

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for approval of amended contract with a qualifying facility for purchase of firm capacity and energy between Progress Energy Florida, Inc. and Florida Biomass Energy Group, LLC.

Docket No. 070645-EQ

Dated: November 5, 2007

**AFFIDAVIT OF MICHAEL T. KEEN IN SUPPORT OF PROGRESS ENERGY FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Michael T. Keen. 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

CMP \_\_\_\_\_ PEF's Request for Confidential Classification. The facts attested to in my affidavit are  
COM \_\_\_\_\_  
CTR \_\_\_\_\_ based upon my personal knowledge.

ECR 1 2. I am the Business Development Manager in the Regulated Commercial  
GCL 1 Operations Department. This department is responsible for the overall project  
OPC \_\_\_\_\_ management activities associated with the analysis, review and approval of the buying  
RCA \_\_\_\_\_ and selling of capacity and energy for PEF.  
SCR \_\_\_\_\_  
SGA \_\_\_\_\_  
SEC \_\_\_\_\_  
OTH \_\_\_\_\_

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3. As a Business Development Manager in the Regulated Commercial Operations Department, I am responsible, along with the other members of the section, for RFP analysis, customer solicitation, territory assessment, proposal preparation, contract negotiations, and regulatory strategy/compliance of PEF's electrical power generation facilities.

4. PEF is seeking confidential classification for the negotiated contract between PEF and Innovative Energy Group of Florida, L.L.C. ("IEG-Florida"). 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 of both PEF and IEG-Florida.

5. PEF negotiates contracts with potential energy suppliers to obtain competitive contracts that provide economic value to PEF and its ratepayers. In order to obtain such contracts, however, PEF must be able to assure energy suppliers that sensitive business information 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 other competitive information. Absent such measures, 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 energy suppliers, the Company's efforts to obtain competitive contracts could be undermined.

6. Additionally, the disclosure of confidential information in PEF's negotiated contracts could adversely impact PEF's competitive business interests. If such information was disclosed to PEF's competitors, PEF's efforts to obtain competitive contracts 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. PEF could also be adversely affected if other energy suppliers in the relevant market were able to obtain the sensitive information in this amended renewable energy contract and alter their market behavior based on that information.

7. Upon receipt of confidential information from contracting counter-parties, 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 amended contract and information in question has the Company publicly disclosed that information or amended contract. The Company has treated and continues to treat the information and amended contract at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 2<sup>nd</sup> day of November, 2007.

Michael T. Keen

(Signature)

Michael T. Keen  
Business Development Manager  
Regulated Commercial Operations Department  
Progress Energy Florida  
100 Central Avenue  
St. Petersburg, FL 33701

2<sup>nd</sup> THE FOREGOING INSTRUMENT was sworn to and ~~subscribed~~ before me this day of November, 2007 by Michael T. Keen. He is personally known to me or has produced his \_\_\_\_\_ driver's license, or his \_\_\_\_\_ as identification.

Dara Tribiano

(Signature)

Dara Tribiano

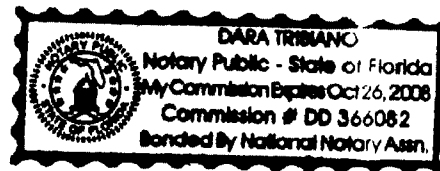
(Printed Name)

NOTARY PUBLIC, STATE OF Florida

(AFFIX NOTARIAL SEAL)

\_\_\_\_\_  
(Commission Expiration Date)

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(Serial Number, If Any)



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