

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

COMMISSION
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IN RE: NUCLEAR POWER PLANT COST
RECOVERY CLAUSE

Docket No. 100009-EI
Submitted for Filing: April 22, 2010

**PROGRESS ENERGY FLORIDA'S SECOND REQUEST FOR CONFIDENTIAL
CLASSIFICATION REGARDING THE RESPONSE TO CITIZENS' FIRST REQUEST
FOR PRODUCTION (NOS. 1-43) AND CITIZENS' FIRST SET OF
INTERROGATORIES (NOS. 1-7)**

Progress Energy Florida, Inc. ("PEF" or the "Company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006(3), Florida Administrative Code, requests confidential classification of portions of the responses to Citizens' First Request for Production of Documents (Nos. 1-43), specifically numbers 1, 3, 6, 7, 8, 9, 11, 12, 13, 15, 16, 17, 18, 20, 22, 24, 25, 27, 28, 29, 31, 32, 34, 35, 37, 38, 40, 41, 42 and 43, and Citizens' First Set of Interrogatories (Nos. 1-7), specifically numbers 6 and 7. The information contained in these responses contains proprietary and confidential business information which the Company does not disclose to the public, including internal audit controls and reports, contractual data the disclosure of which would impair PEF's ability to contract for necessary goods and services and in many cases would violate contractual confidentiality clauses (including information that PEF and its contractual partners consider to be trade secrets), and other sensitive business information the disclosure of which would harm the Company's competitive business interests.

With respect to the confidential information contained in the response to Citizens'

COM ___ discovery requests, PEF filed its Notice of Intent to Request Confidential Classification on April

APA ___

ECR 5+5 CDs 6, 2010. Pursuant to Rule 25-22.006(3), Florida Administrative Code, this request is timely.

GCL 1+2 CDs

PEF hereby submits the following in support of its confidentiality request.

RAD ___

SSC ___

ADM ___

OPC ___

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BASIS FOR CONFIDENTIAL CLASSIFICATION

Section 366.093(1), Florida Statutes, provides that “any records received by the Commission which are shown and found by the Commission to be proprietary confidential business information shall be kept confidential and shall be exempt from [the Public Records Act].” § 366.093(1), Fla. Stat. Proprietary confidential business information means information that is (i) intended to be and is treated as private confidential information by the Company, (ii) because disclosure of the information would cause harm, (iii) either to the Company’s ratepayers or the Company’s business operation, and (iv) the information has not been voluntarily disclosed to the public. § 366.093(3), Fla. Stat. Specifically, “information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms” is defined as proprietary confidential business information. § 366.093(3)(d), Fla. Stat. Additionally, section 366.093(3)(e) defines “information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information,” as proprietary confidential business information.

The responsive information to Citizens’ requests numbers 1, 3, 6, 7, 8, 9, 11, 12, 13, 15, 16, 17, 18, 20, 22, 24, 25, 27, 28, 29, 31, 32, 34, 35, 37, 38, 40, 41, 42 and 43 and Citizens’ First Set of Interrogatories (Nos. 1-7), specifically numbers 6 and 7, as explained below and in the supporting affidavits of John Elnitsky, ¶4 and Sue Hardison, ¶4, contains confidential competitive business information, including information concerning contractual data, the disclosure of which would impair PEF’s efforts to contract for goods and services on favorable terms.

Specifically, the documents and information sought contain and include proprietary and confidential information that would impair PEF's competitive business interests if publicly disclosed, as well as information concerning bids or other contractual data the disclosure of which would impair the Company's ability to contract on favorable terms and, in many cases, the information is trade secret and would violate contractual confidentiality provisions. The release of this information would adversely impact PEF's competitive business interests if disclosed to the public. If other parties were made aware of confidential contractual terms and arrangements that PEF has with other parties, including the pricing arrangements, they may offer PEF less competitive contractual terms in future contractual negotiations. See Affidavit of Elnitsky, ¶ 5-6, Hardison, ¶ 5-6. The disclosure of these confidential contractual terms would be a violation of contractual confidentiality provisions entered by PEF and the other contractual parties. See Affidavit of Hardison, ¶ 4, Elnitsky, ¶ 4. In addition, many of these documents contain information that PEF and its contractual partners consider to be trade secrets. Release of this information would seriously harm the competitive interests of PEF's contractual partners as well as PEF's ability to contract with such entities, thereby harming PEF's competitive position and the Company's ratepayers. See Affidavit of Elnitsky, ¶¶ 4, 6. Accordingly, these documents should be afforded confidential treatment pursuant to section 366.093(3)(a) & (d), Florida Statutes.

