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

Docket No. 100001-EI

COMMISSION CLERK

Dated: January 5, 2011

PROGRESS ENERGY FLORIDA INC.'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida, Inc., ("PEF" or "Company"), pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), submits this Request for Confidential Classification for certain information provided in its Responses to Staff Data Request No. 3 dated December 17, 2010. In support of this Request, PEF states:

1. Pef's Responses to Staff Data Request No. 3 contains "proprietary business information" under Section 366.093(3), Florida Statutes.
2. The following exhibits are included with this request:
 - (a) Sealed Composite Exhibit A is a package containing an unredacted copy of all the documents for which PEF seeks confidential treatment. Composite Exhibit A is being submitted separately in a sealed envelope labeled "CONFIDENTIAL." In the unredacted version, the information asserted to be confidential is highlighted in yellow.
 - (b) Composite Exhibit B is a package containing two copies of redacted versions of the documents for which the Company requests confidential classification. The specific

information for which confidential treatment is requested has been blocked out by opaque marker or other means.

COM _____
 APA _____
 ECR _____
 GCL _____
 RAD _____
 SSC _____
 ADM _____
 OPC _____
 CLK _____

_____ claim of confidentiality
 _____ notice of intent
 ✓ request for confidentiality
 _____ filed by OPC

For DN 00072-11, which is in locked storage. You must be authorized to view this DN.-CLK

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(c) Exhibit C is a table which identifies by page and line the information for which PEF seeks confidential classification and the specific statutory bases for seeking confidential treatment.

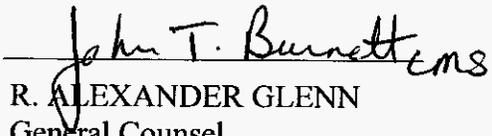
3. As indicated in Exhibit C, the information for which PEF requests confidential classification is “proprietary confidential business information” within the meaning of Section 366.093(3), F.S. Specifically, the information at issue relates to hedging savings/costs, the disclosure of which would impair the efforts of the Company or its affiliates to negotiate fuel supply contracts on favorable terms. *See* § 366.093(3)(d), F.S.; Affidavit of Joseph McCallister at ¶ 5. Furthermore, the information at issue relates to the competitive interests of PEF and its fuel suppliers, the disclosure of which would impair their competitive businesses. *Id.* § 366.093(3)(e); Affidavit of Joseph McCallister at ¶ 6. Accordingly, such information constitutes “proprietary confidential business information” which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), F.S.

4. The information identified as Exhibit “A” is intended to be and is treated as confidential by the Company. *See* Affidavit of Joseph McCallister at ¶ 7. The information has not been disclosed to the public, and the Company has treated and continues to treat the information and contracts at issue as confidential. *See* Affidavit of Joseph McCallister at ¶ 7.

5. PEF requests that the information identified in Exhibit A be classified as “proprietary confidential business information” within the meaning of section 366.093(3), F.S., that the information remain confidential for a period of at least 18 months as provided in section 366.093(4) F.S., and that the information be returned as soon as it is no longer necessary for the Commission to conduct its business.

WHEREFORE, for the foregoing reasons, PEF respectfully requests that this Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 5th day of January, 2011.

Handwritten signature of John T. Burnett in black ink, written over a horizontal line.

R. ALEXANDER GLENN
General Counsel

JOHN T. BURNETT

Associate General Counsel

Progress Energy Service Company, LLC

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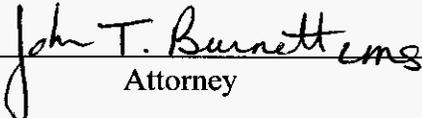
Email: john.burnett@pgnmail.com

Attorneys for

PROGRESS ENERGY FLORIDA, INC.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 5th day of January, 2011.



