)
<u>ROG</u>	Bates Pages or File Names	Detailed Description	Rationale
<u>No.</u>			
376	ROG 376 Attachment – Highlighted CONF	All highlighted information	(2)
377	Page 1	All highlighted information	(3)

- (1) The information identified on the listed pages/files contains non-public information regarding Gulf's customers. The file titled "forecastb16\_v2 CONF" contains customer names along with their actual and projected load data. The information contained in the remaining files consists of hourly load data for Gulf's largest customers. While customer names are not included in these files, Gulf has relatively few large customers and disclosure of this information could enable a sophisticated observer to tie loads to particular customers. Load data is considered confidential and competitively sensitive by Gulf and its customers. Further, Gulf does not have permission to release this information and would risk its customer relationships by releasing its customers' confidential information. This information is therefore confidential pursuant to Section 366.093(3)(e), Florida Statutes.
- (2) This file contains detailed components of an economic analysis performed by Gulf Power relating to Plant Scherer. This file contains projections of fuel costs, unit capital/operating costs and characteristics, and energy values under multiple scenarios. Disclosure of this information could negatively impact Gulf's ability to negotiate pricing favorable to its customers when contracting with vendors of materials needed by Gulf. Wholesale competitors as well as suppliers of commodities and services could utilize this information to undermine Gulf's bargaining position in the markets where Gulf must compete to obtain commodities and services or make purchases or sales of wholesale

power. Additionally, with regard the developed scenarios around specific fuel and emissions pricing, these pricing scenarios were developed by Gulf, the Southern Company, and their consultant, Charles Rivers Associates, using an extensive proprietary modeling analysis. These forecasts are based on non-public data, were developed at significant cost to the Company, and are considered proprietary by Gulf Power, the Southern Company, and their consultant. This information reveals key inputs into the Company's decision-making process and is subject to extensive efforts to maintain its secrecy. Only select Company personnel with a "need to know" are granted access. Public disclosure of this information would enable competitors to access and utilize Gulf's forecasts without incurring costs to obtain similar information, thus bestowing an economic advantage upon such competitors at the cost of Gulf and its customers. Additionally, public disclosure of this information would enable vendors of commodities and services to tailor their pricing proposals to the Company's projections, resulting in higher costs for the Company and its customers. For example, if prospective fuel suppliers have access to the fuel prices in our scenarios, those suppliers will view the forecasted prices as the lower limit of what Gulf expects to pay and will offer to supply fuel at higher prices. Finally, the base forecast underlying the subject information is used in developing future generation strategies for Gulf. Generation wholesalers, power marketers or other competitors could utilize this information to tailor proposals with the intention of pricing products that could undermine the Company's market position. This information derives economic value from not being generally known to, and being readily ascertainable by proper means to, other persons who can obtain economic value from its disclosure or use. This information is confidential pursuant to section 366.093(3)(e), Florida Statutes.

(3) The subject information consists of confidential information regarding Gulf's potential contract negotiation and asset sale considerations and strategies. Disclosure of this information could impair Gulf's future ability to negotiate or enter into contracts at fair and reasonable prices. As such, the information in question is entitled to confidential treatment pursuant to Section 366.093(3)(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	of the
Document(s) with the Confidential Information redacted.	

Public Version(s) of the Document(s) attachedX
Public Version(s) of the Document(s) previously filed on
Document(s) are confidential in their entirety

### **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 20th day of January, 2017 to the following:

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