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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

... AUG -5 AM 11:00

In re: Petition for Determination) of Need of Hines Unit 4 Power) Plant)

DOCKET NO. 040817 - E1 COMMISSION CLERK Submitted for filing: August 5, 2004

NOTICE OF FILING AFFIDAVIT IN SUPPORT OF REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida ("PEF" or the "Company"), hereby gives notice of filing

the original Affidavit of Daniel J. Roeder, as Project Leader in the System Resource Planning

Section of the System Planning & Operations Department, in support of PEF's Request for

Confidential Classification of Appendix J of the Need Determination Study, submitted for filing

on August 5, 2004.

Respectfully submitted this 5^{th} day of August, 2004.

JAMES A. MCGEE Associate General Counsel PROGRESS ENERGY SERVICE COMPANY, LLC P.O. Box 14042 St. Petersburg, Florida 33733 Telephone: (727) 820-5184 Facsimile: (727) 820-5519

CMP COM 5 GCI OPC MMS RCA SCR RECEIVED & FILED SEC OTH Lockard FPSC-BUREAU OF RECORDS

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DOCUMENT NUMBER-DATE

08526 AUG-53

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Determination) of Need of Hines Unit 4 Power) Plant)

DOCKET NO.

Submitted for filing: August 5, 2004

AFFIDAVIT OF DANIEL J. ROEDER IN SUPPORT OF PROGRESS ENERGY FLORIDA'S FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF NORTH CAROLINA

COUNTY OF WAKE

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared Daniel J. Roeder, who being first duly sworn, on oath deposes and says that:

1. My name is Daniel J. Roeder. I am over the age of 18 years old and I have been authorized by Progress Energy Florida (hereinafter "PEF" or the "Company") to give this affidavit in the above-styled proceeding on PEF's behalf and in support of PEF's First Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.

2. I am a Project Leader in the System Resource Planning Section of the System Planning & Operations Department. This department is responsible for the resource planning for both PEF and Progress Energy Carolinas ("PEC") systems. My responsibilities are usually of the nature of special projects, such as the Request for Proposals ("RFP") and bid evaluation that PEF performed in connection with this case.

3. As Project Leader over the RFP, I was and am responsible, along with the other members of the System Resource Planning department, for the receipt, handling, and evaluation of the proposals received in response to the Company's RFP, issued October 7, 2003, pursuant to Rule 25-22.082, F.A.C. In the RFP, I was designated as the Company contact. I have read the

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RFP proposals received by the Company, I participated in PEF's evaluation of the proposals, and I am familiar with the details of each proposal and PEF's evaluation of them.

4. PEF is seeking confidential classification of the detail of the proposals and PEF's evaluation of the same. A detailed description of the confidential information in each of the proposals is contained in the confidential Appendix J to the Need Study filed as Exhibit 1 to Mr. Waters' testimony. This confidential Appendix J contains a detailed description of the bids, their characteristics, locations, and other proprietary information. PEF is requesting confidential classification of these materials because the bidder who submitted the proposals in response to the Company's RFP asked the Company to keep this information confidential by declaring their terms confidential.

5. The Company provided for the confidentiality of the bids it received in response to its RFP by including a confidentiality provision in the RFP. PEF included the confidentiality provision in the RFP to assure bidders that the terms of their bids would be kept confidential and would not be publicly disclosed. Absent such assurances, potential bidders would run the risk that any sensitive engineering, construction, cost, or other business information that they provided in their bids would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, potential bidders might withhold such information altogether, denying PEF the ability to fully understand and accurately assess the cost and benefits of the bidders' proposals. Or, persons or companies who otherwise would have submitted bids in response to PEF's RFP might decide not to do so, if PEF did not assure them that the terms of their bids would be kept confidential. In either case, without the assurance of confidentiality for the terms of the bids in response to PEF's RFP, the Company's efforts to obtain competitive alternative proposals to its next-planned generating unit through its RFP would be undermined.

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6. For these reasons, PEF declared its intent in the RFP to keep the terms of the bidders' proposals in response to the RFP confidential. Upon receipt of the bids, strict procedures were established and followed to maintain the confidentiality of the terms of bidders' proposals, including restricting access to those persons who needed the information to assist the Company in its evaluation of the bids and restricting the number of, and access to, copies of the proposals. At no time since receiving the bidders' proposals has the Company publicly disclosed the terms of the proposals, even to the other bidders. The Company has treated and continues to treat the bidders' proposals as confidential.

7. This concludes my affidavit.

Further affiant sayeth not.

Dated the Zaday of July, 2004.

(Signature) Daniel J. Roeder Project Leader System Planning & Operations Department Progress Energy Carolinas MC PEB 7A Post Office Box 1551 Raleigh, NC. 27602

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this <u>29</u>th day of July, 2004 by Daniel J. Roeder. He is <u>personally known to me</u>, or has produced his _____ driver's license, or his _____ as identification.

owers) (Signature) wers

(Printed Name) RY PUBLIC, STATE OF North Carolina NOTA

(Commission Expiration Date)

(Serial Number, If Any)

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(AFFIX NOTARIAL SEAL)

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My Commission Expires 11-21-2005