

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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COMMISSION
CLERK

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

Docket No. 060001-EI

Dated: September 14, 2006

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

Progress Energy Florida, Inc., ("PEF" or "Company"), pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), submits this Request for Confidential Classification for certain information provided in Exhibit No. ___ (JP-1P) to the direct testimony of Javier Portuondo and Exhibit No. ___ (JM-1P) to the direct testimony of Joseph McCallister dated September 1, 2006. In support of this Request, PEF states:

1. In the above referenced exhibits, PEF has provided documentation containing information that is "proprietary business information" under Section 366.093(3), Florida Statutes.

2. The following exhibits are included with this request:

(a) Composite Exhibit A containing the documents for which PEF seeks

CMP confidential treatment was previously submitted along with the Notice of Intent filed on September
COM ___
CTR ___
1, 2006.

ECR 1 (b) Composite Exhibit B is a package containing two copies of redacted versions
GCL 1
OPC ___ of the documents for which the Company requests confidential classification. The specific
RCA information for which confidential treatment is requested has been blocked out by opaque marker or
SCR other means.
SGA ___
SEC 1

OTH 1 conf records

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

(CONF. DN 08033-06)

DOCUMENT NUMBER-DATE

08440 SEP 14 06

FPSC-COMMISSION CLERK

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

3. As indicated in Exhibit C, the information for which PEF requests confidential classification is “proprietary confidential business information” within the meaning of Section 366.093(3), F.S. Specifically, Exhibit No. __ (JP-1P), Section C, page 3 of 5, contains sensitive business information concerning power purchases; Exhibit No. __ (JM-1P), page 6 of Risk Management Plan, contains sensitive business information concerning contract terms, the disclosure of which would impair the efforts of the Company to negotiate contracts on favorable terms. *See* § 366.093(3)(d), F.S.; Affidavits of Javier Portuondo and Joseph McCallister at ¶ 5. Furthermore, the information at issue relates to the competitive interests of PEF and its contracting counterparties, the disclosure of which would impair their competitive businesses. *Id.* § 366.093(3)(e); Affidavits of Javier Portuondo and Joseph McCallister at ¶ 6. 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 as Exhibit “A” is intended to be and is treated as confidential by the Company. See Affidavits of Javier Portuondo and Joseph McCallister at ¶ 7. The information has not been disclosed to the public, and the Company has treated and continues to treat the information at issue as confidential. See Affidavits of Javier Portuondo and Joseph McCallister at ¶ 7.

5. PEF 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, PEF respectfully requests that this Request for Confidential Classification be granted.

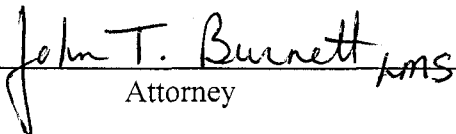
RESPECTFULLY SUBMITTED this 14th day of September, 2006.


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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Progress Energy Florida, Inc.'s Request for Confidential Classification in Docket No. 060001-EI has been furnished by regular U.S. mail to the following this 14th day of September, 2006.



Attorney

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Exhibit A

(A separate sealed envelope labeled “confidential” was previously filed on September 1, 2006 with PEF’s Notice of Intent to Request Confidential Classification. The envelope contains one copy of the confidential documents for which PEF seeks confidential treatment)

Exhibit B

REDACTED

Contract Data:

