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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION
CLERK

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

Docket No. 070001-EI

Dated: November 19, 2007

**AFFIDAVIT OF JOSEPH McCALLISTER 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 Joseph McCallister, who being first duly sworn, on oath deposes and
says that:

1. My name is Joseph McCallister. 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

CMP _____ based upon my personal knowledge.

COM _____ 2. I am the Director of Gas and Oil Trading in the Regulated Fuels
CTR _____ Department. This section is responsible for natural gas and fuel oil acquisition for both
ECR | PEF and Progress Energy Carolinas ("PEC") systems.
GCL |

OPC _____ 3. As the Director of Gas and Oil Trading, I am responsible, along with the
RCA _____ other members of the section, for the management of the gas and oil procurement,
SCR _____

SGA _____
SEC _____
OTH _____

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transportation, hedging activities and administration of gas and oil contracts with various suppliers for PEF's and PEC's electrical power generation facilities.

4. PEF is seeking confidential classification of Exhibit No. 49 (PEF's 2007 hedging percentages) presented at the hearing in this docket and filed with the Commission Clerk along with PEF's Notice of Intent dated November 7, 2007. 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 sensitive business information, the disclosure of which could impair the Company's efforts to contract for natural gas and oil options on favorable terms.

5. PEF hedges with natural gas and oil suppliers to obtain competitive fuel options that provide value to PEF and its ratepayers. In order to obtain such fuel options, however, PEF must assure that sensitive business information, such hedging percentages, will be kept confidential. With respect to the information at issue in this Request, PEF has kept confidential and has not publicly disclosed its 2007 hedging percentages. Absent such measures, PEF could run the risk that this sensitive business information could be made available to the public. Without PEF's measures to maintain the confidentiality of its hedging percentages, the Company's efforts to obtain favorable natural gas and oil options could be undermined.

6. Additionally, the disclosure of confidential information in PEF's hedging percentages, could adversely impact PEF's competitive business interests. If such information was disclosed to PEF's competitors, PEF's efforts to obtain competitive fuel

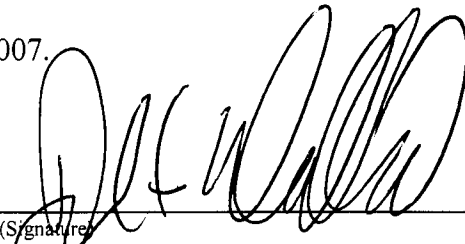
supply options that provide value to both PEF and its ratepayers could be compromised by PEF's competitors changing their behavior within the relevant markets.

7. Strict procedures are established and followed to maintain the confidentiality of the hedging percentages, including restricting access to those persons who need the information to assist the Company. At no time has the Company publicly disclosed that information. The Company has treated and continues to treat its hedging percentages as confidential.

8. This concludes my affidavit.

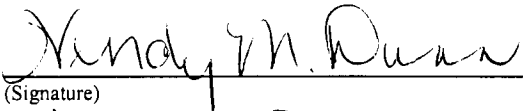
Further affiant sayeth not.

Dated the 13th day of November, 2007.



(Signature)
Joseph McCallister
Director - Gas and Oil Trading
Regulated Fuels Department
Progress Energy Carolinas
Post Office Box 1551
Raleigh, NC. 27602

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 13 day of November, 2007 by Joseph McCallister. He is personally known to me, or has produced his n/a driver's license, or his n/a as identification.



(Signature)
Wendy M. Dunn

(Printed Name)
NOTARY PUBLIC, STATE OF NC

July 5, 2012

(Commission Expiration Date)
n/a

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)

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