

**REDACTED**

claim of confidentiality  
 notice of intent  
 request for confidentiality  
 filed by OPC

RECEIVED-FPSC  
12 JUN - 6 PM 2:40  
COMMISSION  
CLERK

For DN 03689-12, which is in locked storage. You must be authorized to view this DN.-CLK  
**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Nuclear Cost Recovery Clause

Docket No. 120009-EI  
Submitted for Filing: June 6, 2012

**PROGRESS ENERGY FLORIDA, INC.'S FOURTH REQUEST FOR CONFIDENTIAL CLASSIFICATION REGARDING PORTIONS OF THE DOCUMENTS RESPONSIVE TO CITIZENS' FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (NO. 1)**

Progress Energy Florida, Inc. ("PEF" or the "Company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006(3), Florida Administrative Code, files this Request for Confidential Classification regarding portions of the documents responsive to the Office of Public Counsel's ("OPC" or "Citizens") First Request for Production of Documents (No. 1). These documents contain confidential contractual and financial information, the disclosure of which would impair PEF's competitive business interests, as well as other information the disclosure of which would harm the Company's competitive business interests. These documents meet the definition of proprietary confidential business information per section 366.093(3), Florida Statutes. The unredacted documents are being filed under seal with the Commission on a confidential basis to keep the competitive business information in those documents confidential.

**BASIS FOR CONFIDENTIAL CLASSIFICATION**

Section 366.093(1), Florida Statutes, provides that "any records received by the Commission which are shown and found by the Commission to be proprietary confidential business information shall be kept confidential and shall be exempt from [the Public Records Act]." § 366.093(1), Fla. Stat. Proprietary confidential business

COM \_\_\_\_\_  
APA 1  
~~ECR~~ 3  
GCL 1  
RAD 1  
SRC \_\_\_\_\_  
ADM \_\_\_\_\_  
OPT \_\_\_\_\_  
CLA 1

03688 JUN - 6 2012  
FPSC-COMMISSION CLERK

information means information that is (i) intended to be and is treated as private confidential information by the Company, (ii) because disclosure of the information would cause harm, (iii) either to the Company's customers or the Company's business operation, and (iv) the information has not been voluntarily disclosed to the public. § 366.093(3), Fla. Stat. Specifically, "information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms" is defined as proprietary confidential business information. § 366.093(3)(d), Fla. Stat. Additionally, section 366.093(3)(e) defines "information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information," as proprietary confidential business information.

Portions of the aforementioned documents should be afforded confidential classification for the reasons set forth in the Affidavit of Jon Franke, filed in support of PEF's Fourth Request for Confidential Classification, and for the following reasons.

The documents contain sensitive business and financial information concerning the Crystal River Unit 3 Uprate ("CR3 Uprate") project, including contractual cost information and financial projections and cost estimates. PEF considers this information to confidential and proprietary and continues to take steps to protect against its public disclosure, including limiting the personnel who have access to this information.

Affidavit of Franke, ¶ 3. Public disclosure of these documents would allow other parties to discover how the Company analyzes risk options, scheduling, and cost, and would thus impair PEF's ability to contract for such goods and services on competitive and favorable terms. If this information was disclosed to the public, it could adversely impact PEF's

competitive interests. Portions of these documents also 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 nuclear 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. Affidavit of Franke, ¶¶ 3-4. Accordingly, this information should be afforded confidential treatment by the Commission. See § 366.093(3)(e), Fla. Stat.

Additionally, the responsive documents to Citizens' First Request for Production of Documents number 1 meet the definition of proprietary confidential business information per section 366.093(3), Florida Statutes. These documents include presentations made to Senior Management. Public release of this information would provide PEF's competitors, and those parties it hopes to contract with in the future, valuable insight into the Company's analysis of risk and overall strategy. This would put the Company at a competitive disadvantage when competing, or attempting to contract, with these other parties. Affidavit of Franke, ¶ 4. The Company treats this information as confidential and does not allow its publication to the public. Moreover, this information meets the definition of proprietary confidential business information under section 366.093(3)(d), Florida Statutes.

Further, the Company has established and follows strict procedures to maintain the confidentiality of the terms of all of the confidential documents and information at issue, including restricting access to those persons who need the information and documents to assist the Company. See Affidavit of Franke, ¶ 5.

At no time has the Company publicly disclosed the confidential information or documents at issue; PEF has treated and continues to treat the documents at issue as confidential. See id.

PEF requests this information be granted confidential treatment by the Commission.

