BEFORE THE PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor.

DOCKET NO. 070001-EI ORDER NO. PSC-07-0108-CFO-EI ISSUED: February 6, 2007

ORDER GRANTING PROGRESS ENERGY FLORIDA, INC.'S REQUEST FOR CONFIDENTIAL CLASSIFICATION FILED IN DOCKET NO. 060001-EI (DOCUMENT NO. 09553-06)

On November 6, 2006, pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, Progress Energy Florida, Inc. ("PEF") filed a request for confidential classification of its response Nos. 1 and 2 to PCS-White Springs' ("PCS") First Request for Production of Documents (Document No. 09553-06). This request was filed in Docket No. 060001-EI.

Section 366.093(1), Florida Statutes, provides that "any records received by the commission which are shown and found by the commission to be proprietary confidential business information shall be kept confidential and shall be exempt from [the Public Records Act]." Section 366.093(3), Florida Statutes, defines proprietary confidential business information as information that is intended to be and is treated by the company as private, in that disclosure of the information would cause harm to the company's ratepayers or business operations, and has not been voluntarily disclosed to the public. Section 366.093(3), Florida Statutes, provides that proprietary confidential business information includes, but is not limited to, "[i]nformation 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" (subsection d); and "[i]nformation relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information" (subsection e).

PEF contends that its response Nos. 1 and 2, to PCS's First Request for Production of Documents, falls within these 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. PEF states that this information is intended to be and is treated by PEF as private and has not been publicly disclosed.

DOCUMENT NUMBER - DATE

0 1 2 4 8 FEB - 6 5

PEF requests that the following information be granted confidential classification:

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
Response to PCS – White	PEF-FUEL-005660:	§366.093(3)(d), F.S.
Springs 1 st PODs, Question 2,	Transport costs, volumes,	The documents in question
PEF #6 Oil spreadsheet.	and dates.	contain confidential
		information, the disclosure of
		which would impair PEF's
"All Positions" as of 12/30/05.	PEF-FUEL-005664:	efforts to contract for goods or
	Liquidation values, trade	services on favorable terms.
	pricing, volumes, and	2244 224 2 7 7
	dates.	§366.093(3)(e), F.S.
		The documents in question
PER C. P. II.1:	DEE ELIEL 005/01	contain confidential
PEF Gas Price Hedging	PEF-FUEL-005681:	information relating to
Targets.	Dates, hedging targets, contract & market prices,	competitive business interests, the disclosure of which would
	quantities.	impair the competitive
	quantities.	business of the provider/owner
		of the information.
PEF #6 Oil Price Hedging		
Targets.	PEF-FUEL-005682:	
1 42 50 101	Dates, hedging targets,	
	contract & market prices,	
	quantities.	
PEF Gas Hedging Status 2006		
(as of $8/3/06$).	PEF-FUEL-005682 thru	
	PEF-FUEL-005687:	
	Dates, volumes, pricing,	
	and costs.	
PEF Oil Hedging Status 2006	PEF-FUEL-005688 thru	
(as of $8/3/06$).	PEF-FUEL-005691:	
	Dates, volumes, pricing,	
	and costs.	
	PEF-FUEL-005700:	
DEE Donosting Limits	Fuel hedging targets.	
PEF Reporting Limits.	Tuel houghly largers.	

PEF states that its response contains confidential business information regarding hedging terms, such as volumes and prices, the disclosure of which would impair the efforts of PEF or its affiliates to negotiate fuel supply contracts on favorable terms. PEF asserts that it negotiates with potential fuel suppliers to obtain competitive hedging pricing for fuel which provides economic value to PEF and its ratepayers. In order to obtain these contracts, PEF asserts, it must agree with fuel suppliers to keep sensitive business information such as the contract terms, volumes, and prices, confidential. If PEF does not keep the information confidential, states PEF, then potential fuel suppliers would run the risk that sensitive business information would be made available to the public and ultimately end up in the possession of potential competitors. Accordingly, PEF claims that potential fuel suppliers may chose not to negotiate with PEF, if PEF did not keep the contract terms confidential. PEF argues that the end result is that PEF's efforts to obtain competitive hedging contracts would be undermined. PEF further asserts that this information relates to the competitive interests of PEF and its fuel suppliers, the disclosure of which would impair their competitive businesses.

Upon review, it appears that the above-referenced information contained in PEF's response Nos. 1 and 2 to PCS's First Request for Production of Documents satisfies the criteria set forth in Section 366.093(3), Florida Statutes, for classification as proprietary confidential business information and, thus, shall be treated as confidential. The information constitutes "[i]nformation 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," or "[i]nformation relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information." Thus, this information is granted confidential classification.

Pursuant to Section 366.093(4), Florida Statutes, the information for which confidential classification is granted herein shall remain protected from disclosure for a period of 18 months from the date of issuance of this order. At the conclusion of the 18 month period, the confidential information will no longer be exempt from Section 119.07(1), Florida Statutes, unless PEF or another affected person shows, and the Commission finds, that the records continue to contain proprietary confidential business information.

Based on the foregoing, it is

ORDERED by Commissioner Matthew M. Carter II, as Prehearing Officer, that Progress Energy Florida's Request for Confidential Classification of Document No. 09553-06 is granted. It is further

ORDERED that the information in Document No. 09553-06 for which confidential classification has been granted shall remain protected from disclosure for a period of 18 months from the date of issuance of this order. It is further

ORDERED that this Order shall be the only notification by the Commission to the parties of the date of declassification of the materials discussed herein.

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By ORDER of Commissioner Matthew M. Carter II, as Prehearing Officer, this <u>6th</u> day of <u>February</u>, <u>2007</u>.

MATTHEW M. CARTER II
Commissioner and Prehearing Officer

(SEAL)

LCB/pz

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of the Commission Clerk and Administrative Services, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.