

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 130001-14

Dated: March 1, 2013

COMMISSION CLERK

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AFFIDAVIT OF THOMAS G. FOSTER IN SUPPORT OF PROGRESS ENERGY FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Thomas G. Foster. 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 Retail Riders and Rate Cases within the Rates and Regulatory Strategy Department. This department is responsible for regulatory planning and cost recovery for PEF.

3. As the Manager of Retail Riders and Rate Cases, I am responsible, along with the other members of the section, for the production and review of the regulatory

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financial reports of PEF and analysis of state, federal and local regulations and their impact on PEF.

4. PEF is seeking confidential classification for a portion of Exhibit No. ___ (TGF-3T), specifically Schedule A12, to the direct testimony of Thomas G. Foster filed on March 1, 2013. 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 competitive confidential business information of capacity suppliers PEF contracts with.

5. PEF negotiates with potential capacity suppliers to obtain competitive contracts for capacity purchase options that provide economic value and system reliability to PEF and its ratepayers. In order to obtain such contracts, however, PEF must be able to assure capacity suppliers that sensitive business information, such as the MW purchased and contract terms, will be kept confidential. With respect to the information at issue in this Request, PEF has kept confidential and has not publicly disclosed confidential terms such as the MW purchased and contract terms. 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 those terms confidential. Without PEF's measures to maintain the

confidentiality of sensitive terms in contracts between PEF and capacity suppliers, the Company's efforts to obtain competitive capacity contracts could be undermined.

6. Additionally, the disclosure of confidential information in PEF's capacity purchases could adversely impact PEF's competitive business interests. If such information was disclosed to PEF's competitors, PEF's efforts to obtain competitive capacity purchase options that provide economic value to both PEF and its ratepayers could be compromised by PEF's competitors changing their consumption or purchasing behavior within the relevant markets.

7. Upon receipt of confidential information from capacity 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 and contracts. At no time since receiving the contracts and information in question has the Company publicly disclosed that information or contracts. 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 28 day of February, 2013.

Thomas G. Foster

(Signature)

Thomas G. Foster
Manager
Regulatory Strategy
Progress Energy Florida
Post Office Box 14042
St. Petersburg, FL 33733

28th THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of February, 2013 by Thomas G. Foster. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.

Suzanne H. Miller

(Signature)

SUZANNE H. MILLER

(Printed Name)

NOTARY PUBLIC, STATE OF FLORIDA

3/27/17

(Commission Expiration Date)

EE 854446

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)

