

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Nuclear Power Plant Cost  
Recovery Clause

Docket No. 080009-EI

Submitted for Filing: July 10, 2008

**PROGRESS ENERGY FLORIDA, INC'S  
NOTICE OF FILING AFFIDAVITS IN SUPPORT OF THIRD  
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Progress Energy Florida, Inc. hereby gives notice of filing the following affidavits in support of its Third Request for Confidential Classification:

1. Affidavit of Raymond Phillips in Support of Progress Energy Florida's Third Request for Confidential Classification (verified); and
2. Affidavit of Daniel L. Roderick in Support of Progress Energy Florida's Third Request for Confidential Classification (unverified).

Respectfully submitted,



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DOCUMENT NUMBER-DATE

05960 JUL 10 08

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished to counsel and parties of record as indicated below via electronic service and U.S. Mail this 10<sup>th</sup> day of July, 2008.

  
Attorney

<p>Mr. Paul Lewis, Jr. Progress Energy Florida, Inc. 106 East College Avenue, Ste. 800 Tallahassee, FL 32301-7740 Phone: (850) 222-8738 Facsimile: (850) 222-9768 Email: <a href="mailto:paul.lewisjr@pgnmail.com">paul.lewisjr@pgnmail.com</a></p>	<p>Lisa Bennett Jennifer Brubaker Staff Attorney Florida Public Service Commission 2540 Shumard Oak Blvd Tallahassee 32399 Phone: (850) 413-6218 Facsimile: (850) 413-6184 Email: <a href="mailto:lbennett@psc.state.fl.us">lbennett@psc.state.fl.us</a> <a href="mailto:jbrubake@psc.state.fl.us">jbrubake@psc.state.fl.us</a></p>
<p>Stephen C. Burgess Associate Counsel Office of Public Counsel c/o The Florida Legislature 111 West Madison Street Room 812 Tallahassee, FL 32399-1400 Phone: (850) 488-9330 Email: <a href="mailto:burgess.steve@leg.state.fl.us">burgess.steve@leg.state.fl.us</a></p>	<p>R. Wade Litchfield John Butler Florida Power &amp; Light 700 Universe Boulevard Juno Beach, FL 33408-0420 Phone: (561) 691-7101 Facsimile: (561) 691-7135 Email: <a href="mailto:wade_litchfield@fpl.com">wade_litchfield@fpl.com</a> <a href="mailto:John_butler@fpl.com">John_butler@fpl.com</a></p>
<p>John W. McWhirter McWhirter Law Firm 400 North Tampa Street, Ste. 2450 Tampa, FL 33602 Phone: (813) 224-0866 Facsimile: (813) 221-1854 Email: <a href="mailto:jmcwhirter@mac-law.com">jmcwhirter@mac-law.com</a></p>	<p>James W. Brew Brickfield Burchette Ritts &amp; Stone, PC 1025 Thomas Jefferson St NW 8th FL West Tower Washington, DC 20007-5201 Phone: (202) 342-0800 Fax: (202) 342-0807 Email: <a href="mailto:jbrew@bbrslaw.com">jbrew@bbrslaw.com</a> -and-</p>
<p>Michael B. Twomey AARP Post Office Box 5256 Tallahassee, FL 32305 Phone: (850) 421-9530 Email: <a href="mailto:Miketwomey@talstar.com">Miketwomey@talstar.com</a></p>	<p>Karin S. Torain PCS Administration (USA), Inc. Suite 400 Skokie Blvd. Northbrook, IL 60062 Phone: (847) 849-4291 Email: <a href="mailto:KSTorain@potashcorp.com">KSTorain@potashcorp.com</a></p>

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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**AFFIDAVIT OF RAYMOND PHILLIPS IN SUPPORT OF  
PROGRESS ENERGY FLORIDA'S THIRD  
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF FLORIDA

COUNTY OF CITRUS

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

1. My name is Raymond Phillips. 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 Audit Manager for Progress Energy Florida. This department manages internal audits conducted by the Company on various Company projects.

3. As the Florida Audit Manager, I am responsible for the completion of internal audits scheduled for Company projects. I also have knowledge as to the Company's internal auditing controls and how PEF carries out the process of conducting internal audits.

4. PEF is seeking confidential classification for portions of Progress Energy Florida's Responses to OPC's Second Request for Production of Documents (Nos. 12-57),

specifically OPC Request No. 12. A detailed description of the confidential information at issue is contained in confidential Exhibit A to PEF's Third Request for Confidential Classification and is outlined in PEF's Justification Matrix that is attached to PEF's Third Request for Confidential Classification as Exhibit C. PEF is requesting confidential classification of this portion of the response, because it calls for the internal audit information reports and workpapers that resulted from the internal audit of the CR3 Uprate Project, the disclosure of which would compromise PEF's competitive business interests.

5. Request Number 12 calls for calls for the production of internal audit information reports and workpapers that resulted from the internal audit of the CR3 Uprate Project. PEF is requesting confidential classification of these reports and workpapers because public disclosure of the documents and information in question would compromise PEF's ability to effectively audit the Company's major projects. If the Company were to know that its internal auditing controls and process were subject to public disclosure, it may not be as thorough while conducting such audits. In addition, such information and documents are specifically defined by Section 366.093(3)(b) as proprietary confidential business information that is entitled to confidential status.

