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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: NUCLEAR POWER PLANT  
COST RECOVERY CLAUSE

Docket No. 130009-EI  
Submitted for Filing: March 1, 2013

**PROGRESS ENERGY FLORIDA, INC.'S NOTICE OF FILING**

Progress Energy Florida, Inc. ("PEF" or the "Company"), hereby gives notice of filing the Affidavits of Christopher M. Fallon and Jon Franke in Support of Progress Energy Florida, Inc.'s First Request for Confidential Classification Regarding Portions of the Testimonies and Exhibits Filed as Part of the Company's March 1, 2013 True-Up Filing.

Respectfully submitted this 1<sup>st</sup> day of March, 2013.

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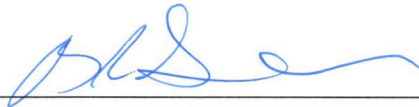
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FPSC-COMMISSION CLERK

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 1<sup>st</sup> day of March, 2013.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Nuclear Cost Recovery  
Clause

Docket No. 130009-EI  
Submitted for Filing: March 1, 2013

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**AFFIDAVIT OF CHRISTOPHER M. FALLON IN SUPPORT OF PROGRESS ENERGY  
FLORIDA, INC.'S FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION  
REGARDING PORTIONS OF THE TESTIMONIES AND EXHIBITS FILED AS PART OF  
THE COMPANY'S MARCH 1, 2013 TRUE-UP FILING**

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

1. My name is Christopher M. Fallon. I am employed by Duke Energy Corporation ("Duke Energy") in the capacity of Vice President of Nuclear Development. I am over the age of 18 years old and I have been authorized to give this affidavit in the above-styled proceeding on Progress Energy Florida's ("PEF" or the "Company") behalf and in support of PEF's First Request for Confidential Classification Regarding Portions of the Testimonies and Exhibits filed as Part of the Company's March 1, 2013 True-up Filing (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. PEF is seeking confidential classification of the following materials filed with the Florida Public Service Commission ("FPSC" or the "Commission") in this above referenced docket: (1) portions of the testimony of Mr. Thomas G. Foster and Exhibit No. \_\_ (TGF-1), the Nuclear Filing Requirements ("NFRs"), and (2) portions of my testimony.

3. Unredacted versions of the testimonies and exhibits at issue are contained in confidential Appendix A to PEF's Request and the confidential portions thereof are outlined in PEF's Justification Matrix that is attached to PEF's Request as Appendix C. PEF is requesting

confidential classification of the portions of the testimonies and exhibits that contain confidential capital costs numbers and contractual information regarding the purchase of goods and services necessary to complete the Levy Nuclear Project ("LNP"), the disclosure of which would compromise PEF's competitive business interests.

4. More specifically, certain portions of my testimony and the NFR exhibits contain capital cost numbers, contractual quantities, durations, and pricing arrangements between PEF and providers of various equipment and services required for the LNP, including information related to the terms and conditions of the Engineering, Procurement, and Construction contract ("EPC Agreement") with Westinghouse, Shaw, Stone & Webster (the "Consortium"). The information at issue relates to competitively negotiated contractual data, such as quantity and pricing of goods and services and other contractual terms such as the agreements' duration, the disclosure of which would impair the efforts of the Company to negotiate these contracts on favorable terms. This information would adversely impact PEF's competitive business interests if disclosed to the public. The Company must be able to assure these vendors that sensitive business information will be kept confidential. Indeed, most of the contracts at issue contain confidentiality provisions that prohibit the disclosure of the terms of the contract to third parties. If third parties were made aware of confidential contractual terms that the Company has with other parties, they may offer PEF less competitive contractual terms in future contractual negotiations. Without PEF's measures to maintain the confidentiality of sensitive terms in contracts between PEF and these nuclear contractors, the Company's efforts to obtain competitive contracts for the LNP would be undermined.

5. As stated above, most of the contracts at issue contain confidentiality provisions; therefore, PEF is requesting confidential classification of this information to avoid public disclosure that would violate the confidentiality agreements between PEF and the other parties. PEF has kept confidential and has not publicly disclosed the proprietary contract terms and

provisions at issue here. Absent such measures, PEF would run the risk that sensitive business information regarding what the Company is willing to pay for necessary equipment, goods and supplies would be made available to the public and, as a result, other potential sellers of similar materials and services could change their position in their negotiations to the detriment of PEF. In addition, by the terms of these contracts, all parties thereto - including PEF - have agreed to protect proprietary and confidential information, which is defined to include the pricing provisions, from public disclosure.

6. Upon receipt of this confidential information, as with all confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided therein. Such procedures include, but are not limited to, restricting access to the documents and information to only those persons who require it to assist the Company. At no time since developing or entering the contracts in question has PEF publicly disclosed the contracts' terms; PEF has treated and continues to treat the information contained in the subject contracts as confidential.

7. This concludes my affidavit.

Further affiant sayeth not.

Dated this 26<sup>th</sup> day of FEBRUARY, 2013.



(Signature)

Christopher M. Fallon  
Vice President of Nuclear Development  
Duke Energy Corporation  
526 South Church Street, EC1  
Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 26<sup>th</sup> day of February, 2013 by Christopher M. Fallon. He is personally known to me, or has produced his \_\_\_\_\_ driver's license, or his \_\_\_\_\_ as identification.

