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JAMES A. MCGEE
ASSOCIATE GENERAL COUNSEL
PROGRESS ENERGY SERVICE COMPANY, LLC
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November 12, 2004

COMMISSION
CLERK

VIA 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

Re: Docket No. 040001-EI; Response to Staff's Third Set of
Interrogatories; **Request for Confidential Classification.**

Dear Ms. Bayó:

Enclosed for filing is the original and seven (7) copies of Progress Energy Florida, Inc.'s Request for Confidential Classification. The documents containing the information for which confidential classification is sought were highlighted and included with Progress Energy's Notice of Intent to Request Confidential Classification filed on October 25, 2004 in a separate sealed envelope. A public version of the documents, with the confidential information redacted, was attached to each filed copy of the Notice of Intent.

Also included with the Notice of Intent were three documents identified as Attachments B, D and E, with respect to which the enclosed Request withdraws Progress Energy's claim of confidentiality and attaches unredacted copies. **All other documents included with the Notice of Intent 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 3½ inch diskette containing the above-referenced Request in Word format. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

- CMP _____
- COM _____
- CTR _____
- ECR
- GCL
- OPC _____
- MMS _____
- RCA _____
- SCR _____
- SEC
- OTH

JAM/scc
Enclosures

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

cc: Parties of record
comp records

*Comp Out
(for 11559-04)*
DOCUMENT NUMBER-DATE

12 | 36 NOV 12 2004

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 040001-EI

Submitted for filing:
November 12, 2004

REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida, Inc. (Progress Energy or the Company), pursuant to pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., hereby requests confidential classification of the highlighted information in Progress Energy's response to Interrogatory No. 12 and in the Attachments A and C to the Company's responses to Interrogatory Nos. 9 and 11, respectively, from Staff's Third Set of Interrogatories (the Interrogatory Responses), a copy of which was contained in the sealed envelope enclosed with the Company's Notice of Intent to Request Confidential Classification filed on October 25, 2004. A public version of the Interrogatory Responses, with the confidential information redacted, was attached to each filed copy of the Notice of Intent. In addition, Progress Energy withdraws its claim of confidentiality with respect to the highlighted information in Attachments B, D and E to the responses to Interrogatory Nos. 10, 13 and 14, respectively, included with its Notice of Intent, and has attached unredacted copies to these attachments to this Request. In support hereof, Progress Energy states as follows.

Justification for Confidential Classification

1. Subsection 366.093(1), F.S., 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 would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.” Paragraph 366.093(3)(d), F.S. The designated portions of the Stipulation and Settlement fall within this statutory category and, thus, constitute proprietary confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

2. The highlighted information in the Interrogatory Responses contains detailed, supplier-by-supplier information regarding the minimum and maximum quantities of natural gas (Attachment A, response to Interrogatory No. 9), residual oil (Attachment C, response to Interrogatory No. 11), and distillate oil (response to Interrogatory No. 12) that Progress Energy has contracted to receive in 2004 and in 2005. Disclosure of this information would allow existing and potential suppliers of these fuels to know the Company’s current requirements for each fuel, by supply contract component and in total, and the exact time when each supply contract will expire.

3. This knowledge would give these existing and potential suppliers a significant competitive advantage in upcoming bidding and negotiations for Progress Energy future fuel supply requirements for each fuel type, since they can readily identify when the Company will need to secure additional fuel supplies based on the expiration date of each existing supply contract, and the criticality of that need to the Company's fuel supply reliability based on the magnitude of the quantities provided by the expiring contract and the contracts that will soon thereafter. Forearmed with the knowledge of Progress Energy's specific needs and the ability to assess the Company's risk exposure and supply vulnerabilities, these suppliers will be able to tailor their bids and negotiations from a position of greater bargaining strength, and thereby avoid the need they would otherwise face to make their best offer. As a consequence, Progress Energy's ability to contract for goods and services on favorable terms would be impaired, which would result in higher fuel costs to the detriment of the Company and, ultimately, its customers.

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.

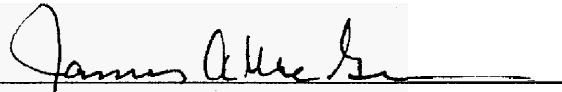
Duration of Confidential Classification

5. Progress Energy requests an 18-month confidentiality period, consistent with Rule 25-22.006 (9)(a), F.A.C. In addition, Progress Energy asks

that the confidential version of the Interrogatory Responses containing the highlighted information be returned to the Company when the Commission no longer needs the information to conduct its business, in accordance with Rule 25-22.006 (9)(b), F.A.C.

