

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No.: Undocketed

Dated: April 30, 2012

**AFFIDAVIT OF LORI CROSS IN SUPPORT OF PROGRESS ENERGY FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION**

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STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Lori Cross. 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 facts attested to in my affidavit are based upon my personal knowledge.

2. I am the Manager of Regulatory Planning for Progress Energy Florida.

3. As the Manager of Regulatory Planning, I am responsible, along with the other members of the section, for the regulatory strategy, compliance and planning functions of the Florida electric utility.

4. PEF is seeking confidential classification for certain cost information contained in its 2011 Diversification Report submitted to the Florida Public Service

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Commission on April 30, 2012. A detailed description of the confidential information at issue is contained in confidential Exhibit A to PEF's Request for Confidential Classification and is outlined in PEF's Justification Matrix that is attached to PEF's Request for Confidential Classification as Exhibit C. PEF is requesting confidential classification of this information because it contains sensitive business information, the disclosure of which would impair the Company's efforts to contract for goods or services on favorable terms.

5. PEF contracts with outside suppliers to obtain competitive contracts for construction options that provide economic value to PEF and its ratepayers. In order to obtain such contracts, however, PEF must be able to assure outside suppliers that sensitive business information, such as certain cost information, will be kept confidential pursuant to contractual agreement. With respect to the information at issue in this Request, PEF has kept confidential and has not publicly disclosed confidential information pertaining to budgeted and in-service costs associated with the Levy Nuclear Plant. Absent such measures, suppliers would run the risk that sensitive business information that they provided in their contracts with PEF would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, persons or companies who otherwise would contract with PEF might decide not to do so if PEF did not keep specific information confidential. Without PEF's measures to maintain the confidentiality of sensitive terms in contracts between PEF and outside suppliers, the Company's efforts to obtain competitive contracts could be undermined.

6. Additionally, the disclosure of confidential information pursuant to contractual agreements, could adversely impact PEF's competitive business interests. If

such information was disclosed to PEF's competitors, PEF's efforts to obtain competitive options that provide economic value to both PEF and its ratepayers could be compromised by PEF's competitors changing their behavior within the relevant markets.

7. Upon receipt of confidential information from outside suppliers, 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, and restricting the number of, and access to the information. At no time since receiving the contract information in question has the Company publicly disclosed that information. The Company has treated and continues to treat the information and contracts at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 27<sup>th</sup> day of April, 2012.

*Lori Cross*

(Signature)

Lori Cross  
Manager – Regulatory Planning  
Corporate Planning Department  
Progress Energy Florida, Inc.  
Post Office Box 14042  
St. Petersburg, FL 33733

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 27<sup>th</sup> day of April, 2012 by Lori Cross. She is personally known to me, or has produced her \_\_\_\_\_ driver's license, or her \_\_\_\_\_ as identification.

*Sandra L Brice*

(Signature)

*Sandra L Brice*

(Printed Name)

NOTARY PUBLIC, STATE OF \_\_\_\_\_

(AFFIX NOTARIAL SEAL)

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(Commission Expiration Date)

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