

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 080001-EI

Dated: August 29, 2008

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COMMISSION  
CLERK

**AFFIDAVIT OF MARCIA OLIVIER 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 Marcia Olivier, who being first duly sworn, on oath deposes and says that:

1. My name is Marcia Olivier. 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 Supervisor of Regulatory Planning Strategy for Progress Energy Florida.

3. As the Supervisor of Regulatory Planning Strategy, I am responsible, along with the other members of the section, for the regulatory strategy, compliance and planning functions of the Florida electric utility.

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4. PEF is seeking confidential classification for portions of Exhibit MO-2 to the projection testimony of Marcia Olivier, specifically Schedule E12 – Capacity Costs, Part 3, Page 3 of 5. 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, the disclosure of which would impair the Company’s efforts to contract for goods or services on favorable terms.

5. PEF negotiates with potential energy suppliers to obtain competitive contracts for energy options that provide economic value to PEF and its ratepayers. With respect to the information at issue in this Request, PEF has kept confidential the number of megawatts for each purchase or sale. In combination with other non-confidential cost data provided in the exhibit, this information could be used to determine the capacity charges for each contract. Disclosure of this information would enable wholesale providers to determine the prices of their competitors, which could result in greater price convergence in future negotiations. Suppliers would no longer need to make their best offers to ensure the competitiveness of their prices against the disclosed prices. Instead, suppliers could simply offer the highest prices that would allow them to maintain a marginally competitive position against the disclosed prices. 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, if the information at issue was disclosed to PEF's competitors, PEF's efforts to obtain competitive energy supply that provides 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.

7. Upon receipt of confidential information from contracting counterparties, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the 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 information in question has the Company publicly disclosed that information. The Company has treated and continues to treat the information at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 27 day of August, 2008.

Marcia Olivier  
(Signature)  
Marcia Olivier  
Supervisor  
Regulatory Planning Strategy  
Progress Energy Service Company, LLC.  
299 First Avenue North  
St. Petersburg, FL 33701

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 27<sup>th</sup> day of August, 2008 by Marcia Olivier. She is personally known to me, or has produced her \_\_\_\_\_ driver's license, or her \_\_\_\_\_ as identification.

Sandra Cope  
(Signature)

Sandra Cope  
(Printed Name)

(AFFIX NOTARIAL SEAL)

NOTARY PUBLIC, STATE OF FL

3/8/10  
(Commission Expiration Date)

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