

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost
recovery clause with generating performance
incentive factor.

Docket No. 060001-EI

Dated: March 1, 2006

**PROGRESS ENERGY FLORIDA INC.'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Progress Energy Florida, Inc., (“PEF” or “Company”), pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), submits this Request for Confidential Classification for certain information provided in the direct testimony and exhibit of Albert W. Pitcher. In support of this Request, PEF states:

1. Contemporaneously with this Request, PEF is filing the direct testimony and exhibit of Albert W. Pitcher. As further explained below, Mr. Pitcher’s testimony and Exhibit No. ____ (AWP-1) contain information that is “proprietary business information” under Section 366.093(3), Florida Statutes.

2. The following exhibits are included with this request:

(a) Composite Exhibit A is a package containing unredacted copies of all the documents for which PEF seeks confidential treatment. Composite Exhibit A is being submitted separately in a sealed envelope labeled “CONFIDENTIAL.” In the unredacted versions, the information asserted to be confidential is highlighted in yellow.

(b) Composite Exhibit B is a package containing two copies of redacted versions of the documents for which the Company requests confidential classification. The specific

DOCUMENT NUMBER-DATE

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information for which confidential treatment is requested has been blocked out by opaque marker or other means.

(c) Exhibit C is a table which identifies by page and line the information for which PEF seeks confidential classification and the specific statutory bases for seeking confidential treatment.

3. As indicated in Exhibit C, the information for which PEF requests confidential classification is “proprietary confidential business information” within the meaning of Section 366.093(3), F.S. The information on page 6, lines 5, 6, 8, 17-20 of Mr. Pitcher’s testimony includes pricing information for “delivered cash costs” and “commodity costs” for coal purchases by Progress Fuels Corporation (“PFC”). Disclosure of this information would provide coal suppliers with knowledge of prices that PFC has recently paid for coal. This knowledge would give suppliers a significant competitive advantage in future negotiations because they would no longer need to make their best offers to ensure the competitiveness of their rates against the disclosed prices. *Affidavit of Albert W. Pitcher at ¶ 5*. Instead, suppliers could simply offer the highest rates that would allow them to maintain a marginally competitive position against the disclosed prices or forecasts. Disclosure of the information would impair the efforts of the Company to contract for goods or services on favorable terms and, therefore, is exempt from disclosure. *See id.*; § 366.093(1) and (3)(d), F.S. Accordingly, such information constitutes “proprietary confidential business information” which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), F.S.

4. The information on page 12, lines 8 -10, 13, 18, 23 and page 13, lines 1 and 3 of Mr. Pitcher’s testimony includes “cash costs” and “delivered costs” which are the results of PFC’s

evaluation of bids received in response to PFC's solicitation in August/September 2004. For the same reasons discussed above, disclosure of this information would impair the efforts of the Company to contract for goods or services on favorable terms and, therefore, is exempt from disclosure. *See Affidavit of Albert W. Pitcher at ¶ 5; § 366.093(1) and (3)(d), F.S.* Accordingly, such information constitutes "proprietary confidential business information" which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), F.S.

5. The information on page 1 of Exhibit No. ____ (AWP-1) includes bid data related to coal costs. This information, either alone or in combination with the other confidential information referenced herein, would provide suppliers with direct knowledge of the costs with which they must compete. Armed with this information, suppliers could tailor their costs to remain marginally competitive without offering their best price. *Affidavit of Albert W. Pitcher at ¶ 5.* As such, disclosure of this information would impair the efforts of the Company to contract for goods or services on favorable terms and, therefore, is exempt from disclosure. *See id.; § 366.093(1) and (3)(d), F.S.*

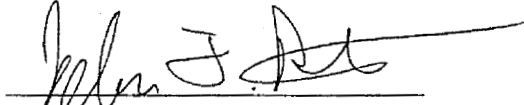
6. The information for which PEF seeks confidential classification is intended to be and is treated as confidential by the Company. *Affidavit of Albert W. Pitcher at ¶ 6.* The information has not been disclosed to the public, and the company has treated and continues to treat the information at issue as confidential. *See id.*

7. PEF requests that the information identified in Exhibit A 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, PEF respectfully requests that this Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this ^{15th} day of March, 2006.

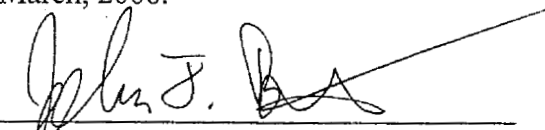


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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Progress Energy Florida, Inc.'s request for Confidential Classification in Docket No. 060001-EI has been furnished by regular U.S. mail to the following this 15th day of March, 2006.



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Exhibit A

“CONFIDENTIAL”

Exhibit B

REDACTED

**PROGRESS ENERGY FLORIDA
Confidentiality Justification Matrix**

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
<p>Direct Testimony of Albert W. Pitcher</p>	<p>Page 6, Lines 5, 6, 8, 17-20 Delivered cash costs and Commodity costs for coal purchases by PFC.</p> <p>Page 12, Lines 8-10, 13, 18 & 23; Page 13, Lines 1 & 3 Cash costs and Delivered costs from bids received as a result of August/September 2004 bid solicitation.</p>	<p>§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>Exhibit No. ____ (AWP-1)</p>	<p>Bid data related to coal costs.</p>	<p>§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>