

**Florida
Power**
CORPORATION

JAMES A. MCGEE
SENIOR COUNSEL

May 7, 1998

Ms. Blanca S. Bayó, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

980643-EI

Re: Request of Florida Power Corporation for confidential
classification of certain information responsive to staff data
request dated April 17, 1998, regarding non-utility activities.

Dear Ms. Bayó:

Enclosed for filing in the subject matter is Florida Power Corporation's
Request Confidential Classification accompanied by a sealed envelope containing
the document subject to the Request with the confidential information highlighted
by shading and two copies of the document with the confidential information
redacted. **The highlighted portions of the unredacted version should be held as
Confidential Information in accordance with Rule 25-22.006, F.A.C.**

Please acknowledge your receipt of the above filing on the enclosed copy of
this letter and return to the undersigned. Thank you for your assistance in this
matter.

Very truly yours,

James A. McGee

JAM/kp
Enclosure

cc: Mr. Tim Devlin

98 MAY -8 AM 10:05
MAIL ROOM
FLORIDA PUBLIC SERVICE COMMISSION
TALLAHASSEE, FLORIDA

DOCUMENT NUMBER-DATE
GENERAL OFFICE

05210 MAY-8 8

3201 Thirty-fourth Street South • Post Office Box 14042 • St. Petersburg, Florida 33713-4042 • (813) 866-5184 • Fax: (813) 866-4931

A Florida Progress Company

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request of Florida Power Corporation for confidential classification of certain information responsive to staff data request dated April 17, 1998, regarding non-utility activities.

Docket No. _____

Submitted for filing:
May 7, 1998

**FLORIDA POWER CORPORATION'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Florida Power Corporation (Florida Power), pursuant to Section 366.093, F.S., and Commission Rule 25-22.006, F.A.C., requests confidential classification of the highlighted portions of the enclosed document, which is responsive to items 1, 2 and 3 in a letter dated April 17, 1998 to Florida Power from Mr. Tim Devlin, Director of the Division of Auditing and Financial Analysis, requesting information regarding non-utility activities of Florida Power. In support of its request, Florida Power states as follows:

Background

As a follow-up to Florida Power's response to an earlier Staff questionnaire sent to regulated utilities regarding their accounting procedures for affiliated transactions, Mr. Devlin's April 17 letter made five additional information requests regarding the treatment of non-utility, competitive activities undertaken by Florida Power. Items 1 through 3 requested the following information:

1. Please list the name and a brief description of each nonregulated activity (nonutility above or below the line) being performed. If the activity does not have a formal name, please identify the activity by the function or functions performed.

2. Please list the total revenues and expenses by activity and FERC account for 1997.

3. Please indicate the approximate number of utility employees who perform nonregulated duties by activity, and the percentage of time these employees perform these duties by activity; A listing by employee is not necessary.

In response to these requests, Florida Power has prepared a table with columns listing the FERC account number, account description, activity description, revenues and expenses, and employee time allocation data for each of Florida Power's non-utility competitive activities. Recognizing the confidential nature of certain information regarding the competitive aspects of these activities, Florida Power has complied with Staff's request by filing the table with this Request for Confidential Classification in a specially marked sealed envelope. The confidential information contained in the table has been highlighted with shading, in accordance with Rule 25-22.006 F.A.C. A public version of the table, with the confidential information redacted, has been included as an attachment to this Request, which has also been provided to Staff in Florida Power's response to Mr. Devlin's April 17 letter.

Justification for Confidential Classification

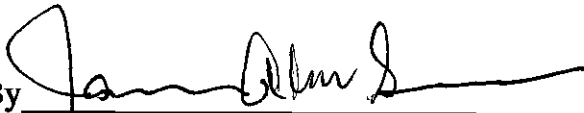
The information in the table for which Florida Power seeks confidential classification falls in two categories. The first concerns the information in the column listing the revenues and expenses associated with each non-utility competitive activity. This information reveals the level at which Florida Power is engaged, and the associated profitability, for each of the listed competitive activities. The information is therefore highly sensitive proprietary, confidential, trade secret information, the disclosure of which could subject Florida Power to competitive disadvantage if revealed to others engaged in these activities, to prospective customers of the goods and services provided through these activities, or to vendors of the materials and supplies utilized by Florida Power in performing and marketing these activities.

The second category concerns the information in the columns listing the account description and the activity description for two particular non-utility competitive activities. These two activities are currently in a developmental stage and, for this reason, Florida Power has taken great care to guard against premature disclosure of its plans to enter into these competitive business markets. This descriptive information is therefore highly sensitive proprietary, confidential, trade secret information, the disclosure of which could subject Florida Power to competitive disadvantage by revealing its business plans to others currently or prospectively engaged in these competitive activities.

WHEREFORE, Florida Power Corporation requests that the highlighted information contained in the above-described table be classified as proprietary confidential business information and thereby afforded protection from public disclosure in accordance with Section 366.093, F.S., and Commission Rule 25-22.006, F.A.C.

Respectfully submitted,

OFFICE OF THE GENERAL COUNSEL
FLORIDA POWER CORPORATION

By 

James A. McGee
Post Office Box 14042
St. Petersburg, FL 33733-4042
Telephone: (813) 866-5184
Facsimile: (813) 866-4931