### **Conclusion**

The competitive, confidential information at issue in this Request fits the statutory definition of proprietary confidential business information under Section 366.093, Florida Statutes, and Rule 25-22.006, F.A.C., and therefore that information should be afforded confidential classification. In support of this motion, PEF has enclosed the following:

(1) A separate, sealed envelope containing one copy of the confidential Appendix A to PEF's Request for which PEF intends to request confidential classification with the appropriate section, pages, or lines containing the confidential information highlighted. **This information should be accorded confidential treatment pending a decision on PEF's Request by the Commission;**

(2) Two copies of the documents with the information for which PEF intends to request confidential classification redacted by section, pages, or lines where appropriate as Appendix B; and,

(3) A justification matrix of the confidential information contained in Appendix A supporting PEF's Request, as Appendix C.

WHEREFORE, PEF respectfully requests that the redacted portions of the documents responsive to Citizens' First Request for Production of Documents (No. 1) be classified as confidential for the reasons set forth above.

Respectfully submitted this 6<sup>th</sup> day of June, 2012.

R. Alexander Glenn  
General Counsel  
John Burnett  
Associate General Counsel  
Dianne M. Triplett  
Associate General Counsel  
PROGRESS ENERGY SERVICE  
COMPANY, LLC  
Post Office Box 14042  
S1. Petersburg, FL 33733-4042  
Telephone: (727) 820-5587  
Facsimile: (727) 820-5519

  
James Michael Walls  
Florida Bar No. 0706242  
Blaise N. Gamba  
Florida Bar No. 0027942  
Matthew R. Bernier  
Florida Bar No. 0059886  
CARLTON FIELDS, P.A.  
Post Office Box 3239  
Tampa, FL 33601-3239  
Telephone: (813) 223-7000  
Facsimile: (813) 229-4133

**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 6<sup>th</sup> day of June, 2012.

  
Attorney

Keino Young  
Michael Lawson  
Staff Attorney  
Florida Public Service Commission  
2540 Shumard Oak Blvd  
Tallahassee 32399  
Phone: (850) 413-6218  
Facsimile: (850) 413-6184  
Email: [kyoung@psc.fl.state.us](mailto:kyoung@psc.fl.state.us)  
[mlawson@psc.fl.state.us](mailto:mlawson@psc.fl.state.us)

Charles Rehwinkel  
Associate Counsel  
Erik Sayler  
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: [rehwinkel.charles@leg.state.fl.us](mailto:rehwinkel.charles@leg.state.fl.us)  
[Sayler.erik@leg.state.fl.us](mailto:Sayler.erik@leg.state.fl.us)

Vicki G. Kaufman  
Jon C. Moyle, Jr.  
Moyle Law Firm, P.A.  
118 North Gadsden Street  
Tallahassee, FL 32301  
Phone: (850) 681-3828  
Fax: (850) 681-8788  
Email: [vkaufman@moylelaw.com](mailto:vkaufman@moylelaw.com)  
[jmoyle@moylelaw.com](mailto:jmoyle@moylelaw.com)

Capt. Samuel Miller  
USAF/AFLOA/JACL/ULFSC  
139 Barnes Drive, Ste. 1  
Tyndall AFB, FL 32403-5319  
Phone: (850) 283-6663  
Fax: (850) 283-6219  
Email: [Samuel.Miller@Tyndall.af.mil](mailto:Samuel.Miller@Tyndall.af.mil)

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: [paul.lewisjr@pgnmail.com](mailto:paul.lewisjr@pgnmail.com)

Robert Scheffel Wright  
John T. LaVia  
c/o Gardner Law Firm  
1300 Thomaswood Drive  
Tallahassee, FL 32308  
Email: [schef@gbwlegal.com](mailto:schef@gbwlegal.com)

Bryan S. Anderson  
Jessica Cano  
Florida Power & Light  
700 Universe Boulevard  
Juno Beach, FL 33408-0420  
Phone: (561) 691-7101  
Facsimile: (561) 691-7135  
Email: [bryan.anderson@fpl.com](mailto:bryan.anderson@fpl.com)  
[Jessica.cano@fpl.com](mailto:Jessica.cano@fpl.com)

Kenneth Hoffman  
Florida Power & Light  
215 South Monroe St., Ste. 810  
Tallahassee, FL 32301-1858  
Phone: (850) 521-3919  
Fax: (850) 521-3939  
Email: [Ken.Hoffman@fpl.com](mailto:Ken.Hoffman@fpl.com)

James W. Brew  
F. Alvin Taylor  
Brickfield Burchette Ritts & Stone, PC  
1025 Thomas Jefferson St NW  
8th FL West Tower  
Washington, DC 20007-5201  
Phone: (202) 342-0800  
Fax: (202) 342-0807  
Email: [jbrew@bbrslaw.com](mailto:jbrew@bbrslaw.com)  
[ataylor@bbrslaw.com](mailto:ataylor@bbrslaw.com)

Randy B. Miller  
White Springs Agricultural Chemicals, Inc.  
PO Box 300  
White Springs, FL 32096  
Email: [RMiller@pscphosphate.com](mailto:RMiller@pscphosphate.com)  
(via email only)

