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Attorneys and Counselors

Writer's Direct Dial No. (850) 425-2359

September 9, 2005

BY HAND DELIVERY

Blanca Bayó Director Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399

> Re: Docket No. 050001-EI - Confidentiality Request - Exhibits of Javier Portuondo

Dear Ms. Bayó:

Enclosed for filing on behalf of Progress Energy Florida, Inc., (PEF) are the following:

- (1) The original and seven copies of PEF's Request for Confidential Classification. A diskette containing the Request in Word format is being submitted contemporaneously with the Petition identified above;
- (2) An envelope containing Exhibit A, which includes two redacted copies of the confidential documents; and
- (3) A CONFIDENTIAL package containing Exhibit B which includes one copy of the documents on which the confidential material has been highlighted.

Please stamp and return the enclosed extra copy of this filing. If you have any questions regarding this filing, please contact the undersigned.

Enclosures

certificate of service cc:

DOCUMENT NUMBER-DATE

CERTIFICATE OF SERVICE

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re Fuel and purchase power cost)	Docket No. 050001-EI
recovery clause with generating)	TH. 4. G 1 0.005
performance incentive factor)	Filed: September 9, 2005
	1)	

PROGRESS ENERGY FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida, Inc., ("PEF" or the "Company"), pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code, submits this Request For Confidential Classification of certain information provided in an exhibit to the prefiled direct testimony and supplemental direct testimony of Progress Energy witness Javier Portuondo filed on September 9, 2005. In support of this Request, Progress Energy states:

- 1. Contemporaneously with this Request, PEF is pre-filing the direct testimony and Exhibit No. __ (JP-1P) of Javier Portuondo, as well as supplemental testimony and revised Exhibit No. __ (JP-1R) of Mr. Portuondo. As further explained below, Mr. Portuondo's exhibits contain information that is "proprietary business information" under Section 366.093(3), Florida Statutes.
 - 2. The following exhibits are included with this request:
- (a) Exhibit A is a package containing two copies of a redacted versions of the documents for which the Company requests confidential classification. The specific information for which confidential treatment is requested has been blocked out by opaque marker or other means.
- (b) Exhibit B is a package containing an unreducted copies of the documents for which Progress seeks confidential treatment. Exhibit B is being submitted separately in a

DOCUMENT NUMBER-DATE

sealed envelope labeled "CONFIDENTIAL." In the unredacted versions, the information asserted to be confidential is highlighted in yellow.

3. The information on lines 1-4 of page 2 and lines 1-8 of page 4 of Part D to Mr. Portuondo's Exhibit No. (JP-1P) and on lines 1-8, page 2, of Part D to Mr. Portuondo's revised Exhibit No. (JP-1R) includes data related to confidential wholesale power purchase and sale contracts. Specifically, the highlighted information provides the number of megawatts for each purchase or sale. In combination with other non-confidential cost data provided in the exhibits, this information could be used to determine the capacity charges for each contract. Disclosure of this information would enable wholesale providers to determine the prices of their competitors, which would likely result in greater price convergence in future negotiations. Suppliers would no longer need to make their best offers to ensure the competitiveness of their prices against the disclosed prices. Instead, suppliers could simply offer the highest prices that would allow them to maintain a marginally competitive position against the disclosed prices. As such, disclosure of the information would impair the Company's efforts to contract for goods or services on favorable terms. See § 366.093(3)(d), F.S. Additionally, disclosure of the capacity charges paid by Progress Energy's wholesale customers would provide an unfair advantage to competitors pursuing such customers. As such, the information relates to the competitive interests of Progress Energy and its affiliates, the disclosure of which would impair their competitive businesses. *Id.* § 366.093(3)(e). Accordingly, the information constitutes "proprietary confidential business information" which is exempt from disclosure pursuant to Section 366.093(1), F.S. ¹

¹ The Commision previously granted confidential classification of similar information in an exhibit to Mr. Portuondo's March 1, 2005, testimony in this docket. <u>See</u> Order No. PSC-05-0417-CFO-EI (April 19, 2005).

- 4. The information for which PEF seeks confidential classified is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public.
- 5. Progress Energy requests that the information identified above be classified as "proprietary confidential business information" within the meaning of section 366.093(3), F.S., that the information remain confidential for a period of at least 18 months as provided in section 366.093(4), F.S., and that the information be returned as soon as it is no longer necessary for the Commission to conduct its business.

WHEREFORE, for the foregoing reasons, Progress Energy Florida, respectfully requests that this Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 9th day of September, 2005.

Gary V. Perko

Florida Bar No. 855898

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Post Office Box 6526 Tallahassee, FL 32314

Attorneys for PROGRESS ENERGY FLORIDA