BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: NUCLEAR POWER PLANT COST

RECOVERY CLAUSE

Docket No. 090009-EI

Submitted for Filing: July 28, 2009

NOTICE OF FILING AFFIDAVIT OF RAYMOND PHILLIPS IN SUPPORT OF PEF'S TWELFTH REQUEST FOR CONFIDENTIAL CLASSIFICATION

Notice is hereby given, through the undersigned counsel, on behalf of Progress Energy Florida, Inc. of filing the Affidavit of RAYMOND PHILLIPS in support of Progress Energy Florida's Twelfth Request for Confidential Classification.

Respectfully submitted,

R. ALEXANDER GLENN

General Counsel

JOHN BURNETT

Associate General Counsel

PROGRESS ENERGY SERVICE

COMPANY, LLC

Post Office Box 14042

St. Petersburg, FL 33733-4042

Telephone:

(727) 820-5587

Facsimile:

(727) 820-5519

Florida Bar No. 0706242

DIANNE M. TRIPLETT

Florida Bar No. 0872431

MATTHEW R. BERNIER

Florida Bar No. 0059886

CARLTON FIELDS, P.A.

Post Office Box 3239

Tampa, FL 33601-3239

Telephone:

(813) 223-7000

Facsimile:

(813) 229-4133

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 28th day of July, 2009.

ATTORNEY

DOCUMENT NUMBER-DATE

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MR. PAUL LEWIS, JR.
Progress Energy Florida, Inc.
106 East College Avenue, Ste. 800
Tallahassee, FL 32301-7740
(850) 222-8738 / FAX: (850) 222-9768
Email: paul.lewisir@pgnmail.com

CHARLES REHWINKEL
Associate Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330

Email: rehwinkel.charles@leg.state.fl.us

KEINO YOUNG
LISA BENNETT
JENNIFER BRUBAKER
ANNA WILLIAMS
Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee 32399
(850) 413-6218 / FAX: (850) 413-6184
Email: kyoung@psc.state.fl.us

lbennett@psc.state.fl.us Jbrubake@psc.state.fl.us awilliams@psc.state.fl.us

VICKI GORDON KAUFMAN
JON C. MOYLE, JR.
118 North Gadsden Street
Tallahassee, FL 32301
(850) 681-3828 / FAX: (850) 681-8788
Email: vkaufman@kagmlaw.com
jmoyle@kgmlaw.com

HONORABLE CHARLES S. DEAN Senate Majority Whip 411 Tomkins Street Inverness, FL 34450 Phone: (352) 860-5175 JOHN W. MCWHIRTER
McWhirter Law Firm
400 North Tampa Street, Ste. 2450
Tampa, FL 33602
(813) 224-0866 / FAX: (813) 221-1854
Email: imcwhirter@mac-law.com

BRYAN S. ANDERSON
JESSICA CANO
Florida Power & Light
700 Universe Boulevard
Juno Beach, FL 33408-0420
(561) 691-7101 / FAX: (561) 691-7135
Email: bryan.anderson@fpl.com
Jessica.cano@fpl.com

JAMES W. BREW
F. ALVIN TAYLOR
Brickfield Burchette Ritts & Stone, PC
1025 Thomas Jefferson St NW
8th FL West Tower
Washington, DC 20007-5201
(202) 342-0800 / FAX: (202) 342-0807
Email: jbrew@bbrslaw.com
ataylor@bbrslaw.com

E. LEON JACOBS, JR.
Southern Alliance for Clean Energy, Inc. c/o Williams Law Firm
1720 S. Gadsden Street MS 14, Ste. 20
Tallahassee, FL 32301
(850) 222-1246 / FAX: (850) 599-9079
Email: Ljacobs50@comcast.net

RANDY B. MILLER
White Springs Agricultural Chemicals, Inc.
P.O. Box 300
White Springs, FL 32096
Email: RMiller@pcsphosphate.com

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GARY A. DAVIS
JAMES S. WHITLOCK
Gary A. Davis & Associates
P.O. Box 649
Hot Springs, NC 28743
(828) 622-0044
Email: gadavis@enviroattomey.com

jswhitlock@enviroattorney.com

HONORABLE MIKE FASANO 8217 Massachusetts Avenue New Port Richey, FL 34653 (727) 485-5885 / FAX: (727) 841-4453 CAPTAIN SHAYLA L. MCNEILL AFLOA/JACL-ULT AFCESA 139 Barnes Drive, Suite 1 Tyndall Air Force Base, FL 32403 (850) 283-6663 / FAX: (850) 283-6219 Email: shayla.mcneill@tyndall.af.mil

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: NUCLEAR POWER PLANT

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AFFIDAVIT OF RAYMOND PHILLIPS IN SUPPORT OF PROGRESS ENERGY FLORIDA'S TWELFTH REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF NORTH CAROLINA COUNTY OF WAKE

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

My name is Raymond Phillips. I am over the age of 18 years old and I have been 1. 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.

I am an Audit Manager for Progress Energy (PGN). This department manages 2. internal audits conducted by the Progress Energy on various projects. Within the PGN internal audit department, I am the Audit Manager primarily responsible for audits of Progress Energy Florida. As the Florida Audit Manager, I am responsible for the completion of internal audits scheduled for Company projects. I also have knowledge as to the Company's internal auditing controls and how PGN carries out the process of conducting internal audits.

PEF is seeking confidential classification of portions of the documents produced 3. to the Commission's Auditor for use in preparing the Review of PEF's Project Management

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Internal Controls for Nuclear Plant Uprate and Construction Projects Draft Report, dated July, 2009. A detailed description of the confidential information at issue is contained in confidential Attachment 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 Attachment C. PEF is requesting confidential classification of these documents because they contain internal audit reports and controls and other information related to the Company's competitive business interests, the disclosure of which would compromise PEF's competitive business interests.

- 4. Specifically, these documents include internal audit information reports and workpapers that resulted from the internal audit of the Company's various projects. PEF is requesting confidential classification of this information because public disclosure of the information in question would compromise PEF's ability to effectively audit the Company's major projects. If the Company were to know that its internal auditing controls and process were subject to public disclosure, it would compromise the level of cooperation needed with auditors to efficiently conduct audits. In addition, such information and documents are specifically defined by Section 366.093(3)(b) as proprietary confidential business information that is entitled to confidential status.
- 5. Upon receipt of this confidential information, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality 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 information in question has the Company publicly disclosed that

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information. The Company has treated and continues to treat the information at issue as confidential.

6. This concludes my affidavit.

Further affiant sayeth not.

Dated the 27 day of July, 2009.

Raymond Phillips

Progress Energy Services Company, LLC

(AFFINATIONAL SEAL)

(Signature)

Cynthia T. Wiggins

(Printed Name)

NOTARY PUBLIC, STATE OF NORTH LANGUAR

OCTOBER | 2010 (Commission Expiration Date)