

# Hopping Green & Sams

Attorneys and Counselors

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June 22, 2005

## **BY HAND DELIVERY**

Blanca Bayó  
Director Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399

Re: Docket No. 041393-EI  
**CONFIDENTIAL INFORMATION ENCLOSED**

Dear Ms. Bayó:

Enclosed for filing on behalf of Progress Energy Florida, Inc., (PEF) are the following:

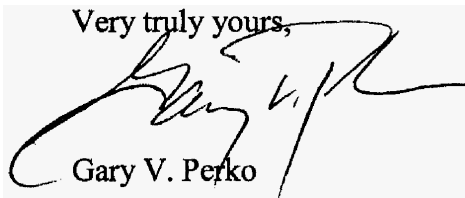
(1) The original and fifteen copies of PEF's Request for Confidential Classification, along with Exhibit A which identifies the information for which PEF seeks confidential treatment. (A diskette containing the Request in Word format is also included);

(2) A package containing Composite Exhibit B, which includes two redacted copies of the confidential documents; and

(3) A CONFIDENTIAL package containing Composite Exhibit C which includes one copy of the documents on which the confidential material has been highlighted yellow or copied on yellow paper

Please date-stamp and return the enclosed extra copy of this filing. If you have any question regarding this filing, please contact the undersigned.

Very truly yours,



Gary V. Perko

Enclosures

cc: certificate of service

DOCUMENT NUMBER-DATE

05935 JUN 22 '05

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of Progress Energy Florida's Request for Confidential Classification have been provided by U.S. Mail, postage pre-paid, on June 22<sup>nd</sup>, 2005, to the following:

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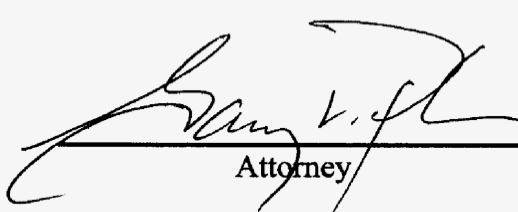
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Attorney

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for approval of two unit power sales agreements with Southern Company Services, Inc. for purposes of cost recovery through capacity and fuel cost recovery clauses, by Progress Energy Florida, Inc.

DOCKET NO. 041393-EI

FILED: June 22, 2005

**PROGRESS ENERGY FLORIDA INC.'S  
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Progress Energy Florida, Inc., (“Progress Energy” or “Company”), pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code, submits this Request For Confidential Classification of information included in certain exhibits submitted into the record of this proceeding. In support of this Request, Progress Energy states:

1. On June 1, 2005, Progress Energy filed with the Commission its Notice of Intent to Request Confidential Classification of certain confidential documents identified by Intervener White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (“White Springs”) for potential use at hearing in this matter. In addition, on June 6, 2005, Progress Energy timely filed a Notice of Intent to Request Confidential Classification of certain confidential information included in a late-filed exhibit (No. 18). This formal Request for Confidential Classification is now being filed within the time period specified in Rule 25-22.006(3)(a), Florida Administrative Code.

2. The following exhibits are included with this request:

(a) Exhibit A is a table which identifies by page and line the information for which Progress Energy seeks confidential classification and the specific statutory bases for seeking confidential treatment.

(b) Composite Exhibit B is a package containing two copies of redacted versions of the documents for which the Company requests confidential classification. The specific information for which confidential treatment is requested has been blocked out by opaque marker or other means. In one instance in which confidentiality is requested for an entire document, the cover letter and cover page for the document is included with an additional sheet noting that the remainder of the document has been redacted in its entirety.

(c) Composite Exhibit C is a package containing unredacted copies of all the documents for which Progress Energy seeks confidential treatment. Composite Exhibit C is being submitted separately in a sealed envelope labeled “CONFIDENTIAL.” In the unredacted versions, the information asserted to be confidential is highlighted in yellow or copied on yellow paper where confidentiality is requested for the entire document.

3. As explained in more detail in Exhibit A, the information for which Progress Energy requests confidential classification is “proprietary confidential business information” within the meaning of Section 366.093(3), F.S. The information includes contractual data, such as pricing information, as well as fuel forecasting and market projection data, the disclosure of which would impair the efforts of the Company or its affiliates to negotiate contracts for goods and services on favorable terms. *See* § 366.093(3)(d), F.S. Furthermore, some of the information relates to the competitive interests of Progress Energy and/or Southern Company, the disclosure of which would impair their competitive businesses. *Id.* § 366.093(3)(e). Accordingly, such information constitutes “proprietary confidential business information” which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), F.S.

