BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Progress Energy Florida for approval of Unit Power Sales Agreements for cost recovery purposes. Docket No. 041393-EI Filed: April 15, 2004

PROGRESS ENERGY FLORIDA'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(3), and (4), Florida Administrative Code, submits this Request For Confidential Classification of in the pre-filed direct testimony of Samuel S. Waters filed by PEF in this docket. In support of this Request, PEF states:

- 1. Contemporaneously with this Request, PEF is pre-filing the direct testimony of Samuel S. Waters in support of PEF's Petition for Approval of twoUnit Power Sales (UPS) agreements between PEF and Southern Company Services, Inc. ("Southern Company"). As explained below, Mr. Waters testimony contains information that is "proprietary business information" under Section 366.093(3), F.S.
 - 2. The following exhibits are included with this request:

(a) Composite Exhibit A is a package containing two copies of a redacted version of Mr. Waters' testimony. The specific information for which confidential treatment is requested has been blocked out by opaque marker or other means.

(b) Composite Exhibit B is a package containing an unredacted copy of Mr.
Waters' testimony. Composite Exhibit B is being submitted separately in a sealed envelope
labeled "CONFIDENTIAL." In the unredacted copy, the information asserted to be confidential
is highlighted in yellow.

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3. The pre-filed direct testimony of Samuel S. Waters contains "proprietary confidential business information" within the meaning of Section 366.093(3), F.S. Specifically, Page 5, Lines 13 and 14, and Page 13, Lines 5, 6, and 8 include contractual data, such as pricing and other contractual terms, negotiated between PEF and Southern Company. Disclosure of the information would place PEF at a competitive disadvantage when negotiating with other wholesale power suppliers and, therefore, would impair the Company's efforts to contract for energy and capacity on favorable terms. See § 366.093(3)(d), F.S. Disclosure of this information would provide potential wholesale power suppliers with knowledge of prices and other contractual terms that PEF has negotiated. This knowledge would give suppliers significant competitive advantage in future negotiations because they would no longer need to make their best offers to ensure the competitiveness of their rates and other contractual terms. Furthermore, without assurances that the confidential terms of contracts will not be publicly disclosed, potential suppliers may be unwilling to contract with PEF. In either case, PEF's efforts to contract for goods and services on favorable terms would be impaired by disclosure of the information. Furthermore, the information relates to the competitive interests of Progress Energy and Southern Company, the disclosure of which would impair their competitive businesses. Id. \S 366.093(3)(e). Accordingly, the information constitutes "proprietary confidential business information" which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), F.S. See Order No. PSC-04-1090-CFO-EI issued in Docket No. 040001-EI (Nov. 4, 2004) (granting confidentiality request concerning information related to UPS agreements between Florida Power & Light Company and Southern Company).

4. The information for which PEF seeks confidential classification is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public.

5. PEF requests that the information identified above 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, Progress Energy Florida, Inc., respectfully requests that its Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 2 day of April, 2005.

Gary V. Perko

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Attorneys for PROGRESS ENERGY FLORIDA, INC.

AFFIDAVIT

STATE OF NORTH CAROLINA)

COUNTY OF WAKE

The undersigned Samuel S. Waters, first being duly sworn, deposes and says:

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1. I am employed by Progress Energy Carolinas, Inc., Manager of Resource Planning for Progress Energy Florida, Inc., and Progress Energy Carolinas, Inc.

2. I have reviewed the above Request for Confidential Classification of Progress Energy Florida, Inc., and the facts stated in that Request are true and correct to the best of my knowledge, information and belief.

Samuel S. Waters

Sworn to and subscribed before me by Samuel S. Waterho:

(V) is personally known to me

() presented _____ Drivers License Number _____ as identification this 15^{\pm} day of April, 2005.



Notary Public Dowers