

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re Fuel and purchase power cost)
recovery clause with generating)
performance incentive factor)
_____)

Docket No. 050001-EI

Filed: October 14, 2005

**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 revised supplemental direct testimony of Progress Energy witness Javier Portuondo filed on October 15, 2005. In support of this Request, Progress Energy states:

1. Contemporaneously with this Request, PEF is pre-filing the revised supplemental direct testimony and Exhibit No. __ (JP-1S) of Mr. Portuondo. As further explained below, Mr. Portuondo's exhibit contains 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 version of the document 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 unredacted copy of the document for which Progress seeks confidential treatment. Exhibit B is being submitted separately in a sealed envelope labeled "CONFIDENTIAL." In the unredacted version, the information asserted to be confidential is highlighted in yellow.

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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-1S) 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

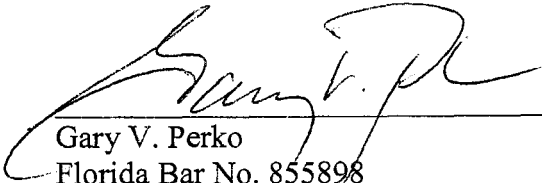
4. The information for which PEF seeks confidential classification is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public.

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

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 14th day of October, 2005.



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