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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 050078-EI
Submitted for filing August 4, 2005

**PROGRESS ENERGY FLORIDA'S FOURTEENTH 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 Fourteenth Request for Confidential Classification for confidential portions of the Direct Testimony of Helmuth Schultz, III, filed on behalf of the Office of Public Counsel ("OPC"). On July 14, 2005, PEF filed its Twelfth Notice of Intent to Request Confidential Classification with respect to this information. PEF therefore files this Fourteenth Request for Confidential Classification within the twenty-one day period set out in Rule 25-22.006, Florida Administrative Code.

Specifically, portions of the testimony in question contain confidential

CMP _____ information for which PEF, in its Third Request for Confidential Classification, filed
COM _____ June 17, 2005, requested confidential classification. For the same reasons as stated in its
CTR _____
ECR 1 Third Request for Confidential Classification, PEF requests that the information at issue
GCL 1 in the Direct Testimony of Helmuth Schultz, III be afforded confidentiality.
OPC _____ Accordingly, PEF hereby submits the following.

Basis for Confidential Classification

SGA _____ Subsection 366.093(1), Florida Statutes, provides that "any records received by
SEC 1 the Commission which are shown and found by the Commission to be proprietary

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confidential business information shall be kept confidential and shall be exempt from [the 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 relating to competitive interests” is defined as proprietary confidential business information if the disclosure of such information “would impair the competitive business of the provider of the information.” §366.093(3)(e), Fla. Stats. Section 366.093(3)(d) further defines proprietary confidential business information as “information concerning bids or other 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.” §366.093(3)(d), Fla. Stats. Additionally, according to Section 366.093(3)(b), proprietary confidential business information includes “internal auditing controls and reports of internal auditors. §366.093(3)(b), Fla. Stats. On June 7, 2005, the Commission granted PEF’s Motion for Temporary Protective Order regarding the same confidential information at issue in this request for confidential classification.

The aforementioned portions of the Direct Testimony of Helmuth Schultz, III should be afforded confidential classification because these portions contain proprietary confidential business information relating to PEF’s competitive interests, internal auditing, and contractual arrangements with third parties. Public disclosure of the

information in question would impair PEF's competitive business, as well as compromise its efforts to contract for goods and services on favorable terms.

Direct Testimony of Helmuth Schultz, III

Portions of the Direct Testimony of Helmuth Schultz, III should be afforded confidential treatment for the reasons set forth in the Affidavit of Javier Portuondo filed in support of PEF's Fourteenth Request for Confidential Classification and for the following reasons. First, portions of the testimony concern PEF's internal policies and assessments of various charging practices associated with potential contractors and service providers. See Affidavit of Javier Portuondo at 5. If information concerning such charging practices were made available to those potential contractors and service providers, they may, for example, increase the cost of particular services, and/or modify the scope of particular services provided. Id.

Additionally, portions of the testimony at issue concern detailed internal audits prepared by or for the benefit of PEF. Id. Such information is protected from public disclosure by Section 366.093(3)(b), Fla. Stat. Id.

Finally, portions of the testimony concern information regarding competitive contractual provisions between PEF and third parties. Id. If other third parties were made aware of confidential contractual terms that PEF has with other parties, they may offer PEF less competitive contractual terms in future contractual negotiations. 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 and documents to assist the Company. See Affidavit of Javier Portuondo at 6. 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

Certain portions of the Direct Testimony of Helmuth Schultz, III 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 certain portions of the Direct Testimony of Helmuth Schultz, III described specifically in Attachment C, be classified as confidential for the reasons set forth above.

Respectfully submitted this 4th day of August, 2005.

R. ALEXANDER GLENN


GARY L. SASSO

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished electronically and via U.S. Mail this 4th day of August, 2005 to all counsel of record as indicated below.



Attorney

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 050078-EI
Submitted for filing August 4, 2005

**AFFIDAVIT OF JAVIER PORTUONDO IN SUPPORT OF
PROGRESS ENERGY FLORIDA'S
FOURTEENTH REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF FLORIDA

COUNTY OF PINELLAS

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared Javier Portuondo, who being first duly sworn, on oath deposes and says that:

1. My name is Javier Portuondo. I am over the age of 18 years old and I have been authorized by Progress Energy Florida (hereinafter "PEF" or the "Company") to give this affidavit in the above-styled proceeding on PEF's behalf and in support of PEF's Fourteenth Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.

2. I am the Director, Regulatory Services – Florida. This department is responsible for the regulatory accounting and reporting activities of Progress Energy Florida, Inc.

3. As PEF's Director of Regulatory Services, I am familiar with certain of PEF's business research, analyses, internal audits, and contracts.

4. In its Fourteenth Request for Confidential Classification, PEF is seeking confidential classification for portions of the Direct Testimony of Helmuth Schultz, III, filed on behalf of the Office of Public Counsel (“OPC”). The information for which PEF seeks confidential classification is more specifically described in Attachment C to PEF’s Fourteenth Request for Confidential Classification.

5. Portions of the Direct Testimony of Helmuth Schultz, III concern PEF’s internal policies and assessments of various charging practices associated with potential contractors and service providers. If information concerning such charging practices were made available to those potential contractors and service providers, they may, for example, increase the cost of particular services, and/or modify the scope of particular services provided. Additionally, portions of the testimony at issue concern detailed internal audits prepared by or for the benefit of PEF. Such information is protected from public disclosure by Section 366.093(3)(b), Fla. Stat. Finally, portions of the testimony concern information regarding competitive contractual provisions between PEF and third parties. If other third parties were made aware of confidential contractual terms that PEF has with other parties, they may offer PEF less competitive contractual terms in future contractual negotiations.

6. 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 and documents to assist the Company. At no time has the Company publicly disclosed the confidential information or documents at issue. The Company has treated and continues to treat the information and documents at issue as confidential.

10. This concludes my affidavit.

Further affiant sayeth not.

Dated this 3rd day of August, 2005.

Javier Portuondo
(Signature)

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 3rd day of August, 2005 by Javier Portuondo. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.

Suzanne H. Miller
(Signature)

Suzanne H. Miller
(Printed Name)

NOTARY PUBLIC, STATE OF Florida

3/27/09
(Commission Expiration Date)

(AFFIX NOTARIAL SEAL)