6. Upon receipt of all this confidential information, 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 negotiating and receiving the contracts and doing the project analyses in question has the Company publicly disclosed that information or contracts. The Company has treated and continues to treat the information at issue as confidential.

7. This concludes my affidavit.

Further affiant sayeth not.

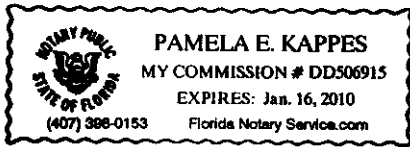
Dated the 9 day of July, 2008.

Raymond C. Phillips  
(Signature)  
Raymond Phillips  
Progress Energy Services Company, LLC

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 9 day of July, 2008 by Raymond Phillips. He is personally known to me, or has produced his \_\_\_\_\_ driver's license, or his Badge Work as identification.

Pamela E. Kappes  
(Signature)  
PAMELA E. KAPPES  
(Printed Name)  
NOTARY PUBLIC, STATE OF FL

(AFFIX NOTARIAL SEAL)



\_\_\_\_\_  
(Commission Expiration Date)  
\_\_\_\_\_  
(Serial Number, If Any)

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Nuclear Power Plant Cost  
Recovery Clause

Docket No. 080009-EI

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Submitted for Filing: July 10, 2008

**AFFIDAVIT OF DANIEL L. RODERICK IN SUPPORT OF  
PROGRESS ENERGY FLORIDA'S THIRD  
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF FLORIDA

COUNTY OF CITRUS

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

1. My name is Daniel L. Roderick. 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 Vice President of Nuclear Projects and Construction for PEF's nuclear plant. This department manages nuclear generation growth strategies.
3. As the Vice President of Nuclear Projects and Construction, I am responsible for all aspects of major projects and construction of nuclear generating assets in Florida, including the administration of PEF's contracts for the Crystal River 3 ("CR3") Uprate project and ongoing project analysis.

DOCUMENT NUMBER-DATE

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4. PEF is seeking confidential classification for portions of Progress Energy Florida's Responses to OPC's Second Request for Production of Documents (Nos. 12-57), specifically OPC Request No. 33. A detailed description of the confidential information at issue is contained in confidential Exhibit A to PEF's Third Request for Confidential Classification and is outlined in PEF's Justification Matrix that is attached to PEF's Third Request for Confidential Classification as Exhibit C. PEF is requesting confidential classification of this portion of the response, because it calls for confidential cost projections for the project for the remainder of 2008 and 2009, the disclosure of which would compromise PEF's competitive business interests.

5. Portions of the documents responsive to OPC Request No. 33 reflect the Company's confidential cost projections regarding labor and materials, that would adversely impact PEF's competitive business interests if disclosed to the public. If PEF's suppliers or competitors were made aware of PEF's detailed cost projections to obtain certain goods and services, they may adjust their behavior in the market place with respect to activity such as pricing and the acquisition and provision of such goods, materials, and services. In other words, if these third parties know what PEF expects to have to pay for these goods and services, then those third parties have leverage in negotiating for these goods and services. This would impair PEF's ability to obtain competitive contracts, with favorable terms, that provide economic value to PEF and its ratepayers.

6. PEF is also seeking confidential classification for portions of Progress Energy Florida's Responses to OPC's Second Request for Production of Documents (Nos. 12-57), specifically OPC Request No. 54. A detailed description of the confidential information at issue is contained in confidential Exhibit A to PEF's Third Request for Confidential Classification and is outlined in PEF's Justification Matrix that is attached to PEF's Third Request for Confidential

Classification as Exhibit C. PEF is requesting confidential classification of this information because documents that contain information regarding PEF's confidential and proprietary internal bid and contracting strategies and analyses, the disclosure of which would impair PEF's ability to contract for such goods and services on competitive and favorable terms.

7. Portions of these documents are confidential and sensitive bid and contracting strategy analyses. Specifically, if PEF's suppliers or competitors were made aware of how PEF analyzes bid responses and chooses contract vendors, they may adjust their behavior in the market place with respect to activity such as pricing and the acquisition and provision of goods, materials, and services. This would impair PEF's ability to obtain competitive contracts, with favorable terms, that provide economic value to PEF and its ratepayers.

8. Upon receipt of all this confidential information, 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 negotiating and receiving the contracts and doing the project analyses in question has the Company publicly disclosed that information or contracts. The Company has treated and continues to treat the information at issue as confidential.

9. This concludes my affidavit.

Further affiant sayeth not.

Dated the \_\_\_\_\_ day of July, 2008.



\_\_\_\_\_  
(Signature)  
Daniel L. Roderick  
Vice President  
Nuclear Projects and Construction  
Crystal River Unit 3  
Crystal River Energy Complex  
Site Administration 2C  
15760 West Power Line Street

Crystal River, Florida 34428

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this \_\_\_\_ day  
of July, 2008 by Daniel L. Roderick. He is personally known to me, or has produced his  
\_\_\_\_\_ driver's license, or his \_\_\_\_\_ as identification.

\_\_\_\_\_  
(Signature)

(AFFIX NOTARIAL SEAL)

\_\_\_\_\_  
(Printed Name)  
NOTARY PUBLIC, STATE OF \_\_\_\_\_

\_\_\_\_\_  
(Commission Expiration Date)

\_\_\_\_\_  
(Serial Number, If Any)