BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION 25 AM 11: 42

IN RE: NUCLEAR POWER PLANT COST

RECOVERY CLAUSE

Docket No. 100009-ETHINSON Submitted for Filing: May 25, 2010

NOTICE OF FILING AFFIDAVIT IN SUPPORT OF PEF'S SIXTH REQUEST FOR CONFIDENTIAL CLASSIFICATION REGARDING STAFF'S SECOND REQUEST FOR PRODUCTION OF DOCUMENTS (NOS. 4-7) AND STAFF'S THIRD SET OF INTERROGATORIES (NOS. 7-9)

Notice is hereby given, through the undersigned counsel, on behalf of Progress Energy Florida, Inc. ("PEF") of filing the affidavit of Jeff Lyash in support of Progress Energy Florida's Request for Confidential Classification Regarding Staff's Second Request for Production of Documents (Nos. 4-7) and Staff's Third Set of Interrogatories (Nos. 7-9).

Respectfully submitted,

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DOCUMENT NUMBER DATE

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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 and U.S. Mail this Asia May, 2010.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE:

NUCLEAR POWER PLANT COST RECOVERY CLAUSE Docket No. 100009-EI

Submitted for Filing: May 25, 2010

AFFIDAVIT OF JEFF LYASH IN SUPPORT OF PROGRESS ENERGY FLORIDA'S SIXTH REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF NORTH CAROLINA

COUNTY OF WAKE

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

- 1. My name is Jeff Lyash. 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 Sixth Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.
- 2. I am Executive Vice-President of Corporate Development of Progress Energy,
 Inc. As Executive Vice President of Corporate Development, the Nuclear Plant Development
 ("NPD") group reports to me and I have management responsibility for the Levy nuclear power
 plant project ("LNP"). I am responsible for, among other things, PEF's on-going negotiation
 with potential joint owners for the LNP. Also, as Executive Vice President of Corporate
 Development, I am a member of the Senior Management Committee ("SMC"), which has senior
 management responsibility for the LNP. I have briefed the SMC and participated in the SMC's
 decisions with respect to the LNP, and I have briefed the PEF Board regarding the LNP.

DOCUMENT NO. DATE

04395-10 5/25/10 OPSC - COMMISSION CLERK 3. A detailed description of the confidential information at issue is contained in confidential Exhibit A to PEF's Sixth Request for Confidential Classification and is outlined in PEF's Justification Matrix that is attached to PEF's Sixth Request for Confidential Classification as Exhibit C.

Staff's Second Request for Production of Documents, Request No. 5

- 4. The Company is requesting confidential classification of portions of its responses to Staff's Second Request for Production of Documents, Request No. 5 because the documents and information sought include proprietary and confidential information that would impair PEF's competitive business interests if publicly disclosed. This information is considered highly confidential by the Company because it provides valuable insights into the Company's analysis of risk and its overall strategy concerning the LNP.
- 5. The public disclosure of these documents would allow other parties to discover how the Company analyzes risk options, scheduling, and cost, and would impair PEF's ability to contract for such goods and services on competitive and favorable terms. Portions of these documents reflect the Company's internal strategies for evaluating projects and meeting deadlines. If such information was disclosed to PEF's competitors and/or other potential suppliers, PEF's efforts to obtain competitive equipment and service options that provide economic value to both the Company and its customers could be compromised by the Company's competitors and/or suppliers changing their offers, consumption, or purchasing behavior within the relevant markets.
- 6. The information at issue relates to competitively negotiated contractual data, such as quantity and pricing of goods and services, payment milestones and other contractual terms, the disclosure of which would impair the efforts of the Company to negotiate these contracts on favorable terms.

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Staff's Second Request for Production of Documents, Request No. 6

- 7. PEF is seeking confidential classification of PEF's responses to Staff's Second Request for Production of Documents, Requests No. 6. PEF is requesting confidential classification of this information because public disclosure of the information in question would impair PEF's ability to purchase land for generation projects on competitive and favorable terms.
- 8. Portions of the documents responsive to this request contain information regarding land acquisition costs that would adversely impact PEF's competitive business interests if disclosed to the public. Specifically, these documents reflect the Company's confidential analysis of various sites for new power generation within Florida. In addition, portions of these documents contain confidential contractual information.

Staff's Second Request for Production of Documents, Request No. 7 and Staff's Third Set of Interrogatories, Interrogatory No. 8

- 9. PEF is also seeking confidential classification for portions of PEF's responses to Staff's Second Request for Production of Documents, Request No. 7 and Staff's Third Set of Interrogatories, Interrogatory No. 8. PEF is requesting confidential classification of this information because public disclosure of the information in question would violate confidentiality agreements between PEF and potential joint owners and financial partners.
- 10. Disclosure of this information would impair PEF's competitive business interests by inhibiting the Company's on-going negotiations with the potential joint owners and financial partners. For example, if third parties had knowledge of the status of these on-going negotiations, the potential joint owners with whom PEF is negotiating may not be as willing to share essential information with PEF. This reduces PEF's leverage in negotiating with these potential joint owners and financial partners and could affect the outcome of the negotiations to PEF's detriment.

- Disclosure of this information would also violate the terms of the non-disclosure 11. agreements PEF has entered into with each of the potential joint owners and financial partners. Specifically, the non-disclosure agreements require PEF and the joint owners and financial partners to maintain as confidential not only the terms of the agreement, but also all communication between PEF and the joint owners regarding the negotiations. Therefore, this highly sensitive, confidential information must not be made publicly available.
- 12. Upon receipt of confidential information, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality 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. At no time since receiving the information in question has the Company publicly disclosed that information. The Company has treated and continues to treat the information at issue as confidential.
 - This concludes my affidavit. 13.

Further affiant saveth not.

Dated the August day of May, 2010.

(Signature)

utive Vice President - Corporate Development

ogress Energy, Inc.

410 S Wilmington St

Raleigh, NC 27602-1551

THE FOREO	OING INSTRUMENT Lyash. He is personal	was sworn to	and subscribed	before me this <u>24</u> day
nla	driver's license, or	•		_ as identification.
(AFFIX NOTARIAI	_ SEAL)	(Signature) We not (Printed Name) NOTARY PU	Ly7N.Dur y.M. Dur JBLIC, STATE	n of NC
		(Commission Expire	ation Date)	
		(Serial Number, If	A nov)	