Further, the information requested also contains internal auditing reports and controls, the disclosure of which would impair the Company's ability to successfully perform internal audits by inhibiting full and candid disclosure to internal auditors. See Affidavit of Raymond Phillips, ¶ 4. This information meets the definition of proprietary confidential business information pursuant to Section 366.093(3)(b), Florida Statutes.

PEF has kept confidential and has not publicly disclosed the confidential information and documents at issue here. See Affidavits of Elnitsky ¶¶ 6, 7 and Hardison, ¶¶ 6, 7. Absent such measures, PEF would run the risk that sensitive business information regarding what it is willing to pay for certain goods and services, as well as what the Company is willing to accept as payment for certain goods and/or services, would be made to available to the public and, as a result, other potential suppliers, vendors, and/or purchasers of such services could change their position in future negotiations with PEF. Without PEF's measures to maintain the confidentiality of sensitive information in these documents, the Company's efforts to obtain competitive contracts and to obtain competitively priced goods and services would be undermined. In addition, by the terms of the contracts governing the information produced in response to these requests, all parties, including PEF, have agreed to protect the proprietary and confidential information from public disclosure. See id.

Upon receipt of this confidential information, strict procedures are established and followed to maintain the confidentiality of the information provided, including restricting access to those persons who need the information to assist the Company. Id. 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. Id.

CONCLUSION

The competitive, confidential information at issue in this request fits the statutory definition of proprietary confidential business information under Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, and that information should be afforded confidential classification. In support of this motion, PEF has enclosed the following:

(1) A separate, sealed envelope containing a hardcopy of the confidential Attachment A to PEF's Second Request for Confidential Classification for which PEF has requested confidential classification with the appropriate section, pages, or lines containing the confidential information highlighted. **This information should be accorded confidential treatment pending a decision on PEF's request by the Florida Public Service Commission;**

(2) Two copies of the documents with the information for which PEF has requested confidential classification redacted by section, page or lines, where appropriate, as Attachment B; and,

(3) A justification matrix supporting PEF's Request for Confidential Classification of the highlighted information contained in confidential Attachment A, as Attachment C.

WHEREFORE, PEF respectfully requests that the redacted portions of the Company's responses to Citizens' First Request for Production of Documents (Nos. 1-43), specifically numbers 1, 3, 6, 7, 8, 9, 11, 12, 13, 15, 16, 17, 18, 20, 22, 24, 25, 27, 28, 29, 31, 32, 34, 35, 37, 38, 40, 41, 42 and 43 and Citizens' First Set of Interrogatories (Nos. 1-7), specifically numbers 6 and 7, be classified as confidential for the reasons set forth above.

Respectfully submitted,

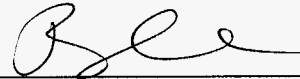


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CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished to counsel and parties of record as indicated below via electronic and U.S. Mail this 22nd day of April, 2010.



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Public Service Commission

ACKNOWLEDGEMENT

DATE: April 22, 2010

TO: James Michael Walls

FROM: Diamond Williams, Office of Commission Clerk

RE: Acknowledgement of Receipt of Confidential Filing

This will acknowledge receipt of a CONFIDENTIAL DOCUMENT filed in Docket Number 100009-EI or, if filed in an undocketed matter, concerning Response to Citizen's First Request For Production (Nos. 1-43) and Citizens' First set of Interrogatories (Nos. 1-7), and filed on behalf of Progress Energy Florida. The document will be maintained in locked storage.

If you have any questions regarding this document, please contact Kim Peña, Records Management Assistant, at (850) 413-6393.

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