BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: 2010 Hedging Activities for Progress Energy Florida, Inc. (Audit Control No. 10-130-2-1)

Docket No. 100001-EI

CLERK

Dated: October 18, 2010

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 contained in Staff's audit work papers pertaining to PEF's 2010 Hedging Activities Audit (*Audit Control No. 10-130-2-1*). In support of this Request, PEF states:

1. The Staff audit work papers at issue contain "proprietary business information" under Section 366.093(3), Florida Statutes.

2. The following exhibits are included with this request:

(a) Sealed Composite Exhibit A is a package containing an unredacted copy of all the audit work papers for which PEF seeks confidential treatment. Composite Exhibit A is being submitted separately in a sealed envelope labeled "CONFIDENTIAL." In the unredacted version, the information asserted to be confidential is highlighted by yellow marker.

(b) Composite Exhibit B is a package containing two copies of redacted versions -of the documents for which the Company requests confidential classification. The specific $\frac{1}{3}$

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CLAIM OF CONFIDENTIALITY NOTICE OF INTENT **REQUEST FOR CONFIDENTIALITY** FILED BY OPC FOR DN UX TOS IS IN LOCKED STORAGE. YOU MUST BE **AUTHORIZED TO VIEW THIS DN. - CLK**

DOCUMENT NUMPER -DATE) 8707 OCT 18 2 FPSC-COMMISSION CLERK information for which confidential treatment is requested has been blocked out by opaque marker or other means.

(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, the audit work papers contain information that relates to sensitive business information, such as internal hedging practices and procedures, hedging volumes and transactions, hedging forecasts, percentages, and pricing information, the disclosure of which would impair the efforts of the Company to negotiate fuel supply contracts and fuel hedges on favorable terms. *See* § 366.093(3)(d), F.S.; Affidavit of Joseph McCallister at ¶ 5. Furthermore, the information at issue relates to the competitive interests of PEF, the disclosure of which would impair PEF's competitive business. *Id.* § 366.093(3)(e); Affidavit of 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 Affidavit of Joseph McCallister at \P 7. The information contained in the audit work papers has not been disclosed to the public, and the Company has treated and continues to treat the information at issue as confidential. *See* Affidavit of Joseph McCallister at \P 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 18th day of October, 2010.

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Re: Acknowledgement of Confidential Filing in Docket No. 100001-El

This will acknowledge receipt by the Florida Public Service Commission, Office of Commission Clerk, of a CONFIDENTIAL DOCUMENT filed on October 18, 2010, in the above-referenced docket.

Document Number 08708-10 has been assigned to this filing, which will be maintained in locked storage.

If you have any questions regarding this document, please contact Kim Peña, Records Management Assistant, at (850) 413-6393.