Teresa D. Neely  
(Signature)

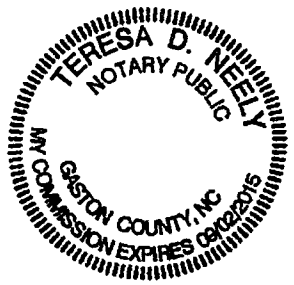
TERESA D. NEELY  
(Printed Name)

(AFFIX NOTARIAL SEAL)

NOTARY PUBLIC, STATE OF NC

9/2/2015  
(Commission Expiration Date)

N/A  
(Serial Number, If Any)



**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Nuclear Cost Recovery  
Clause

Docket No. 130009-EI  
Submitted for Filing: March 1, 2013

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**AFFIDAVIT OF JON FRANKE IN SUPPORT OF PROGRESS ENERGY FLORIDA, INC.'S  
FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION REGARDING PORTIONS OF  
THE TESTIMONIES AND EXHIBITS FILED AS PART OF THE  
COMPANY'S MARCH 1, 2013 TRUE-UP FILING**

STATE OF FLORIDA

COUNTY OF CITRUS

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

1. My name is Jon Franke. I am employed by Progress Energy Florida ("PEF" or the "Company") and serve as Vice-President – Crystal River Nuclear Plant. I am over the age of 18 years old and I have been authorized by PEF to give this affidavit in the above-styled proceeding on PEF's behalf and in support of PEF's First Request for Confidential Classification Regarding Portions of the Testimonies and Exhibits filed as Part of the Company's March 1, 2013 True-up Filing (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. PEF is seeking confidential classification of the following materials filed with the Florida Public Service Commission ("FPSC" or the "Commission") in the above referenced docket: (1) portions of the testimony and the exhibits, the Nuclear Filing Requirements ("NFRs"), of Mr. Geoff Foster and (2) portions of the testimony of Mr. Christopher M. Fallon.

3. Unredacted versions of the testimonies and exhibits at issue are contained in confidential Appendix A to PEF's Request and the confidential portions thereof are outlined in PEF's Justification Matrix that is attached to PEF's Request as Appendix C. PEF is requesting



confidential classification of the portions of Exhibit No. \_\_\_(TGF-2) that contain confidential contractual information regarding the purchase of goods and services necessary for the Crystal River 3 ("CR3") Extended Power Uprate ("CR3 Uprate") project, the disclosure of which would compromise PEF's competitive business interests.

4. Certain portions of Exhibit No. \_\_\_(TGF-2) contain contractual quantities, durations, and pricing arrangements between PEF and providers of various equipment and services required for the CR3 Uprate that would adversely impact PEF's competitive business interests if disclosed to the public. Specifically, the information at issue relates to competitively negotiated contractual data, such as quantity and pricing of goods and services and other contractual terms such as the agreements' duration, the disclosure of which would impair the efforts of the Company to negotiate these contracts on favorable terms. The Company must be able to assure these vendors that sensitive business information will be kept confidential. Indeed, most of the contracts at issue contain confidentiality provisions that prohibit the disclosure of the terms of the contract to third parties. If third parties were made aware of confidential contractual terms that the Company has with other parties, they may offer PEF less competitive contractual terms in future contractual negotiations. Without PEF's measures to maintain the confidentiality of sensitive terms in contracts between PEF and these nuclear contractors, the Company's efforts to obtain competitive contracts for the CR3 Uprate would be undermined.

5. As stated above, most of the contracts at issue contain confidentiality provisions; therefore, PEF is requesting confidential classification of this information to avoid public disclosure that would violate the confidentiality agreements between PEF and the other parties. PEF has kept confidential and has not publicly disclosed the proprietary contract terms and provisions at issue here. Absent such measures, PEF would run the risk that sensitive business information regarding what the Company is willing to pay for necessary equipment, goods and supplies would be made available to the public and, as a result, other potential sellers of similar



materials and services could change their position in their negotiations to the detriment of PEF. In addition, by the terms of these contracts, all parties thereto - including PEF - have agreed to protect proprietary and confidential information, which is defined to include the pricing provisions, from public disclosure.

6. Upon receipt of this confidential information, as with all confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided therein. Such procedures include, but are not limited to, restricting access to the documents and information to only those persons who require it to assist the Company. At no time since developing or entering the contracts in question has PEF publicly disclosed the contracts' terms; PEF has treated and continues to treat the information contained in the subject contracts as confidential.

7. This concludes my affidavit.


Further affiant sayeth not.

Dated this 28<sup>th</sup> day of February, 2013.

  
\_\_\_\_\_

(Signature)  
Jon Franke  
Vice President -Crystal River Nuclear Power Plant  
15760 W. Powerline St.  
Crystal River, Florida 34442

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 28 day of February, 2013 by Jon Franke. He is personally known to me, or has produced his \_\_\_\_\_ driver's license, or his \_\_\_\_\_ as identification.

  
\_\_\_\_\_

(Signature)  
Carolyn E Portmann  
\_\_\_\_\_

(Printed Name)  
NOTARY PUBLIC, STATE OF Florida

(AFFIX NOTARIAL SEAL)



3-1-14  
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(Serial Number, If Any)