

Robert L McGee, Ji

FILED JAN 25, 2017 DOCUMENT NO. 00861-17 FPSC - COMMISSION CLERK

bet month is git them
if or the
if or the
if or the constant of the constant of the
if or the constant of the constant of

January 24, 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 the testimony and exhibits of Citizens' witness James R. Dauphinais. Also enclosed is a copy of Gulf's Request for Confidential Classification and Exhibit "C" 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 Exhibit "A" "Confidential."

Sincerely,

Robert L. McGee, Jr. / Regulatory and Pricing Manager

md

Enclosures

cc: Beggs & Lane Jeffrey A. Stone, Esq. Gunster Law Firm Charles A. Guyton, Esq. Richard A. Melson, Esq.





BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for rate increase by Gulf Power Company. Docket No. 160186-EI Dated: January 25, 2017

<u>REQUEST FOR CONFIDENTIAL CLASSIFICATION</u> AND MOTION FOR TEMPORARY PROTECTIVE ORDER

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 its request that the Florida Public Service Commission enter an order protecting from public disclosure certain information included in the testimony and exhibits of the Office of Public Counsel's witness James R. Dauphinais. In support of its request, Gulf states as follows.

1. On January 13, 2017, the Office of Public Counsel ("OPC") filed the testimony of witnesses James Dauphinais and Donna Ramas in the above-referenced docket. (Document No. 00483-17) Portions of this testimony contain confidential information belonging to Gulf Power Company. Consequently, by agreement of OPC and Gulf, the testimony was filed as confidential in its entirety with the understanding that Gulf Power would review the testimony and subsequently submit highlighted and publicly available versions pursuant to a Request for Confidential Classification. *See*, Document No. 00482-17

2. Concurrent with OPC's filing testimony, Gulf Power filed a Notice of Intent to Request Confidential Classification for portions of Mr. Dauphinais' and Ms. Ramas' testimony and exhibits. (Document No. 00428-17). Pursuant to Rule 25-22.006(3)(a), Florida Administrative Code, Gulf has 21 days from the date of the Notice of Intent to file a formal request for confidential classification. Accordingly, Gulf is now filing this Request for Confidential Classification to maintain continued confidential treatment of the confidential information contained in the testimony and exhibits of Mr. Dauphinais. Because the confidential

1

information contained in Ms. Ramas' testimony is more extensive, Gulf intends to file a separate Request for Confidential Classification pertaining to her testimony in the near future within the 21-day time period.

2. A portion of the information contained on pages within Mr. Dauphinais' testimony and Exhibit JRD-1 to Mr. Dauphinais' testimony is entitled to confidential classification pursuant to section 366.093(3)(e), Florida Statutes. Specifically, the confidential information appears on pages 20 and 21 of the testimony and within Attachment 8 to Exhibit JRD-1 (pages 20 through 41 of JRD-1). The confidential information includes details regarding Gulf's evaluations of options for utilization of its ownership interests in Scherer Unit 3, including the potential for selling capacity and energy from Scherer 3 on the competitive wholesale market (long term and short term). The information identifies detailed marketing strategies, potential purchasers and various cost and pricing scenarios. It also includes detailed backup documentation and assumptions supporting Gulf's analyses. Such backup documentation, which is used in many of Gulf's resource planning decisions, includes internal fuel price projections, internal capacity price projections, and carbon cost sensitivities. Among other things, public disclosure of any or all of the foregoing information could negatively impact Gulf's ability to negotiate favorable terms in potential future contracts whether for sale of energy or capacity, purchase of energy or capacity or purchase of commodities such as fuel. This information would provide Gulf's competitors and third party market participants with detailed insight into Gulf's generation costs and strategies and the methodologies utilized by the Company to value energy, capacity and fuel. This, in turn, could put Gulf and its customers at a competitive disadvantage when negotiating for the purchase or sale of energy and/or capacity. 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. 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. The disclosure of this information would therefore be harmful to Gulf's competitive interests, and as such, the information is entitled to confidential classification pursuant to Section 366.093(3)(d) and (e), Florida Statutes.

3. 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.

