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JAMES A. MCGEE

ASSOCIATE GENERAL COUNSEL

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October 1, 2002UMMISSION CLERK

Ms. Blanca S. Bayó, Director Division of the Commission Clerk and Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

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Re: Docket No. 020001-EI; Attachment A to Response to Staff Interrogatory No. 5; **Request for Confidential Classification**.

Dear Ms. Bayó:

Enclosed for filing is Florida Power Corporation's Request for Confidential Classification regarding the subject matter accompanied by a sealed envelope containing the document subject to the Request, with the confidential information highlighted. Also enclosed with the Request are 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. Also enclosed is a 3.5 inch diskette containing the above-referenced Request in WordPerfect format. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

JAM/scc Enclosure RECEIVED & FILED

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FPSC-BUREAU OF RECORDS

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished to the

following individuals by regular U.S. Mail the 1st day of October, 2002:

Wm. Cochran Keating, Esquire Senior Attorney Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Robert Vandiver, Esquire Office of the Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400

Lee L. Willis, Esquire James D. Beasley, Esquire Ausley & McMullen P.O. Box 391 Tallahassee, FL 32302 John T. Butler, Esquire Steel, Hector & Davis 200 S. Biscayne Blvd., Suite 4000 Miami, Florida 33131

Jeffrey A. Stone, Esquire Beggs & Lane P. 0. Box 12950 Pensacola, FL 32576-2950

Vicki Gordon Kaufman, Esquire McWhirter, Reeves, et al. 117 S. Gadsden Street Tallahassee, FL 32301

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost Recovery Clause and Generating Performance Incentive Factor. Docket No. 020001-EI

Submitted for filing: October 1, 2002

REQUEST FOR CONFIDENTIAL CLASSIFICATION

Florida Power Corporation (Florida Power or the Company), pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., hereby requests confidential classification of the highlighted information in Attachment A to Florida Power's response to Staff Interrogatory No. 5 (Attachment A). Attachment A, which provides detailed marginal cost information regarding Florida Power's generating units, is attached to this Request in a separate sealed envelope, with the information for which Florida Power seeks confidential classification highlighted. Two public copies of Attachment A with the confidential information redacted are also enclosed with this Request. In support of its Request, Florida Power states as follows:

1. Subsection 366.093(1) provides that any records "found by the commission to be propriety confidential business information shall be kept confidential and shall be exempt from s. 119.07(1) [requiring disclosure under the Public Records Act]." Proprietary confidential business information includes, but is not limited to, "[i]nformation concerning . . . 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." Subsection 366.093(3)(d). Proprietary

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FLORIDA POWER CORPORATION FPSC-CCPP .3510H CLERK confidential business information also includes "[i]nformation relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information." Section 366.093(3)(e). The designated portions of Attachment A fall within this statutory categories and, thus, constitute propriety confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

2. In particular, disclosure of the highlighted information in Attachment A would provide highly sensitive information to suppliers and potential suppliers of wholesale power purchased by Florida Power, many of whom are not subject to regulatory pricing restrictions, regarding hourly marginal cost data for the Company's generating units individually and its generating system collectively during critical peak demand hours. This information can be utilized by knowledgeable suppliers in the wholesale power market to determine Florida Power's cost structure as a function of load and temperature during the periods when the Company's generating resources are most susceptible to reliability concerns and, as a result, most vulnerable to wholesale power price exploitation by suppliers with market rate authority. In addition, knowledgeable wholesale power suppliers can utilize this information in conjunction with publicly available information in other interrogatory responses, such as load (Interrogatory No. 2), DSM (Interrogatory No. 4), and unit availability (Interrogatory No. 6), to determine the operational circumstances and temperatures at which Florida Power might experience even greater vulnerability to higher market prices to mitigate DSM usage and maintain system reliability. Any such use of this information can only result in higher purchased power costs incurred by Florida Power and it customers. Consequently,

the effect of disclosure would be to impair the efforts of Florida Power to contract for goods and services on favorable terms for the benefit of its customers.

3. The designated information for which confidential classification is sought is intended to be and is treated by the Company as private and has not been publicly disclosed.

WHEREFORE, Florida Power respectfully requests that the highlighted information in Attachment A to its response to Staff Interrogatory No. 5 attached hereto be accorded confidential classification for the reasons set forth above.

Respectfully submitted,

FLORIDA POWER CORPORATION

By

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