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February 9, 2017

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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 Citizens' First Request to Produce Documents (Nos. 1-73) and Citizens' Sixth Request to Produce Documents to Gulf Power Company (Nos. 118-132). This request specifically addresses item numbers 56, 60 and 129. 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."

REDACTED

Sincerely,

Robert L. M.C. Son J.

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. COM _____ AFD _____ ECO _____ ECO _____ ENG 2 DVDs GCL _____ IDM _____ TEL _____ CLK _____

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for rate increase by Gulf Power Company. Docket No.160186-EIDated:February 10, 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 files its request for confidential classification and motion for protective order pertaining to certain information produced in response to Citizens' (OPC's) First Request to Produce Documents to Gulf Power Company (Nos. 1-73) and OPC's Sixth Request to Produce Documents to Gulf Power Company (Nos. 118-132) (collectively "OPC's Discovery"). In support, Gulf states as follows:

1. On October 14, 2016, OPC served Gulf with its First Request to Produce Documents (Nos. 1-73).

2. On December 2, 2016, OPC served Gulf with its Sixth Request to Produce Documents (Nos. 118-132).

3. Gulf's responses to OPC's Discovery included confidential information.

4. Per agreement between Gulf and Commission Staff counsel, the confidential information contained in Gulf's responses to OPC's Discovery was made available for Staff to review in Gulf's Tallahassee office. Staff agreed to identify any confidential information it wanted to receive from Gulf out of Gulf's production to OPC.

5. After reviewing the confidential information submitted in response to OPC's Discovery, Staff counsel requested Gulf to provide confidential information included in Gulf's responses to OPC's Requests for Production numbers 56, 60, and 129.

6. In order to ensure the confidentiality of the documents provided to the Commission in response to OPC's Requests for Production numbers 56, 60, and 129, Gulf now files this request.

Description of the Document(s)

7. The Confidential Information consists of multiple Microsoft Excel and PDF files produced in response to Citizens' Document Request numbers 56, 60 and 129. These documents are identified with specificity on Exhibit "A" to this Request.

8. Confidential information submitted in response to OPC'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.

9. 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

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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.

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

11. 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.

12. 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.

13. 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

14. 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

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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 9th day of February, 2017.

Respectfully submitted,

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 OPC'S FIRST REQUEST TO PRODUCE DOCUMENTS (NOS. 1-73) AND OPC'S SIXTH REQUEST TO PRODUCE DOCUMENTS (NOS. 118-132)

<u>POD</u> <u>Request</u> No.	Bates Pages or File Names	Detailed Description	Rationale
56	Gulf Power 2015 Rating Agency Presentation – FINAL CONF	All highlighted information	(1)
	Gulf Power 2016 RA Presentation – Final CONF	All highlighted information	(1)
60	Rating Agency Correspondence – CONF	All highlighted information	(1) (2) (3)
129	2016.04.08.Proforma – CONF	All highlighted information	(4)
	City of Robertsdale Term Sheet – Gulf Power Company (1-2)	All highlighted information	(4)
	Cobb EMC Scherer 3 Proposal 2012 (3-6)	All highlighted information	(4)
	Cobb RFP Revenue Strategy 2012 – CONF	All highlighted information	(4)
	Cobb RFP Scherer 3 Valuation 2012 – CONF (7-9)	All highlighted information	(4)
	DEC Scherer 3 Proposal 2012 (10-14)	All highlighted information	(4)
	DEC 2018 RFP Decision to Offer Analysis – CONF (15-16)	All highlighted information	(4)
	Fixed Price Product Analysis Update – CONF (17)	All highlighted information	(4)
	FixedPriceProduct Analysis (Robertsdale) - CONF (18-21)	All highlighted information	(4)
	FPL Scherer 3 Extension Proposal 2011 (24-27)	All highlighted information	(4)
	Full Requirements Market – with R'dale 022416 – CONF (28-40)	All highlighted information	(4)
	Greystone and Jackson EMC Scherer 3 Pricing Strategy – CONF (41-51)	All highlighted information	(4)
	Greystone and Jackson EMC Scherer 3 Proposal 2011 (41-51)	All highlighted information	(4)
	Gulf Power Company's Proposal (52-55)	All highlighted information	(4)
	Gulf Scherer 3 Strategy 2011 – CONF	All highlighted information	(4)
	Gulf Scherer Strategy Discussion – CONF (69)	All highlighted information	(4)
	LGandE-KU Scherer 3 Proposal 2012 (70-74)	All highlighted information	(4)

