Hopping Green & Sams

Attorneys and Counselors

Writer's Direct Dial No. (850) 425-2359

August 9, 2005

BY HAND DELIVERY

Blanca Bayó Director, Division of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

Re:

Docket 050001-EI

CONFIDENTIAL INFORMATION ENCLOSED

Dear Ms. Bayó:

Enclosed for filing in the above referenced docket on behalf of Progress Energy Florida, Inc. ("PEF") are the original and fifteen copies of the following:

- Pre-filed Direct Testimony of Javier Portuondo with a redacted version of Exhibit No. (JP-1R);
- Pre-filed Direct Testimony of Albert W. Pitcher; and
- PEF's Request for Confidential Classification for portions of Exhibit No. (JP-2), along with a package containing two redacted copies of the exhibit and a separate envelope labeled "CONFIDENTIAL" containing one unredacted copy of the exhibit with the confidential information highlighted in yellow.

I also have included a diskette containing the testimony and Request for Confidential Classification in Microsoft Word format.

By copy of this letter, all persons on the attached certificate of service have been provided copies of the above documents, except the undredacted version of Exhibit No. (JP-2).

DOCUMENT NUMBER-DATE

Ms. Blanca Bayó August 9, 2005 Page 2

Please acknowledge receipt and filing of the above by stamping the enclosed extra copies of the testimony and confidentiality request and returning them to me. If you have any questions concerning this filing, please contact me at 425-2359.

Thank you for your assistance in connection with this matter.

Very truly yours,

HOPPING GREEN & SAMS, P.A.

Gory V. Pork

Attorneys for Progress Energy Florida, Inc.

GVP/dwg Enclosures

cc: Certificate of Service

CERTIFICATE OF SERVICE

Adrienne Vining, Esq. (*)
Jennifer Rodan, Esq.
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

James A. McGee Progress Energy Services Co, LLC. P.O. Box 14042 St. Petersburg, FL 33733-4042

John T. Butler, Esq. Steel Hector & Davis, LLP 200 S. Biscayne Bay Blvd, Suite 4000 Miami, FL 33131-2398

Lee L. Willis, Esq. James D. Beasley, Esq. Ausley & McMullen P.O. Box 391 Tallahassee, FL 32302

Patricia Ann Christensen, Esq. (*) Office of Public Counsel 111 West Madison Street, Rm. 812 Tallahassee, FL 32399

Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Beggs and Lane P.O. Box 12950 Pensacola, FL 32576

Florida Industrial Power Users Group c/o John W. McWhirter, Jr. McWhirter Reeves 400 North Tampa Street, Suite 2450 Tampa, FL 33602

Timothy J. Perry, Esq. McWhirter Reeves, et al. 117 South Gadsden Street Tallahassee, FL 32301

Florida Power & Light Co. R. Wade Litchfield, Esq. 700 Universe Blvd. Juno Beach, FL 33408-0420 Florida Power & Light Co. Bill Walker 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301

Gulf Power Company Susan Ritenour One Energy Place Pensacola, FL 32520-0780

Tampa Electric Company Angela Llewellyn Regulatory Affairs P.O. Box 111 Tampa, FL 33601-0111

Messer Law Firm Norman Horton, Jr. P.O. Box 1876 Tallahassee, FL 32302-1876

Florida Public Utilities Company Ms. Cheryl Martin P. O. Box 3395 West Palm Beach, FL 33402-3395

CSX Transportation, Inc. Mark Hoffman 500 Water St., 14th Floor Jacksonville, FL 32202

Landers Law Firm Robert Scheffel Wright/John LaVia, III P.O. Box 271 Tallahassee, FL 32302

Moyle Law Firm Jon C. Moyle, Jr. The Perkins House 118 North Gadsden Street Tallahassee, FL 32301

R. Alexander Glenn
Deputy General Counsel - Florida
Progress Energy Service Company, LLC
P.O. Box 14042

St. Petersburg, FL 33733

Attorney

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re Fuel and purchase power cost)	Docket No. 050001-EI
recovery clause with generating performance incentive factor)	Filed: August 9, 2005

PROGRESS ENERGY FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida, Inc., ("PEF" or the "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 certain information provided in an exhibit to the direct testimony of Progress Energy witness Javier Portuondo dated August 9, 2005. In support of this Request, PEF states:

- 1. Contemporaneously with this Request, PEF is pre-filing the direct testimony and Exhibit No. __ (JP-1R) of Javier Portuondo. As further explained below, Mr. Portuondo's exhibit contains information that is "proprietary business information" under Section 366.093(3), Florida Statutes.
 - 2. The following exhibits are included with this request:
- (a) Exhibit A is a package containing two copies of a redacted version of the document 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.
- (b) Exhibit B is a package containing an unreducted copy of the document for which Progress seeks confidential treatment. Exhibit B is being submitted separately in a sealed envelope labeled "CONFIDENTIAL." In the unreducted version, the information asserted to be confidential is highlighted in yellow.

DOCUMENT NUMBER - DATE

- 3. The information on lines 1-8, page 2, of Part D to Mr. Portuondo's Exhibit No. (JP-1R) includes data related to confidential wholesale power purchase and sale contracts. Specifically, the highlighted information provides the number of megawatts for each purchase or sale. In combination with other non-confidential cost data provided in the exhibit, this information could be used to determine the capacity charges for each contract. Disclosure of this information would enable wholesale providers to determine the prices of their competitors, which would likely result in greater price convergence in future negotiations. Suppliers would no longer need to make their best offers to ensure the competitiveness of their prices against the disclosed prices. Instead, suppliers could simply offer the highest prices that would allow them to maintain a marginally competitive position against the disclosed prices. As such, disclosure of the information would impair the Company's efforts to contract for goods or services on favorable terms. See § 366.093(3)(d), F.S. Additionally, disclosure of the capacity charges paid by Progress Energy's wholesale customers would provide an unfair advantage to competitors pursuing such customers. As such, the information relates to the competitive interests of Progress Energy and its affiliates, the disclosure of which would impair their competitive businesses. *Id.* § 366.093(3)(e). Accordingly, the information constitutes "proprietary confidential business information" which is exempt from disclosure pursuant to Section 366.093(1), F.S. ¹
- 4. The information for which PEF seeks confidential classified is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public.

¹ The Commission previously granted confidential classification of similar information in an exhibit to Mr. Portuondo's March 1, 2005, testimony in this docket. <u>See</u> Order No. PSC-05-0417-CFO-EI (April 19, 2005).

5. Progress Energy requests that the information identified above 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 9th day of August, 2005.

Gary V. Perko

Florida Bar No. 855898

Hopping Green & Sams, P.A.

Post Office Box 6526

Tallahassee, FL 32314

Attorneys for Progress Energy Florida