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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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IN RE: NUCLEAR POWER PLANT COST
RECOVERY CLAUSE

Docket No. 100009-EI COMMISSION
Submitted for Filing: August 16, 2010 CLERK

**NOTICE OF FILING AFFIDAVITS IN SUPPORT OF
PEF'S REVISED THIRTEENTH REQUEST FOR CONFIDENTIAL CLASSIFICATION
REGARDING AUDIT REPORT NO. PA 10-01-001**

Notice is hereby given, through the undersigned counsel, on behalf of Progress Energy Florida, Inc. ("PEF") of filing the affidavits of Sue Hardison and Raymond Phillips in support of Progress Energy Florida's Revised Thirteenth Request for Confidential Classification Regarding Audit Report No. PA 10-01-001.

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 16th day of August, 2010.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Power Plant Cost
Recovery Clause

Docket No. 100009-EI
Submitting for filing: August 16, 2010

**AFFIDAVIT OF SUE HARDISON IN SUPPORT OF PROGRESS ENERGY FLORIDA'S
REVISED THIRTEENTH REQUEST FOR CONFIDENTIAL CLASSIFICATION
REGARDING AUDIT REPORT NO. PA 10-01-001**

STATE OF NORTH CAROLINA

COUNTY OF WAKE

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

1. My name is Sue Hardison. I am over the age of 18 years 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 Revised Request for Confidential Classification regarding Audit Report No. PA 10-01-001 (the "Revised Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. As General Manager - Corporate Development Group Business Services, I am responsible for financial services for the major projects managed by the Corporate Development and Improvement Group, including budgeting, capital planning and cost management. I am also responsible for project controls and contract administration for the major projects managed by the Corporate Development and Improvement Group.

3. PEF is seeking confidential classification of portions of the final audit report of the Florida Public Service Commission Staff ("Staff") Auditors, *Audit Control No. PA 10-01-001* (the "Audit Report"). A detailed description of the confidential information at issue is contained

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in confidential Attachment A to PEF's Revised Request and is outlined in PEF's Justification Matrix that is attached to the Revised Request as Attachment C. PEF is requesting confidential classification of portions of the Audit Report because it contains confidential contractual information, the disclosure of which would impair PEF's competitive business interests and violate PEF's confidentiality agreements with third parties, and other competitively sensitive information the disclosure of which would impair the Company's competitive business interests.

4. The Company is requesting confidential classification of this information because the Audit Report contains confidential contractual data, including specific pricing agreements and other confidential contractual terms and conditions, the release of which would impair PEF's competitive business interests, and would further be a violation of PEF's contractual confidentiality agreements. Specifically, many of the pricing terms and other contractual terms described in the Audit Report are taken directly from PEF's Engineering, Procurement and Construction Agreement and Amendments ("EPC Agreement") with Westinghouse Electric Company, Shaw, Stone & Webster (collectively, the "Consortium"). The EPC Agreement contains sensitive, proprietary and confidential contractual terms and conditions for nuclear goods and services that if publicly disclosed would impact both PEF's and the Consortium's ability to contract on favorable terms in the future and which would violate confidentiality provisions of the EPC Agreement. In fact, the EPC Agreement contains information which PEF and the Consortium consider to be trade secrets. Accordingly, the contractual terms and conditions PEF has marked confidential in the Audit Report should be granted confidential treatment by the Commission.

5. Upon receipt of all this confidential information, 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. At no time since negotiating and receiving the contracts and performing the analyses in question has the Company publicly disclosed the information or the terms of the contracts at issue. The Company has treated and continues to treat the information at issue as confidential.

6. This concludes my affidavit.

Further affiant sayeth not.

Dated this 16 day of August, 2010.

Sue Hardison

(Signature)

Sue Hardison

General Manager – Corporate Development Group
Business Services

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 16th day of August, 2010 by Sue Hardison. She is personally known to me, or has produced her _____ driver's license, or her _____ as identification.

Betsy Whaley Cox, Notary Public
Wake County, North Carolina
My Commission Expires 12/21/2011

(AFFIX NOTARIAL SEAL)

Betsy Whaley Cox

(Signature)

Betsy Whaley Cox

(Printed Name)

NOTARY PUBLIC, STATE OF NC

12/21/2011

(Commission Expiration Date)

N/A

(Serial Number, If Any)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause

Docket No: 100009-E1
Submitted for Filing: July 12, 2010

**AFFIDAVIT OF RAYMOND PHILLIPS IN SUPPORT OF PROGRESS ENERGY
FLORIDA'S THIRTEENTH REQUEST FOR CONFIDENTIAL CLASSIFICATION
REGARDING AUDIT REPORT NO. PA 10-01-001**

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Raymond Phillips. 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 regarding Audit Report No. PA-10-01-001 (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. I am an Audit Manager for Progress Energy, Inc. ("PGN"). This department manages internal audits on various projects. Within the PGN internal audit department, I am the Audit Manager primarily responsible for audits of PEF. As the Florida Audit Manager, I am responsible for the completion of internal audits scheduled for PEF projects. I also have knowledge as to PEF's internal auditing controls and how PGN carries out the process of conducting internal audits.

3. PEF is seeking confidential classification of portions of the final audit report of the Florida Public Service Commission Staff ("Staff") Auditors, *Audit Control No. PA 10-01-001* (the "Audit Report"). A detailed description of the confidential information at issue is contained in confidential Attachment A to PEF's Request and is outlined in PEF's Justification Matrix that is attached to the Request as Attachment C. PEF is requesting confidential classification of portions of the Audit Report because it contains confidential contractual information, the disclosure of which would impair PEF's competitive business interests and violate PEF's confidentiality agreements with third parties, information gleaned from internal audit controls and reports, and other information the disclosure of which would impair the Company's competitive business interests.

4. Specifically, the Audit Report contains internal audit information, reports, and workpapers information that resulted from the internal audit of the Company's various projects. PEF is requesting confidential classification of the information in these reports and workpapers because public disclosure of the information in question would compromise PEF's ability to effectively audit the Company's major projects. If the Company were to know that its internal auditing controls and process were subject to public disclosure, it would compromise the level of cooperation needed with auditors to efficiently conduct audits. In addition, such information and documents are specifically defined by Section 366.093(3)(b) as proprietary confidential business information that is entitled to confidential status.

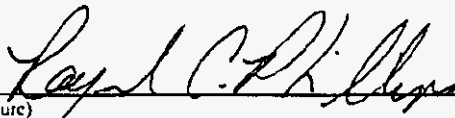
5. Upon receipt of this confidential information, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality of the documents and information provided, including restricting access to those persons who need the information to assist the Company,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

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.

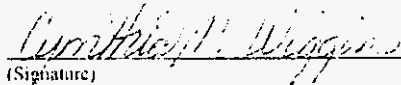
6. This concludes my affidavit.

Further affiant sayeth not.

Dated the 8 day of July, 2010.


(Signature)
Raymond Phillips
Progress Energy Services Company, LLC

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 8th day of July, 2010, by Raymond Phillips. He is personally known to me, or has produced his FLORIDA driver's license, or his _____ as identification.


(Signature)

CYNTHIA T. WIGGINS
(Printed Name)

NOTARY PUBLIC, STATE OF NC

OCTOBER 1 2010
(Commission Expiration Date)

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)

