



ORIGINAL

JAMES A. MCGEE
ASSOCIATE GENERAL COUNSEL
PROGRESS ENERGY SERVICE CO., LLC

July 8, 2003

HAND DELIVERY

Ms. Blanca S. Bayó, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

COMMISSION
CLERK

JUL - 8 PM 4:04

RECEIVED 4:50

Re: Docket No. 030001-EI; Request for Confidential Classification.

Dear Ms. Bayó:

(Confidential DN
05348-03)

Enclosed for filing in the subject docket on behalf of Progress Energy Florida, Inc., formerly Florida Power Corporation, is an original and ten copies of its Request for Confidential Classification. The contract documents containing the information for which confidential classification is sought was included with Progress Energy's Notice of Intent to Request Confidential Classification filed on June 17, 2003 in a separate sealed envelope, along with an attached public copy of the documents in which the confidential information was redacted. **The documents contained in the sealed envelope filed with the Notice should continue to be held as Confidential Information in accordance with Rule 25-22.006, F.A.C.**

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. A 3½ inch diskette containing the above-referenced Request in WordPerfect format is also enclosed. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

JAM/scc
Enclosure

cc: Parties of record

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER DATE

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FPSC-COMMISSION CLERK

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost
Recovery Clause and Generating
Performance Incentive Factor.

Docket No. 030001-EI

Submitted for filing:
July 8, 2003

REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida, Inc., formerly Florida Power Corporation, (Progress Energy) and its affiliated coal and transportation supplier, Progress Fuels Corporation (PFC or collectively, the Companies), pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., hereby request Confidential Classification of the pages stamped "Specified Confidential" to the four contracts that were enclosed in a sealed envelope with Progress Energy's Notice of Intent to Request Confidential Classification filed June 17, 2003 (the Contracts), along with a redacted copy of the Contracts as an attachment to the Notice. The Contracts are between PFC and suppliers of waterborne transportation services used by PFC for the delivery of coal to Progress Energy's Crystal River plant site, and, as such, are responsive to Staff's First Request for Production of Documents, Request No. 1, propounded on Progress Energy in the subject docket. In support of this request for confidential classification, the Companies state as follows:

1. Subsection 366.093(1), F.S., 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) [requiring disclosure under the Public Records Act]." Subsection 366.093(3), F.S., provides that "[p]roprietary

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confidential business information means information, regardless of form or characteristics, which is owned or controlled by the person or company, is intended to be and is treated by the person or company as private in that the disclosure of the information would cause harm to the ratepayers or the person's or company's business operations" As explained below, the designated portions of the Contracts fall within this statutory provision and, thus, constitute propriety confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

2. Each of the four Contracts responsive to Staff's Request for Production of Documents No. 1 contain binding terms which prohibit the parties from disclosing the contents of the Contracts to third parties and obligate the parties to obtain suitable safeguards to protect the Contracts when disclosure is legally required, such as is currently the case. Thus, PFC, as a party to the Contracts, is required to seek and obtain the safeguards against public disclosure of the Contracts' contents requested herein in fulfillment of its contractual obligation and to avoid potential liability for damages that its contractual counter-parties may incur as a result of disclosure. Progress Energy, under its contract with PFC for the delivery of coal to the Crystal River plant site and as the party responsible for providing the related contracts responsive to Staff's production request, also finds it necessary and appropriate to seek such safeguards against disclosure of the Contracts to avoid any liability it may arguably have incurred as a result of its response to Staff's discovery.¹

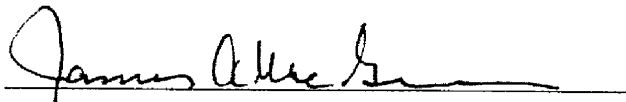
¹ In addition to potential liability under Progress Energy's contract with PFC, liability could arguably be asserted under various theories by PFC's contractual counter-parties, although Progress Energy does not acknowledge, and expressly denies, the validity or merit of any such assertion.

3. The designated information for which confidential classification is sought by this Request is intended to be and is treated by PFC as private and has not been publicly disclosed.

4. The Companies request an 18-month confidentiality period, consistent with Rule 25-22.006 (9)(a), F.A.C. In addition, the Companies ask that the documents subject to this Request be returned to PFC when the Commission no longer needs the information to conduct its business, in accordance with Rule 25-22.006 (9)(b), F.A.C.

WHEREFORE, the Companies request that the portions of the Contract stamped "Specified Confidential" be accorded confidential classification for the reasons set forth above.

Respectfully submitted,



James A. McGee
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Attorney for
PROGRESS ENERGY FLORIDA, INC. and
PROGRESS FUELS CORPORATION

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished to the following individuals by regular U.S. Mail the 8th day of July, 2003:

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