4. Submitted as Exhibit "A" is DVD containing a non-public version of Mr. Dauphinais' testimony and exhibits. The information for which confidential classification is requested is highlighted in yellow. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" is a separate DVD containing a redacted version of Mr. Dauphinais' testimony and exhibits, 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.

5. 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

3

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.

6. 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.

7. 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 "D" 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.

Respectfully submitted this 24th day of January, 2017.

/s/ Steven R. Griffin_

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"

CONFIDENTIAL VERSION OF THE DOCUMENTS

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

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 _____X____

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

Document(s) are confidential in their entirety _____

EXHIBIT "C"

JUSTIFICATION FOR CONFIDENTIAL TREATMENT OF PORTIONS OF THE DIRECT TESTIMONY OF JAMES R. DAUPHINAIS

Document	Page Numbers and/or Bates Range	Detailed Description	Rationale
Testimony	Page 20, Line 22	All highlighted information	¶ 2
Testimony	Page 20, Line 23	All highlighted information	¶ 2
Testimony	Page 21, Line 8	All highlighted information	¶2
Testimony	Page 21, Line 10	All highlighted information	¶ 2
Exh. JRD-1	Page 22 (160186-OPC-POD-96-67)	All highlighted information	¶ 2
Exh. JRD-1	Page 23 (160186-OPC-POD-96-68)	All highlighted information	¶ 2
Exh. JRD-1	Page 25 (160186-OPC-POD-96-70)	All highlighted information	¶ 2
Exh. JRD-1	Page 26 (160186-OPC-POD-96-71)	All highlighted information	¶ 2
Exh. JRD-1	Page 29 (160186-OPC-POD-96-74)	All highlighted information	¶ 2
Exh. JRD-1	Page 30 (160186-OPC-POD-96-75)	All highlighted information	¶ 2
Exh. JRD-1	Page 31 (160186-OPC-POD-96-76)	All highlighted information	¶2
Exh. JRD-1	Page 32 (160186-OPC-POD-96-77)	All highlighted information	¶ 2
Exh. JRD-1	Page 33 (160186-OPC-POD-96-183)	Entire page	¶ 2
Exh. JRD-1	Page 34 (160186-OPC-POD-96-184)	Entire page	¶2
Exh. JRD-1	Page 35 (160186-OPC-POD-96-185)	Entire page	¶ 2
Exh. JRD-1	Page 36 (160186-OPC-POD-96-186)	Entire page	¶ 2
Exh. JRD-1	Page 37 (160186-OPC-POD-96-187)	Entire page	¶ 2
Exh. JRD-1	Page 38 (160186-OPC-POD-96-188)	Entire page	¶ 2
Exh. JRD-1	Page 40 (160186-OPC-POD-96-190)	Entire page	¶ 2
Exh. JRD-1	Page 41 (160186-OPC-POD-96-191)	Entire page	¶ 2

EXHIBIT "D"

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 24th day of January, 2017 to the following:

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 <u>bmarshall@earthjustice.org</u> acoe@earthjustice.org

Robert Scheffel Wright John T. LaVia, III c/o Gardner, Bist, Bowden, Bush, Dee, LaVia & Wright, P.A. 1300 Thomaswood Drive Tallahassee, FL 32308 <u>schef@gbwlegal.com</u> ilavia@gbwlegal.com 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>

Florida Industrial Power Users Group Jon C. Moyle, Jr. Karen Putnal c/o Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com kputnal@moylelaw.com 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 Andrew.Unsicker@us.af.mil Lanny.Zieman.1@us.af.mil Natalie.Cepak.2@us.af.mil Ebony.Payton.ctr@us.af.mil

Bradley Marshall, Esq. Alisa Coe, Esq. c/o The League of Women Voters of Florida, Inc. Earthjustice 111 S. Martin Luther King Jr. Blvd Tallahassee, FL 32301 bmarshall@earthjustice.org acoe@earthjustice.org



Florida Bar No. 325953 jas@beggslane.com RUSSELL A. BADDERS Florida Bar No. 007455 rab@beggslane.com STEVEN R. GRIFFIN Florida Bar No. 0627569 srg@beggslane.com BEGGS & LANE P. O. Box 12950 Pensacola FL 32591-2950 (850) 432-2451 Attorneys for Gulf Power