Name	Start Date	Expiration Date	Type	Purchase/Sale	MW
Auburndale Power Partners, L.P. (AUBRDLFC)	Jan-95	Dec-13	QF	Purch	17.00
Auburndale Power Partners, L.P. (AUBSET)	Aug-94	Dec-13	QF	Purch	114.18
Cargill Fertilizer, Inc. (CARGILLF)	Sep-92	Dec-07	QF	Purch	15.00
Lake County (LAKCOUNT)	Jan-95	Jun-14	QF	Purch	12.75
Lake Cogen Limited (LAKORDER)	Jul-93	Jul-13	QF	Purch	110.00
Metro-Dade County (METRDADE)	Nov-91	Nov-13	QF	Purch	43.00
Orange Cogen (ORANGECO)	Jul-95	Dec-24	QF	Purch	74.00
Orlando Cogen Limited (ORLACOGL)	Sep-93	Dec-23	QF	Purch	79.20
Pasco Cogen Limited (PASCOGL)	Jul-93	Dec-08	QF	Purch	109.00
Pasco County Resource Recovery (PASCOUNT)	Jan-95	Dec-24	QF	Purch	23.00
Pinellas County Resource Recovery (PINCOUNT)	Jan-95	Dec-24	QF	Purch	54.75
Polk Power Partners, L.P. (MULBERY)	Aug-94	Aug-24	QF	Purch	79.20
Polk Power Partners, L.P. (ROYSTER)	Aug-94	Aug-09	QF	Purch	30.80
Wheelabrator Ridge Energy, Inc. (RIDGEGEN)	Aug-94	Dec-23	QF	Purch	39.60
UPS Purchase - Southern	Jul-88	May-10	Other	Purch	414.00
TECO Power Purchase	Mar-93	Feb-11	Other	Purch	70.00
Schedule H Capacity - New Smyrna Beach	Nov-85	(1)	Other	Sale	
Orlando Utilities Commission	Dec-06	Feb-07	Other	Purch	
Reliant - Osceola	Jun-06	Feb-09	Other	Purch	
Reliant - Osceola	Jan-07	Sep-07	Other	Purch	
Shady Hills	Apr-07	Apr-14	Other	Purch	
The Energy Authority	Dec-06	Feb-07	Other	Purch	
The Energy Authority	Jun-07	Sep-07	Other	Purch	
Chattahoochee	Oct-02	Dec-17	Other	Purch	
Central Power & Lime	Dec-05	Dec-10	Other	Purch	

(1) The New Smyrna Beach (NSB) Schedule H contract is in effect until cancelled by either Progress Energy Florida or NSB upon 1 year's written notice.

IV. Fuel Procurement and Wholesale Purchased Power Plans for 2007

1. Coal
 - The current physical procurement hedging strategy targets 95-115% of forecasted coal burn to be under contract for 2007 and 65-95% to be under contract for 2008.
2. Oil
 - The majority of the fuel oil is covered by term supply with flexible volume provisions and market based pricing. The spot market is utilized as a supplemental source of supply.
3. Natural Gas
 - Approximately [REDACTED] of the natural gas requirements for 2007 are currently covered by long-term (greater than 3 years) contracts. PEF will be initiating an RFP in second half of [REDACTED] to contract for additional gas requirements for [REDACTED] under term contracts. The remaining natural gas requirements for [REDACTED] will be covered by short term and spot market contracts.
4. Purchased Power
 - Long-term firm purchased power is usually solicited by a request-for-proposal from credible counterparties. Mid-term purchased power is usually solicited via a survey of credible counterparties by requesting bids for the nomination and terms for the product needed.
 - Short-term firm purchased power is obtained through market assessment of bids and offers and negotiation with credible counterparties.

V. Guidelines

1. The Board of Directors has established a Risk Management Policy which directs the Risk Management Committee (RMC) to oversee PEF's management of financial risks. The Risk Management Policy states the RMC shall regularly report on activities related to and carried out under the Policy to the Chief Executive Officer (CEO), the Board of Directors, and the Finance Committee. The CEO is ultimately responsible for the company's management of risk.
2. The Risk Management Committee Guidelines identify the roles, responsibilities, and decision making process of the RMC and its agents.
3. PEF's Regulated Commercial Operations and Regulated Fuels Risk Management Guidelines provide a methodology to assess, report, and mitigate risk associated with trading and marketing activities and procurement for the regulated fleet. In addition, there is a product approval process to provide a structure to validate that all significant product risks have been identified and integrated into the risk control structure.

**PROGRESS ENERGY FLORIDA
Confidentiality Justification Matrix**

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
Exhibit No. __ (JP-1P)	Section C, Page 3 of 5; Number of megawatts for energy purchases/sales.	<p>§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
Exhibit No. __ (JM-1P)	Risk Management Plan, Page 6; Contract terms	<p>§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>