

ORIGINAL

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: June 12, 2006

AFFIDAVIT OF ALEXANDER WEINTRAUB IN SUPPORT OF PROGRESS ENERGY FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF NORTH CAROLINA

COUNTY OF WAKE

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

1. My name is Alexander Weintraub. 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 Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.

2. I am the director of PEF's Coal Trading section in the Regulated Fuels & Capital Planning Department. This section is responsible for coal acquisition for both PEF and Progress Energy Carolinas ("PEC") systems.

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3. As the director of PEF's Coal Trading section, I am responsible, along with the other members of the section, for the procurement of coal for PEC's and PEF's electrical power generation facilities, and the administration of PEC's and PEF's coal contracts with various suppliers.

4. In this Request for Confidential Classification, PEF is seeking confidential classification for portions of its responses to OPC's Second Request for Production of Documents (Nos. 15-23). The detailed description of the confidential information at issue is outlined in PEF's Justification Matrix that is attached to PEF's Request for Confidential Classification as Exhibit C.

5. Portions of PEF's attachments to its response to OPC's Request for Production Nos. 15 and 21 contain competitive confidential business information of both PEF and third-party coal supply and transportation companies that PEF has contracts with. PEF negotiates with potential coal suppliers and transportation companies to obtain competitive contracts for coal options that provide economic value to PEF and its ratepayers. In order to obtain such contracts, however, PEF must be able to assure coal suppliers and transportation companies that sensitive business information, such as the pricing terms of their contracts, will be kept confidential. With respect to the information at issue in this request, PEF has kept confidential and has not publicly disclosed confidential contract terms such as pricing, and similar competitive information. Absent such measures, suppliers and transportation companies would run the risk that sensitive business information that they provided in their contracts with PEF would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, persons or companies who otherwise would contract with PEF might

decide not to do so if PEF did not keep those terms of their contracts confidential.

Without PEF's measures to maintain the confidentiality of sensitive terms in contracts between PEF and coal suppliers and transportation contractors, the Company's efforts to obtain competitive coal supply and transportation contracts could be undermined.

Additionally, the disclosure of confidential information in PEF's coal supply and transportation contracts, proposals, and other such documents could adversely impact PEF's competitive business interests. If such information was disclosed to PEF's competitors, PEF's efforts to obtain competitive coal supply and transportation options that provide economic value to both PEF and its ratepayers could be compromised by PEF's competitors changing their consumption or purchasing behavior within the relevant markets.

6. Portions of PEF's attachments to its response to OPC's Request for Production No. 18, 19, and 20 contain confidential studies which concern proprietary business information and were prepared through software programs of third parties. PEF has contractual requirements with these third parties to not disclose the proprietary business information contained in the studies and, thereby, public disclosure of the documents in question would be contrary to such confidentiality provisions and may impair PEF's efforts to contract favorably in future negotiations. Specifically, PEF may not be able to favorably contract for the services offered by these third parties if such parties are not assured that all the information provided in connection with the studies is kept confidential.

7. Portions of PEF's attachments to its response to OPC's Request for Production No. 19 contain PEF's cost/benefit analysis and studies conducted concerning

specific plant modifications deemed necessary to either test burn or permanently burn PRB coal. The responses also contain potential projected spending on equipment or materials associated with the modifications as well as internal analyses and business strategies. If PEF's suppliers or competitors were made aware of PEF's business analyses, strategies, costs for the modifications, or the modifications themselves, they may adjust their behavior in the market place with respect to activity such as pricing and the acquisition or provision of goods, materials, and services. Such suppliers and providers may decrease supply of such goods and services, and/or increase the cost and prices of goods and services related to the modifications. Additionally, PEF's competitors may adjust their consumption behavior in the market, thereby potentially making goods and services less available and more expensive to PEF.

8. Portions of PEF's attachments to its response to OPC's Request for Production No. 21 contain PEF's cost/benefit analysis and comparison studies conducted regarding specific blends of PRB coal together with projected transportation costs. If PEF's suppliers or competitors were made aware of PEF's business analyses, strategies, and coal comparisons, they may adjust their behavior in the market place with respect to activity such as pricing and the acquisition or provision of goods, materials, and services. Such suppliers and providers may decrease supply of such goods and services, and/or increase the cost and prices of goods and services related to the considered coals and methods of transportation. Additionally, PEF's competitors may adjust their consumption behavior in the market, thereby potentially making goods and services less available and more expensive to PEF.

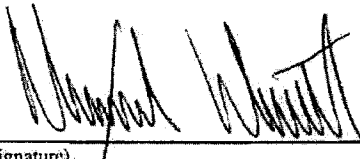
9. Portions of PEF's attachments to its response to OPC's Request for Production No. 22 contain confidential studies which concern proprietary business information prepared by third parties. PEF has contractual requirements with these third parties to not disclose the proprietary business information contained in the studies and, thereby, public disclosure of the documents in question would be contrary to such confidentiality provisions and may impair PEF's efforts to contract favorably in future negotiations. Specifically, PEF may not be able to favorably contract for the services offered by these third parties if such parties are not assured that all the information provided in connection with the studies is kept confidential.

10. Upon receipt of confidential information from coal suppliers and transportation companies, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided, 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 contracts. At no time since receiving the contracts and information in question has the Company publicly disclosed that information or contracts. The Company has treated and continues to treat the information and contracts at issue as confidential.

11. This concludes my affidavit.

Further affiant sayeth not.

Dated the 12 day of June, 2006.



(Signature)
Alexander Weintraub
Director
Coal Trading
Regulated Fuels & Capital Planning Department
Progress Energy Carolinas
Post Office Box 1551
Raleigh, NC. 27602

12th THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of June, 2006 by Alexander Weintraub. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.



(Signature)

Mary D. Foteh

(Printed Name)

NOTARY PUBLIC, STATE OF NC

December 16, 2006

(Commission Expiration Date)

(AFFIX NOTARIAL SEAL)

(Serial Number, If Any)