Gary A. Davis  
James S. Whitlock  
Davis & Whitlock, P.C.  
61 North Andrews Avenue  
P.O. Box 649  
Hot Springs, NC 28743  
[gadavis@enviroattorney.com](mailto:gadavis@enviroattorney.com)  
[jwhitlock@environattorney.com](mailto:jwhitlock@environattorney.com)

Robert H. Smith  
11340 Heron Bay Blvd.  
Coral Spring, FL 33076  
Email: [rpjrb@yahoo.com](mailto:rpjrb@yahoo.com)  
(via email only)

**PROGRESS ENERGY FLORIDA**  
**In re: Nuclear Cost Recovery Clause**  
**Docket 120009-EI**  
**Fourth Request for Confidential Classification**

Exhibit B

**REDACTED**

RECEIVED  
03688 JUN-6 2011  
FPSC-COMMISSION CLERK



## Supplemental Information (Options Evaluated)

---

### Option 1 (Proceed)

- Total Project Cost (Financial View) \$617M
  - EPU Construction Complete Dec 2013
  - Projected In-Service Date May 2014
- 

### Option 2 (Postpone)

- Total Project Cost (Financial View) \$650M
- Projected In-Service Date June 2016

CONFIDENTIAL  
CONFIDENTIAL

## Supplemental Information (Option 1 Interim Spend Plan)

*Direct View Only* *Cost In \$1,000s*

Category	Aug	Sep	Oct	Nov	Dec	Jan-12	Feb-12	Totals
Construction								
Engineering								
Procurement								
Project Mgmt & Administration								
Contingency								
<b>Totals</b>	<b>\$4,079</b>	<b>\$5,304</b>	<b>\$4,206</b>	<b>\$4,369</b>	<b>\$11,918</b>	<b>\$2,675</b>	<b>\$3,417</b>	<b>\$35,969</b>

## Supplemental Information (PHASE 3 WORK - REMAIN ON HOLD)

---

### Description - Impact

- Phase 3 Construction Contract(s) [REDACTED]
  - ◆ Large Impact - Hold is compressing the construction window and potentially increasing construction cost
- POD Cooling Tower Installation [REDACTED]
  - ◆ Large Impact - Hold is compressing the construction window and impacting overall EPU budgeting
- Rail Spur Lay-down Yard Upgrade [REDACTED]
  - ◆ Low Impact – Hold is delaying environmental permitting activities
- Staffing 5 Open Project Team Positions [REDACTED]/month)
  - ◆ Low Impact – Hold is delaying assignment of a project supervisor, 2 project managers and 2 construction superintendents

## Supplemental Information (PHASE 3 WORK - REMAIN ON HOLD)

---

### Description - Impact

- Cycle 17 Fuel Load Revision/Cycle Plan [REDACTED]
  - ◆ Large Impact – Hold is delaying purchase of additional fuel assemblies and/or cycle plan for EPU conditions
  
- FWHE 3A/3B Fabrication Contract [REDACTED]
  - ◆ Large Impact - Hold is extending EC development and heater delivery date, both issues will compress the available construction window, and impact work planning/sequencing, 8 month lead time
  
- AREVA Contract for 10 Safety Related In-Core Detectors [REDACTED]
  - ◆ Large Impact – Hold is compressing available installation time with core unloaded, 10 month lead time
  
- Evaluation of Heavy Haul Path for Turbine [REDACTED]
  - ◆ Medium Impact - Hold is compressing evaluation time available prior to new LPT delivery in Spring 2012
  
- Watertight Door Fabrication/Install [REDACTED]
  - ◆ Medium Impact - Hold is compressing the construction window and planned work sequencing

**PROGRESS ENERGY FLORIDA  
FOURTH REQUEST FOR CONFIDENTIAL CLASSIFICATION  
CONFIDENTIALITY JUSTIFICATION MATRIX  
Docket No. 120009**

<b>DOCUMENT</b>	<b>PAGE/LINE</b>	<b>JUSTIFICATION</b>
Progress Energy Response Citizens First Request for Production, Bates No. 12NC- OPCPOD1-1-000018	6 <sup>th</sup> line on page in its entirety	<p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual 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), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
Progress Energy Response Citizens First Request for Production, Bates No. 12NC- OPCPOD1-1-000022	All numbers in chart exclusive of Totals	<p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual 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), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
Progress Energy Response Citizens First Request for	All numbers shown at ends of parent bullet points	§366.093(3)(d), Fla. Stat. The document in question

**PROGRESS ENERGY FLORIDA  
FOURTH REQUEST FOR CONFIDENTIAL CLASSIFICATION  
CONFIDENTIALITY JUSTIFICATION MATRIX  
Docket No. 120009**

ATTACHMENT C

<p>Production, Bates No. 12NC- OPCPOD1-1-000023 – 12NC- OPCPOD1-1-000024</p>		<p>contains confidential contractual 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), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
--	--	---