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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

11 JUN 16 PM 2: 23

IN RE: NUCLEAR POWER PLANT COST RECOVERY CLAUSE

110009-E1 COMMISSION CLERK
Docket No. 090009-EI
Submitted for Filing: June 16, 2011

PROGRESS ENERGY FLORIDA'S REQUEST FOR EXTENSION OF CONFIDENTIAL CLASSIFICATION REGARDING THE REVIEW OF PROGRESS ENERGY FLORIDA'S PROJECT MANAGEMENT INTERNAL CONTROLS FOR NUCLEAR PLANT UPRATE AND CONSTRUCTION PROJECTS DRAFT REPORT

Progress Energy Florida, Inc. ("PEF" or the "Company"), pursuant to Section 366.093(4), Florida Statutes, and Rule 25-22.006(9)(a), Florida Administrative Code, requests an extension of the confidential classification of portions of the Commission's Auditor's Review of PEF's Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects Draft Report, dated July, 2009 (the "Report"), Document No. 07587-09. The Commission granted PEF's request for confidential classification of portions of the Report in Order No. PSC-09-0830-CFO-EI, dated December 16, 2009, therefore, this request is timely. The information contained in the Report was granted confidential classification because it contains proprietary and confidential business information which the Company does not disclose to the public, including contractual data, internal audit reports, and other confidential competitive business information, the disclosure of which would harm the Company's competitive business interests and in many cases would violate contractual confidentiality clauses. The Company continues to treat the information contained in the Report as confidential and does not disclose it to the

public. Pursuant to section 366.093(3), Florida Statutes, this information is proprietary confidential business information.

In support of this Request, PEF states as follows:

- COM
- APA
- ECR**
- GCL
- RAD
- SSC
- ADM
- OPC
- CLK

- claim of confidentiality
- notice of intent
- request for confidentiality **TEXT**
- filed by OPC

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For DN 07587-09, which is in locked storage. You must be authorized to view this DN.-CLK

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FPSC-COMMISSION CLERK

1. The Report at issue, as explained in the Company's Eleventh Request for Confidential Classification filed with the Commission on July 24, 2009, document number 07586-09, hereby incorporated with all exhibits by reference, contains proprietary confidential business information. Also included in support of this Request are the affidavits of Sue Hardison and Jon Franke.

2. The Company continues to treat the information contained in the Report as confidential and does not disclose it to the public, its competitors, or those employees within the Company who do not need the information to perform their duties for the Company. See Affidavits of Hardison ¶ 4 & Franke, ¶ 4. Public disclosure of the confidential portions of the Report would harm the Company's competitive interests and in many cases would violate contractual confidentiality clauses. Specifically, this information includes information regarding the contractual agreements necessary for the success of the Levy Nuclear Project ("LNP") and the Crystal River Unit 3 Uprate Project ("CR3 Uprate"), the release of which would in many cases violate those contracts' confidentiality provisions. See Hardison, ¶ 3; Franke, ¶ 3. As the Report itself states, "A large volume of information was collected and analyzed by staff", including "contract request for proposals," "contractor bids," "bid evaluation analyses," "contracts," "project scope analysis studies by PEF and consultants," and "internal audit reports." The release of this information would adversely impact PEF's competitive business interests if disclosed to the public. See Hardison at ¶¶ 2-3; Franke ¶¶ 2-3.

3. In Order No. PSC-09-0830-CFO-EI the Commission found that the Report contains proprietary confidential business information exempt from disclosure under the public records law pursuant to section 366.093(1) and (3), Florida Statutes.. Thus, the Commission is

not required to engage in any further analysis or review such as weighing the potential harm to the Company of disclosure of this information.

4. PEF has kept confidential and has not publicly disclosed the confidential information at issue here. See Hardison, ¶ 4; Franke, ¶ 4. 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. See Hardison, ¶4; Franke, ¶4. Without PEF's measures to maintain the confidentiality of this sensitive information, the Company's efforts to obtain competitive contracts and to obtain competitively priced goods and services would be undermined. See Hardison, ¶¶ 3-4; Franke, ¶¶ 3-4.

5. 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. See Hardison, ¶ 4; Franke, ¶ 4. 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. See Hardison, ¶ 4; Franke, ¶ 4. Nothing has changed since Order No. PSC-09-0830-CFO-EI to render this information stale or public, such that continued confidential treatment would no longer be appropriate. See Hardison, ¶ 4; Franke, ¶ 4.

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, as the Commission found in Order No. PSC-09-0830-CFO-EI. As discussed herein, the Company continues to treat this information as confidential and has taken all necessary steps to protect it from public disclosure. Therefore, the Commission should extend the confidential treatment of this information.

WHEREFORE, PEF respectfully requests that the redacted portions of the Report, document number 07587-09 determined by the Commission to be confidential and exempt from public disclosure in Order No. PSC-09-0830-CFO-EI, continue to be classified as confidential and exempt from public disclosure for the reasons set forth above.

Respectfully submitted,



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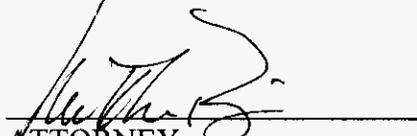
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CERTIFICATE OF SERVICE

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 June, 2011.


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