PEF Scherer 3 Proposal 2011 (75-78)	All highlighted information	(4)
PEF Scherer 3 Proposal 2012 (79-82)	All highlighted information	(4)
PowerSouth Scherer 3 Proposal 2012 (83- 87)	All highlighted information	(4)
Proposal Overview with Gulf Power 2013 – CONF (170-180)	All highlighted information	(4)
Proposal Pricing Scenarios Feb 2013 – CONF (181)	All highlighted information	(4)
 SCE&G Product Positioning 121715 – CONF (92-96)	All highlighted information	(4)
Scherer 3 Portfolio Anylsis 2013 – CONF (97-103)	All highlighted information	(4)
Scherer 3 Proposal 2013 (182-190)	All highlighted information	(4)
Scherer 3 Proposal 2014 (22-23)	All highlighted information	(4)
Scherer 3 Proposal 2014 (88-91)	All highlighted information	(4)
Scherer 3 Proposal April 2012 (191-194)	All highlighted information	(4)
Scherer 3 Proposal June 2012 (195-199)	All highlighted information	(4)
Scherer 3 Re-marketing – CONF	All highlighted information	(4)
Scherer 3 Re-marketing History – CONF	All highlighted information	(4)
Scherer 3 Remarketing Strategy – CONF (104-147)	All highlighted information	(4)
Scherer 3 Views – CONF	All highlighted information	(4)
Scherer Potential Counterparties 061215 – CONF (148-150)	All highlighted information	(4)
SECI Scherer 3 Proposal 2013 (151-159)	All highlighted information	(4)
 SWE Response to SCEG RFP (160-164)	All highlighted information	(4)
TVA Scherer 3 Proposal 2012 (165-169)	All highlighted information	(4)

- (1) The information identified on the listed pages/files contains confidential portions of presentations made by Gulf to certain financial rating agencies. These presentations include non-public information relating to Gulf Power's industrial and large commercial customers. Specifically, this information includes customer names and associated load data or information which would enable third parties to identify particular customers and their associated loads using other publicly available information. Gulf Power's industrial and large commercial customers operate in a competitive marketplace and public disclosure of this information could provide these customers' competitors with insight into their operations and/or costs of operations. The disclosure of this information could harm the competitive interests of Gulf's customers and is therefore confidential pursuant to Section 366.093(3)(e), Florida Statutes.
- (2) The information identified on the listed pages/files contains confidential pricing information pertaining to purchased power agreements between Gulf and various counterparties. The pricing information, which resulted from negotiations between Gulf and the counterparties, is specific to individual contracts and is not publicly known.

Disclosure of this information would negatively impact Gulf's ability to negotiate contract terms favorable to its customers in future contracts. In addition, potential counterparties may refuse to enter into contracts with Gulf, or may charge higher prices, if the information is publicly disclosed. 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 identified on the listed pages/files contains credit rating letters from Moody's Investor's Service. These letters are subject to Moody's confidentiality restrictions which prohibit their disclosure on a non-confidential basis. Failure by Gulf to honor Moody's restrictions could result in Moody's charging Gulf higher prices for its services, or refusing to conduct business with Gulf in the future. This information is confidential pursuant to Section 366.093(3)(d) and (e), Florida Statutes.
- (4) The information identified on the listed pages/files relates to Unit 3 at Plant Scherer, of which Gulf owns an interest. The confidential information includes detailed actual and projected operation and maintenance costs for Unit 3 and matters related thereto, including fuel, variable O&M, SO₂, NO_x, and fuel handling. It includes revenues, projections, models and other financial information, as well as capacity figures. It further includes detailed analysis (both internal and by outside consultants) of both financial and non-financial aspects, valuations of Unit 3 and its ownership interests, explanation of and strategies for marketing efforts, as well as various strategies for the operation and ownership of the unit, both actual and potential. Also, included within the documentation are various proposals to third parties for the sale of energy and capacity (long term and short term) from Gulf's portion of Unit 3. Among other things, public disclosure of any or all of the foregoing information would negatively impact Gulf's ability to negotiate contract terms favorable to its customers in future contracts. This information would provide third party market participants with detailed insight into Gulf's generation costs and strategies, which, in turn, would put Gulf and its customers at a competitive disadvantage when negotiating for the purchase or sale of energy and/or capacity. In addition, potential counterparties may refuse to enter into contracts with Gulf, or may charge higher prices, if the information is publicly disclosed. 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.

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"

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 February, 2017 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

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