BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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COMMISSION

In re: Petition for rate increase by Progress Energy Florida, Inc.

Docket No. 050078-EI Submitted for filing: June 16, 2005

PROGRESS ENERGY FLORIDA'S SECOND REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida ("PEF" or the "Company"), pursuant to Section 366.093.

Fla. Stats., and Rule 25-22.006, Florida Administrative Code, files this Request for Confidential Classification of confidential portions of PEF's responses to Staff's First Set of Interrogatories (Nos. 1-92) and Staff's First Requests for Production (Nos. 1-24). On May 26, 2005, PEF filed a Notice of Intent to Request Confidential Classification with respect to this information. PEF therefore files this Request for Confidential Classification within the twenty-one day period set out in Rule 25-22.006, Florida Administrative Code. Specifically, portions of PEF's response to Interrogatory No. 16 and documents responsive to Requests 1, 5, 6, and 7 contain confidential information regarding PEF's projected dividend amounts and PEF's business strategies and budgets. the disclosure of which to the public would compromise PEF's competitive business interests. Accordingly, PEF hereby submits the following. **Basis for Confidential Classification** RCA ____ Subsection 366.093(1), Florida Statutes, provides that "any records received by the Commission which are shown and found by the Commission to be proprietary OTH I confidential business information shall be kept confidential and shall be exempt from [the

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Public Records Act]." §366.093(1), Fla. Stats. Proprietary confidential business information means information that is (i) intended to be and is treated as private confidential information by the Company, (ii) because disclosure of the information would cause harm, (iii) either to the Company's ratepayers or the Company's business operation, and (iv) the information has not been voluntarily disclosed to the public. §366.093(3), Fla. Stats. Specifically, "information concerning bids or other contractual data" is defined as proprietary confidential business information if the disclosure of such information "would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." §366.093(3)(d), Fla. Stats. Additionally, proprietary confidential business information includes "information relating to competitive interests" if the disclosure of such information "would impair the competitive business of the provider of the information." §366.093(3)(e), Fla. Stats.

Responses to Interrogatory Number 16 and Request 1 and 5-7

Portions of PEF's response to Interrogatory Number 16 and its responses to Requests 1 and 5-7 should be afforded confidential treatment for the reasons set forth in the Affidavit of Javier Portuondo filed in support of PEF's Second Request for Confidential Classification and for the following reasons. Portions of the response to Interrogatory Number 16 contains confidential information regarding PEF's projected dividend amounts, the disclosure of which would impair PEF's competitive business interests if it were disclosed to the public or to PEF's investors. See Affidavit of Javier Portuondo at 5. Specifically, if PEF's investors were made aware of PEF's projected dividends, they may adjust their investment behavior, which could have an effect on investment in the company, potentially impairing PEF's position in the market. Id.

Portions of PEF's responses to Requests 1 and 5-7 contain documents that describe PEF's business strategies and budgets. Such information is proprietary confidential business information that would impair PEF's competitive business interests if it were disclosed to the public or to PEF's competitors. See Affidavit of Javier Portuondo at 6. Specifically, if PEF's competitors were to learn PEF's sensitive business strategies, PEF's ability to effectively contract for goods and services could be undermined. Id. Additionally, if PEF's suppliers or competitors were made aware of PEF's estimated budgets, they may adjust their behavior in the market place with respect to activity such as pricing and the acquisition and provision of goods, materials, and services. Id.

Strict procedures are established and followed to maintain the confidentiality of the terms of the confidential documents and information at issue, including restricting access to those persons who need the information to assist the Company, and restricting the number of, and access to the information and documents. See Affidavit of Javier Portuondo at 7. At no time has the Company publicly disclosed the confidential information or documents at issue. Id. The Company has treated and continues to treat the information and documents at issue as confidential. Id.

Conclusion

Portions of PEF's responses to Interrogatory Number 16 and Requests 1 and 5-7, sought by Staff, fit the statutory definition of proprietary confidential business information under Section 366.093 and Rule 25-22.006, Florida Administrative Code, and that information should be afforded confidential classification. In support of this motion, PEF has enclosed the following:

(1). A separate, sealed envelope containing one copy of the confidential Appendix A to PEF's Request for Confidential Classification for which PEF intends to request confidential classification with the appropriate section, pages, or lines containing the confidential information highlighted. This information should be accorded confidential treatment pending a decision on PEF's request by the Florida Public Service Commission;

(2). Two copies of the confidential responses with the information for which PEF intends to request confidential classification redacted by section, page, or lines where appropriate as Appendix B; and

(3). A justification matrix supporting PEF's request for confidential classification of the highlighted information contained in confidential Appendix A, as Appendix C.

WHEREFORE, PEF respectfully requests that portions of its responses to Staff's Interrogatories, Number 16, and portions of its responses to Staff's First Request for Production, Requests 1 and 5-7, be classified as confidential for the reasons set forth above.

Respectfully submitted this 6th day of June, 2005.

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CERTIFICATE OF SERVICE

HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished electronically and via U.S. Mail this \(\frac{1}{2} \) day of June, 2005 to all counsel of record as indicated below.

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