

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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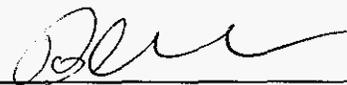
IN RE: NUCLEAR POWER PLANT COST
RECOVERY CLAUSE

Docket No. 100009-EI
Submitted for Filing: August 18, 2010

**NOTICE OF FILING AFFIDAVIT IN SUPPORT OF
PEF'S TWENTY-SECOND REQUEST FOR CONFIDENTIAL CLASSIFICATION
REGARDING PEF RESPONSES TO OPC'S FIFTH REQUEST FOR PRODUCTION OF
DOCUMENTS AND FIFTH SET OF INTERROGATORIES**

Notice is hereby given, through the undersigned counsel, on behalf of Progress Energy Florida, Inc. ("PEF") of filing the affidavit of Jon Franke in support of Progress Energy Florida's Twenty-Second Request for Confidential Classification regarding PEF's responses to OPC's Fifth Request for Production of Documents (Nos. 80-81) and Fifth Set of Interrogatories (Nos. 90-93).

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 18th 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
Submitted for Filing: August __, 2010

**AFFIDAVIT OF JON FRANKE IN SUPPORT OF PROGRESS ENERGY FLORIDA'S
TWENTY-SECOND REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF FLORIDA

COUNTY OF CITRUS

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

1. My name is Jon Franke. 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 "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. I serve as the Vice President – Crystal River Nuclear Plant. As such, I am responsible for the safe operation of the nuclear generating station. Additionally, I have indirect responsibilities in oversight of major project activities at the station including the Crystal River 3 ("CR3") nuclear plant power uprate project ("CR3 Uprate"). Through my management team I have about 490 employees that perform the daily work required to operate the station and provide engineering training and support to the station.

3. PEF is seeking confidential classification of the confidential documents produced in response to the Office of Public Counsel's ("OPC") Fifth Request for Production of Documents (Nos. 80-81), specifically number 80, as well as portions of PEF's Responses to OPC's Fifth Set of Interrogatories (Nos. 90-93), specifically number 93. 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 responsive information 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 it contains proprietary confidential business information related to the costs of the CR3 Uprate Project, including the License Amendment Request ("LAR"). These costs are incurred, in whole or in part, pursuant to PEF's contracts with third parties. These contracts contain confidentiality provisions forbidding the release of contractual terms, including pricing provisions. The disclosure of this information would harm PEF's competitive business interests by impeding the Company's ability to obtain such contracts, and would further violate the aforementioned confidentiality agreements.

5. These documents and responses contain information related to work authorization contractual amendments and other contractual data that is subject to confidentiality agreements between PEF and the other contracting parties. PEF negotiates each of its contracts to obtain the most competitive terms available to benefit PEF and its ratepayers. In order to successfully obtain such contracts, however, PEF must be able to assure the other parties to the contracts that the sensitive business information contained therein, such as quantity and pricing terms, will remain confidential. PEF considers this information confidential and proprietary and continues to take steps to protect against its public disclosure, including limiting the personnel who have access to this information. If such information was disclosed to PEF's competitors and/or other

potential suppliers, PEF's efforts to obtain competitive nuclear equipment and service options that provide economic value to both the Company and its customers could be compromised by the Company's competitors and/or suppliers changing their offers, consumption, or purchasing behavior within the relevant markets. If other third parties were made aware of confidential contractual terms that PEF has with other parties, they may offer less competitive contractual terms in future contractual negotiations. Without the Company's measures to maintain the confidentiality of sensitive terms in contracts with these nuclear contractors, the Company's efforts to obtain competitive contracts could be undermined to the detriment of PEF and its ratepayers.

6. Upon receipt of this confidential information, as with all confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided therein. Such procedures include, but are not limited to, restricting access to the documents and information to only those persons who require it to assist the Company. At no time since developing or entering the contracts in question has PEF publicly disclosed the contracts' confidential terms; PEF has treated and continues to treat the information contained in the subject report as confidential.

7. This concludes my affidavit.

Further affiant sayeth not.

Dated this 16 day of August, 2010.



(Signature)

Jon Franke
Vice President -
Crystal River Nuclear Plant
15760 W. Powerline St.
Crystal River, Florida 34428

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 16 day of August, 2010 by Jon Franke. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.



(Signature)
Carolyn E Portmann

(Printed Name)
NOTARY PUBLIC, STATE OF Florida

(AFFIX NOTARIAL SEAL)

3-1-14
(Commission Expiration Date)



DD937553
(Serial Number, If Any)