



ORIGINAL

JAMES A. MCGEE
ASSOCIATE GENERAL COUNSEL
PROGRESS ENERGY SERVICE CO., LLC

April 9, 2003

HAND DELIVERY

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

RECEIVED-FPSC
03 APR -9 AM 11:21
COMMISSION
CLERK

Re: Docket No. 030001-EI; **Request for Confidential Classification.**

Dear Ms. Bayó:

Enclosed for filing in the subject docket on behalf of Progress Energy Florida, Inc., formerly Florida Power Corporation, is an original and ten copies of its Request for Confidential Classification. The document containing the information for which confidential classification is sought was highlighted and included with Progress Energy's Notice of Intent to Request Classification filed on March 19, 2003 in a separate sealed envelope, along with two public copies of the document in which the confidential information was redacted. **The document containing the highlighted information should continue to 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. A 3½ inch diskette containing the above-referenced Request in WordPerfect format is also enclosed. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

JAM/scc
Enclosure

cc: Parties of record

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

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FPSC-BUREAU OF RECORDS

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- JPC _____
- AMS _____
- SEC _____
- JTH _____

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost
Recovery Clause and Generating
Performance Incentive Factor.

Docket No. 030001-EI

Submitted for filing:
April 9, 2003

REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida, Inc., formerly Florida Power Corporation, (Progress Energy 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 Progress Energy's response to Staff Interrogatory No. 5 propounded in the subject docket (referred to herein as Attachment A), which provides competitively sensitive marginal cost information for the Company's individual generating units. Attachment A was included with Progress Energy's Notice of Intent to Request Classification filed on March 19, 2003 in a separate sealed envelope, with the information for which the Company seeks confidential classification highlighted, along with two public copies of Attachment A in which the confidential information was redacted. In support of its Request, Progress Energy states as follows:

1. Subsection 366.093(1) provides that any records "found by the commission to be proprietary 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

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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 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 these statutory categories and, thus, constitute proprietary 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 Progress Energy, 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 Progress Energy’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, particularly those with market rate authority. In addition, knowledgeable wholesale power suppliers can utilize this information in conjunction with other publicly available information in Progress Energy’s related interrogatory responses, such as load (Interrogatory No. 2), DSM (Interrogatory No. 4), and unit availability (Interrogatory No. 6) to determine the operational conditions under which the Company might experience even greater vulnerability to higher market prices to mitigate DSM usage and maintain system

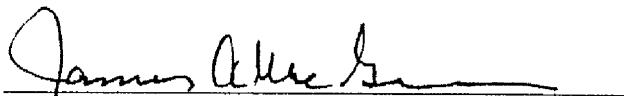
reliability. Any such use of this information can only result in higher purchased power costs incurred by Florida Power and its customers. Consequently, the effect of disclosure would be to impair the efforts of Progress Energy to contract for goods and services on favorable terms for the benefit of its customers.

3. The highlighted information in Attachment A provides the same kind of marginal cost information as that contained in the response to a similar Staff interrogatory propounded on the Company last year in Docket No. 020002-EI, which is the subject of the Company's pending request for confidential classification filed October 2, 2002 in that docket (Document Number 10609-02).

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

WHEREFORE, Progress Energy requests that the highlighted information in Attachment A to its responses to Staff Interrogatory No. 5 propounded in this docket be accorded confidential classification for the reasons set forth above.

Respectfully submitted,



James A. McGee
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Facsimile: (727) 820-5519

Attorney for
PROGRESS ENERGY FLORIDA, INC.

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 this 9th day of April, 2003:

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

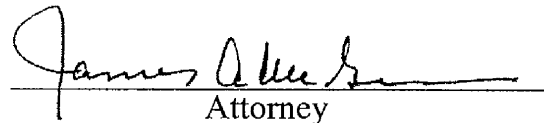
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