Attorney

<p>Erik Saylor, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 esaylor@psc.state.fl.us</p> <p>James D. Beasley, Esq. Ausley & McMullen Law Firm P.O. Box 391 Tallahassee, FL 32302 jbeasley@ausley.com</p> <p>John T. Butler, Esq. Florida Power & Light Co. 700 Universe Boulevard Juno Beach, FL 33408 John_butler@fpl.com</p> <p>Mr. R. Wade Litchfield Florida Power & Light 215 S. Monroe Street, Ste. 810 Tallahassee, FL 32301-1859 Wade_litchfield@fpl.com</p> <p>Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steven R. Griffin Beggs & Lane Law Firm P.O. Box 12950 Pensacola, FL 32591 jas@beggslane.com rab@beggslane.com srg@beggslane.com</p> <p>Ms. Paula K. Brown Tampa Electric Company P.O. Box 111 Tampa, FL 33601 regdept@tecoenergy.com</p>	<p>Florida Industrial Power Users Group c/o John McWhirter, Jr. McWhirter Reeves Law Firm 400 N. Tampa Street, Ste. 2450 Tampa, FL 33602 jmcwhirter@mac-law.com</p> <p>Beth Keating Gunster, Yoakley & Stewart, P.A. 215 S. Monroe St., Ste 618 Tallahassee, FL 32301 bkeating@gunster.com</p> <p>J.R.Kelly/Charles Rehwinkel/Charlie Beck Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, #812 Tallahassee, FL 32399 Kelly.jr@leg.state.fl.us Rehwinkel.charles@leg.state.fl.us Beck.charles@leg.state.fl.us</p> <p>George Bachman Florida Public Utilities Company P.O. Box 3395 West Palm Beach, FL 33402-3395 gbachman@chpk.com</p> <p>Mr. James W. Brew, Esq. c/o Brickfield Law Firm 1025 Thomas Jefferson St., NW 8th Floor, West Tower Washington, DC 20007 jbrew@bbrslaw.com</p> <p>Keefe Law Firm Vicki Gordon Kaufman/Jon C. Moyle, Jr. 118 North Gadsden Street Tallahassee, FL 32301 vkaufman@kagmlaw.com jmoyle@kagmlaw.com</p>
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Exhibit B

REDACTED

DOCUMENT NUMBER DATE

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**PROGRESS ENERGY FLORIDA, INC.'S RESPONSES TO STAFF'S DATA REQUEST NO. 3
DOCKET No. 100001-EI**

Q1. Please fill in the tables below for the Company's hedging results (realized gains / losses) in dollars for the years 2003 through 2010 for Natural Gas, No. 6 Oil, and No. 2 Oil.

Year	Natural Gas, No. 6 Oil, and No. 2 Oil Realized Gains / Losses on hedges		
	Financial Hedges	Physical Hedges	Total Hedged
2003			\$18,542,952
2004			\$50,309,712
2005			\$192,059,066
2006			\$118,999,150
2007			(\$15,074,486)
2008			\$239,767,495
2009			(\$583,595,032)
2010	*		(\$282,901,808) *

*Note: The data above for 2010 is based on actual natural gas settlements for the period of January through December 2010, actual settlements for PEF plant No. 6 and No. 2 fuel oil for January through November 2010, and actual settlements for coal barge and rail transportation fuel oil hedges for January through November 2010. The above totals for 2010 do not include any December 2010 settlements for PEF plant No. 6 and No. 2 fuel oil, or any coal barge and rail transportation fuel oil hedges that have not yet settled. Final settlements for these December 2010 hedges will be available by mid January 2011. The net settlements for these outstanding December 2010 hedges will not have a material effect on the totals for 2010.

Q2. Please fill in the tables below for the Company's hedging results (realized gains / losses) in dollars for the years 2003 through 2010 for Natural Gas.

Year	Natural Gas Realized Gains / Losses on hedges		
	Financial Hedges	Physical Hedges	Total Hedged
2003			\$19,772,126
2004			\$51,068,145
2005			\$121,672,401
2006			\$62,066,818
2007			(\$34,399,955)
2008			\$120,203,994
2009			(\$556,627,599)
2010			(\$285,895,813)

**PROGRESS ENERGY FLORIDA
Confidentiality Justification Matrix**

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
PEF Responses to Staff Data Request No. 3	<p>Q1 Response: Financial & Physical hedging savings/costs per year for 2003-2010.</p> <p>Q2 Response: Financial & Physical hedging savings/costs per year for 2003-2010.</p>	<p>§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>

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State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

John T. Burnett
P.O. Box 14042
St. Petersburg FL 33733

Re: Acknowledgement of Confidential Filing in Docket No. 100001-EI

This will acknowledge receipt by the Florida Public Service Commission, Office of Commission Clerk, of a CONFIDENTIAL DOCUMENT filed on January 5, 2011, in the above-referenced docket.

Document Number 00072-11 has been assigned to this filing, which 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.