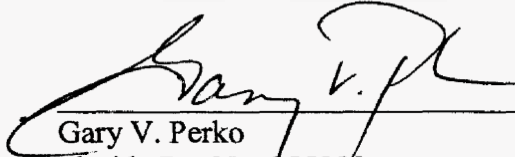
4. The information identified in Exhibit “A” is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public.

5. Progress Energy requests that the information identified in Exhibit A be classified as “proprietary confidential business information” within the meaning of section 366.093(3), F.S., that the information remain confidential for a period of at least 18 months as provided in section 366.093(4), F.S., and that the information be returned as soon as it is no longer necessary for the Commission to conduct its business.

WHEREFORE, for the foregoing reasons, Progress Energy Florida, respectfully requests that this Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 22<sup>nd</sup> day of June, 2005.

HOPPING GREEN & SAMS, P.A.



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Attorneys for PROGRESS ENERGY FLORIDA

**EXHIBIT A**

**PROGRESS ENGERY FLORIDA  
Confidentiality Justification**

<b>Exhibit No. &amp; Document Description</b>	<b>Page No(s).</b>	<b>Line No(s).</b>	<b>Column(s)</b>	<b>Justification</b>
Exhibit No. 18 - Calculations based on cross examination hypothetical	1	1	A	A
	1	2-8	B-M	A
Exhibit No. 21 – Burns & McDonnell Solid Fuel Resource Feasibility Study	All (except cover)	All	N/A	B
Exhibit No. 22 – 03/08/04 Natural Gas Forecast	1	1-41	A-C	C
	1	1-27	D	C
Exhibit No. 23 – 09/19/04 Natural Gas	1	1-45	A-C, F-G	C
	1	1-25	D	C
		1-31	E	C
Exhibit No. 24 – 02/11/05 Natural Gas Forecast	1	1-43	A-C, G-H	C
	1	25-43	D	C
	1	1-25	E	C
	1	1-28	F	C

**Legend**

- A** This information includes contractual data which could be used to calculate start costs under Progress Energy Florida’s (PEF’s) Unit Purchase Sales (UPS) Agreements with Southern Company Services, Inc. (Southern Company). The disclosure of this information would place PEF or its affiliates at a competitive disadvantage when negotiating with other power suppliers, who would know what PEF had recently agreed to pay Southern Company. Armed with this information, other suppliers could tailor prices to remain marginally competitive to the Southern Company rates. As such, disclosure of the information would impair PEF’s efforts to contract for goods or services on favorable terms. *See* § 366.093(3)(d), F.S. Furthermore, the information relates to the competitive interests of PEF and/or Southern Company, the disclosure of which would impair their competitive businesses. *Id.* § 366.093(3)(e). Moreover, PEF is obligated under UPS Agreements to maintain the confidentiality of this information. For these reasons, the information constitutes “proprietary confidential business information” which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), F.S.
- B** This document is a solid fuel resource feasibility study prepared by consultants on a confidential basis under contract with PEF. The entire report reflects assumptions developed by PEF for potential development of solid fuel resources. These assumptions and the resulting data and analysis reflect strategic business planning efforts which relate to PEF’s competitive interests. If disclosed, this information would impair PEF’s competitive business by allowing others insight into PEF’s strategic planning efforts, as well as valuable data and analysis developed at PEF’s expense. *See*, Section 366.093(3)(e), F.S. Additionally, the report includes fuel forecasts and other cost estimates which, if disclosed, would provide potential vendors with information that could be used to their competitive advantage in future contract negotiations with PEF.

## EXHIBIT A

Rather than make their best offers to ensure the competitiveness of their rates, potential vendors could simply offer the highest rates that would allow them to maintain a marginally competitive position against the market forecasts. As such, disclosure of the information would impair PEF's efforts to contract for goods or services on favorable terms. *See* § 366.093(3)(d), F.S. For these reasons, the entire report constitutes "proprietary confidential business information" which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), F.S.

- C This information includes natural gas forecast information, the disclosure of which would place PEF or its affiliates at a competitive disadvantage when negotiating with fuel suppliers. Disclosure of the forecast information would provide potential fuel suppliers with knowledge of what PEF may expect to pay for natural gas in the future. This knowledge would give suppliers significant competitive advantage in future contract negotiations because they would no longer need to make their best offers to ensure the competitiveness of their rates against PEF's forecasts. Instead, suppliers could simply offer the highest rates that would allow them to maintain a marginally competitive position against the PEF market forecasts. As such, disclosure of the information would impair PEF's efforts to contract for goods or services on favorable terms. *See* § 366.093(3)(d), F.S. Accordingly, the information constitutes "proprietary confidential business information" which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), F.S.