

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition on behalf of Citizens of
the State of Florida to require
Progress Energy Florida, Inc. to
refund to customers \$143 million

DOCKET NO. 060658-EI

Dated: January __, 2007

**AFFIDAVIT OF ALBERT W. PITCHER IN SUPPORT OF
PROGRESS ENERGY FLORIDA'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Albert W. Pitcher. 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 a consultant for PEF. I recently retired as Vice President of Coal
Procurement for Progress Fuels Corporation.

CMP _____
COM _____
CTR _____
ECR _____
ECL _____
DPC _____
RCA _____
SCR _____
SGA _____
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DTH _____

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3. Formerly as Vice President of Coal Procurement for Progress Fuels Corporation, I was responsible for procurement and transportation of over six million tons of coal delivered annually to PEF's Crystal River plant site.

4. PEF is seeking confidential classification for portions of my direct testimony and Exhibit AWP-6. A detailed description of the confidential information at issue is contained in confidential Exhibit A to PEF's Request for Confidential Classification and is outlined in PEF's Justification Matrix that is attached to PEF's Request for Confidential Classification as Exhibit C. PEF is requesting confidential classification of this information because it contains competitive confidential business information that contains pricing of transportation companies that PEF has contracts with.

5. The information on page 13, lines 16, 17, 19, and 20 of my testimony includes competitive confidential business information of both PEF and third-party coal supply and transportation companies that PEF has contracts with.

6. Information on pages 2, 3, 5, & 6 of Exhibit No. ___ (AWP-6) of my testimony also contains competitive confidential business information of both PEF and third-party coal supply and transportation companies that PEF has contracts with.

7. 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.

8. 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.

9. 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.

10. This concludes my affidavit.

Further affiant sayeth not.

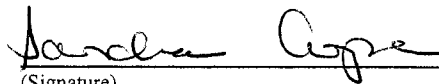
Dated the 11th day of January, 2007.



(Signature)

Albert W. Pitcher
Consultant for Progress Energy Florida
1715 Georgia Avenue NE
St. Petersburg, FL 33703

11th THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of January, 2007 by Albert W. Pitcher. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.



(Signature)

Sandra Cope

(Printed Name)

(AFFIX NOTARIAL SEAL)

NOTARY PUBLIC, STATE OF FL

5/8/10

(Commission Expiration Date)

(Serial Number, If Any)