WHEREFORE, Progress Energy requests that the highlighted information in the Interrogatory Responses enclosed with the Company's October 25, 2004 Notice of Intent, as modified by the withdrawn claim of confidentiality described above, be accorded confidential classification for the reasons set forth above.

Respectfully submitted,



James A. McGee
Associate General Counsel
Progress Energy Service Company, LLC
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Attorney for
PROGRESS ENERGY FLORIDA, INC.

PEF Natural Gas Transportation Contracts
 In effect between January 2004 - December 2005
 Attachment B

Supplier	Begin Date	End Date	Min Volume	Max Volume
Florida Gas Transmission - #5815 Firm Transportation AAF807	4/1/1998	12/31/2011	33,547 dt per day	44,666 dt per day
Florida Gas Transmission - #5816 Firm Transportation AAF813	4/1/1998	11/30/2018	7,000 dt per day	12,856 dt per day
Florida Gas Transmission - #5295 Firm Transportation AAF814	12/1/1993	2/28/2015	22,400 dt per day	22,400 dt per day
Florida Gas Transmission - #5935 Firm Transportation AAF814	5/1/2001	4/30/2021	10,000 dt per day	50,000 dt per day
Gulfstream Natural Gas - #9000105 Firm Transportation AAF355	6/1/2002	8/31/2022	72,000 dt per day	90,000 dt per day
Gulfstream Natural Gas - #9000665 Firm Transportation ABE747	7/1/2003	5/31/2024	30,000 dt per day	30,000 dt per day
Gulfstream Natural Gas - #9000666 Firm Transportation	6/1/2005	5/31/2025	50,000 dt per day	50,000 dt per day
Gulfstream Natural Gas - #9000667 Firm Transportation AIN742	7/1/2004	8/31/2004	20,000 dt per day	20,000 dt per day

2004 & 2005 Wholesale Energy and/or Capacity Purchases

Attachment D

Year 2004

Counterparty	Begin Date	End Date	Min Volume	Max Volume	Comments
City of Chatahoochee	1/20/2004	1/20/2014	0	5.25	
Reedy Creek	12/1/2002	2/28/2005	0	30	3 Month Peaking Contract- Dec - Feb
Reliant Energy (Winter Peak)	12/1/2003	2/28/2005	0	158	3 Month Peaking Contract- Dec - Feb
Southern Company	1/1/1994	5/31/2010	0	414	
Tampa Electric	2/28/1991	2/28/2011	0	60	

r 2005

Counterparty	Begin Date	End Date	Min Volume	Max Volume	Comments
City of Chatahoochee	1/20/2004	1/20/2014	0	5	
Reedy Creek	12/1/2002	2/28/2005	0	30	3 Month Peaking Contract- Dec - Feb
Reliant Energy (Winter Peak)	12/1/2003	2/28/2005	0	158	3 Month Peaking Contract- Dec - Feb
Southern Company	1/1/1994	5/31/2010	0	414	
Tampa Electric	2/28/1991	2/28/2011	0	70	
Reliant (Vandola-Tolling)	6/1/2005	9/30/2006	0	300	Terms subject to change. Currently being negotiated.

2004 2005 Wholesale Energy and/or Capacity Sales

Attachment E

Year 2004

Counterparty	Begin Date	End Date	Min Volume	Max Volume	Comments
City of Tallahassee Sch B	4/22/2004	5/31/2004	-	100	Call option
City of Tallahassee Sch. H	5/1/2004	6/30/2004	-	25	Supplemental Reserves
City of Tallahassee Sch. H	6/1/2004	6/30/2004		8	Spinning Reserves
New Symrna Beach (Vol in Kw)	11/1/1985	Continue Until Cancelled		1	

Year 2005

Counterparty	Begin Date	End Date	Min Volume	Max Volume	Comments
New Symrna Beach (Vol in Kw)	11/1/1985	Continue Until Cancelled	-	1	

PROGRESS ENERGY FLORIDA

DOCKET NO. 040001-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Request for Confidential Classification on behalf of Progress Energy Florida has been furnished to the following individuals by regular U.S. Mail the 12th day of November, 2004.

Adrienne Vining, Esquire
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Economic Regulation Section
Florida Public Service Commission
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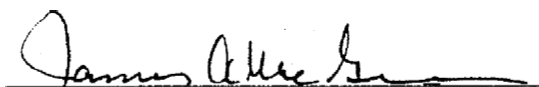
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Attorney