

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor

Docket No. 060001-EI

Dated: April 24 2006

AFFIDAVIT OF MICHAEL A. CARL IN SUPPORT OF PROGRESS ENERGY FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Michael A. Carl. 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 Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.

2. I am the manager of PEF's Origination and Account Management section in the Regulated Commercial Operations Department. This section is responsible for the account management of all long-term sales and purchase power contracts for PEF.

3. As the manager of PEF's Origination and Account Management section, I am responsible, along with the other members of the section, for the management of the long-term sales and purchase power contracts for PEF's electrical power generation facilities.

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4. PEF is seeking confidential classification for portions of its responses to Staff's Second Request for Production of Documents (Nos. 2-5). A detailed description of the confidential information at issue is contained in confidential Exhibit A to PEF's Request for Confidential Classification and is outlined in PEF's Justification Matrix that is attached to PEF's Request for Confidential Classification as Exhibit C. PEF is requesting confidential classification of this information because it contains competitive confidential business information of both PEF and third-party fuel supply companies that PEF has contracts with.

5. PEF negotiates with potential long-term purchase power suppliers and to obtain competitive contracts for fuel options that provide economic value to PEF and its ratepayers. In order to obtain such contracts, however, PEF must be able to assure long-term purchase power suppliers that sensitive business information, such as the quantity and pricing terms of their contracts, will be kept confidential. With respect to the information at issue in this Request, PEF has kept confidential and has not publicly disclosed confidential contract terms such as quantity, pricing, and similar competitive information. Absent such measures, suppliers would run the risk that sensitive business information that they provided 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 long-term purchase power suppliers, the Company's efforts to obtain competitive long-term fuel supply contracts could be undermined.

6. Additionally, the disclosure of confidential information in PEF's long-term purchase power contracts, proposals, and other such documents could adversely impact PEF's

competitive business interests. If such information was disclosed to PEF's competitors, PEF's efforts to obtain competitive long-term fuel supply options that provide economic value to both PEF and its ratepayers could be compromised by PEF's competitors changing their consumption or purchasing behavior within the relevant markets.

7. Upon receipt of confidential information from long-term purchase power fuel suppliers, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided, including restricting access to those persons who need the information to assist the Company, and restricting the number of, and access to the information and contracts. At no time since receiving the contracts and information in question has the Company publicly disclosed that information or contracts. The Company has treated and continues to treat the information and contracts at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 24 day of April, 2006.

Michael A. Carl

(Signature)

Michael A. Carl
Manager – Origination and Account Management
Regulated Commercial Operations Department
Progress Energy Florida
100 Central Avenue
St. Petersburg, FL 33701

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 27th day of April, 2006 by Michael A. Carl. He is personally known to me or has produced his _____ driver's license, or his _____ as identification.

Dara Tribiano
(Signature)

Dara Tribiano
(Printed Name)

NOTARY PUBLIC, STATE OF Florida

(AFFIX NOTARIAL SEAL)

(Commission Expiration Date)

(Serial Number, If Any)

