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ATLANTA MIAMI ORLANDO ST. PETERSBURG TALLAHASSEE

TAMPA

WEST PALM BEACH

CARLTON FIELDS

ATTORNEYS AT LAW

January 3, 2005

Corporate Center Three at International Plaza 4221 W. Boy Scout Boulevard Tampa, Florida 33607-5736 P.O. Box 3239 Tampa, Florida 33601-3239

813.223.7000 813.222(±) 33 fax www.cafltöhfields.cam Www.cafltöhfields.cam COMMISSION

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

In re: Progress Energy Florida, Inc.'s Petition for Approval of Storm Cost Recovery Clause for Extraordinary Expenditures Related to Hurricanes Charley, Frances, Jeanne and Ivan Docket No. 041272

Dear Ms. Bayo:

Enclosed herewith for filing are the original and one (1) copy of Progress Energy Florida's Notice of Filing original affidavit in Support of Second Request for Confidential Classification.

If you or your Staff have any questions regarding this filing, please contact me at (813) 223-7000, ext. 2462.

Sincerely,

Jane Sasso jasso

CMP ____

COM ___Enclosures

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| In re: Progress Energy Florida, Inc.'s |) | |
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| petition for approval of storm cost |) Docket No.: 041272 | |
| recovery clause for extraordinary |) | |
| expenditures related to Hurricanes Charley, Frances, Jeanne, and Ivan. |) Submitted for Filing: | January 3, 2005 |
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NOTICE OF FILING ORIGINAL AFFIDAVIT IN SUPPORT OF SECOND REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida ("PEF" or the "Company"), hereby gives notice of filing the following original affidavit of Jeff A. Dooley, Manager, Sourcing - Energy Supply submitted for filing with the Commission on December 29, 2004:

BONNIE E. DAVIS Deputy General Counsel PROGRESS ENERGY SERVICE COMPANY, LLC 106 E. College Avenue, Ste. 800 Tallahassee, FL 32301-7740 Telephone: (850) 222-8738

Facsimile: (850) 222-9768

RY L. SASSO

Florida Bar No. 622575

JAMES MICHAEL WALLS Florida Bar No. 0706272

JOHN T. BURNETT

Florida Bar No. 173304

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Tampa, FL 33601-3239

Telephone: (813) 223-7000 Facsimile: (813) 229-4133

Progress Energy Florida

Docket No. 041272-EI

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 3rd day of January, 2005.

Jennifer Brubaker, Esquire Office of the General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Patricia A. Christensen, Esquire Office of the Public Counsel c/o The Florida Legislature 111 West Madison St., Room 812 Tallahassee, FL 32399-1400

Michael B, Twomey Post Office Box 5256 Tallahassee, FL 32314-5256 Attorneys for Buddy L. Hansen and Sugarmills Woods Civic Association, Inc. Vicki Gordon Kaufman, Esquire
McWhirter Reeves McGlothlin Davidson
Kaufman & Arnold, P.A.
117 South Gadsden Street
Tallahassee, FL 32301
Attorneys for Florida Industrial Power
Users Group

John W. McWhirter, Esquire McWhirter Reeves McGlothlin Davidson Kaufman & Arnold, P.A. 400 North Tampa St. Tampa, FL 33602 Attorneys for Florida Industrial Power Users Group

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

| In re: Progress Energy Florida, Inc.'s |) |
|--|---|
| petition for approval of storm cost |) Docket No.: 041272 |
| recovery clause for extraordinary |) |
| expenditures related to Hurricanes |) |
| Charley, Frances, Jeanne, and Ivan. |) Submitted for Filing: December 29, 2004 |
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AFFIDAVIT OF JEFF A. DOOLEY IN SUPPORT OF PROGRESS ENERGY FLORIDA'S SECOND REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF NORTH CAROLINA

COUNTY OF WAKE

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

- 1. My name is Jeff A. Dooley. 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 Second Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.
- I am the Manager, Sourcing Energy Supply within the Supply Chain
 Management section of the Corporate Services department. This department is responsible for materials and services procurement for Progress Energy Corporation.
- 3. As Manager, Sourcing Energy Supply, I am responsible for materials and services procurement for the Energy Supply group of Progress Energy. In the course of my duties, I am familiar with contracts that PEF has with various third parties that provide goods and services to PEF.

TPA#1970332.1

- 4. PEF is seeking confidential classification for portions of contracts that PEF has with third parties that provide goods and services to PEF. Such contracts were produced to the Staff of The Florida Public Service Commission ("Staff") in response to Staff's First Request for Production of Documents, Request One. The portions of the contracts at issue contain competitive, confidential pricing terms offered by third parties to PEF for various goods and services.
- 5. PEF negotiates with third-party contractors to obtain competitive contracts for various goods and services that provide economic value to PEF and its ratepayers. In order to obtain such contracts, however, PEF must be able to assure those contractors that sensitive business information, such as the pricing terms of their contracts, will be kept confidential. PEF has kept confidential and has not publicly disclosed confidential pricing terms in contracts that it has with third-party contractors. Absent such measures, third-party contractors would run the risk that sensitive business information that they provide in their contracts with PEF would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, persons or companies who otherwise would contract with PEF might decide not to do so if PEF did not keep those terms of their contracts confidential. Without PEF's measures to maintain the confidentiality of sensitive terms in contracts between PEF and thirdparty contractors, the Company's efforts to obtain competitive fuel supply and transportation contracts would be undermined. Additionally, the disclosure of pricing information in PEF's contracts would adversely impact PEF's competitive business interests. If such information was disclosed to PEF's competitors or other potential contractors, PEF's efforts to obtain competitive contracts that provide economic value to both PEF and its ratepayers would be compromised.

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- 6. The confidential portions of the contracts described above are treated as private and confidential by PEF and the information has not been disclosed and is not disclosed to the public.
 - 7. This concludes my affidavit.

Further affiant sayeth not.

| Dated the | day of December, 2004. | |
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| • | MADON | |
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| THE FOREGOING INSTRUMENT day of December, 2004 by TO Doole produced his/her NC driver's license, of identification. | T was sworn to and subscribed before me this 21. He/She is personally known to me, or has brhis/her as |
|---|---|
| (AFFIX NOTARIAL SEAL) | (Signature) Rhanda 5. Sullivan (Printed Name) NOTARY PUBLIC, STATE OF NC |

(Serial Number, If Any)

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