IN RE: NUCLEAR POWER PLANT COST RECOVERY CLAUSE

Docket No. 120009-EI Submitted for Filing: July 31, 2012

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PROGRESS ENERGY FLORIDA, INC.'S NOTICE OF FILING

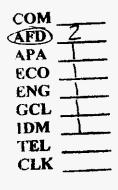
Progress Energy Florida, Inc. ("PEF"), hereby gives notice of filing the Affidavit of John

Elnitsky in Support of Progress Energy Florida's Seventh Request for Confidential

Classification.

Respectfully submitted,

R. Alexander Glenn State Regulatory General Counsel John Burnett Associate General Counsel II PROGRESS ENERGY FLORIDA, INC. Post Office Box 14042 St. Petersburg, FL 33733-4042 Telephone: (727) 820-5587 Facsimile: (727) 820-5519 James Michael Walls Florida Bar No. 0706242 Blaise N. Gamba Florida Bar No. 0027942 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



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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 <u>31th</u> day of July, 2012.

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Charles Rehwinkel

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Cost Recovery Clause Docket No. 120009-EI Served: July <u>3</u>, 2012

AFFIDAVIT OF JOHN ELNITSKY IN SUPPORT OF PROGRESS ENERGY FLORIDA'S SEVENTH REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is John Elnitsky. I am over the age of 18 years and I have been authorized by Progress Energy Florida, Inc. (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 regarding portions of Progress Energy Florida, Inc.'s Responses to Staff's First Request for Production of Documents to Progress Energy Florida, Inc. (Nos. 1-3), specifically numbers 1 and 2, filed in this docket (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. As Vice President – Project Management and Construction, I am responsible for the licensing and construction of the Levy Nuclear Project ("LNP"), including the direct management of the Engineering, Procurement, and Construction Agreement ("EPC Agreement") with Westinghouse and Shaw, Stone, & Webster (the "Consortium").

DOCUMENT NUMBER- DATE 05124 JUL3I ≅ FPSC-COMMISSION CLERK 3. A detailed description of the confidential information at issue is contained in confidential Attachment A to PEF's Request and is outlined in PEF's Justification Matrix that is attached to PEF's Request as Appendix C.

4. The Company is requesting confidential classification of this information because portions thereof contain and include proprietary and confidential numbers and capital costs that would impair PEF's competitive business interests if publicly disclosed. In many instances, the disclosure of this information would violate contractual confidentiality provisions. Specifically, portions of PEF's response to Staff's First Request for Production of Documents (Nos. 1-3), specifically numbers 1 and 2, contain details regarding PEF's budgeted and estimated capital costs for the LNP under its EPC Agreement, cost information related to Long Lead Equipment ("LLE"), and confidential risk analysis and assessment information.

5. If this information was disclosed to the public, it could adversely impact PEF's competitive interests. If such information was disclosed to PEF's competitors and/or other potential suppliers, PEF's efforts to obtain competitive nuclear equipment and service options that provide economic value to both the Company and its customers could be compromised by the Company's competitors and/or suppliers changing their offers, consumption, or purchasing behavior within the relevant markets.

6. PEF must be able to assure these vendors that sensitive business information, such as the terms of their contracts, will be kept confidential. Indeed, as discussed above, the contract at issue contains confidentiality provisions that prohibit the disclosure of the terms of the contract to third parties. Specifically, the information at issue relates to competitively negotiated contractual data and costs the disclosure of

which would impair the efforts of the Company to negotiate these contracts on favorable terms. If other third parties were made aware of confidential contractual terms that PEF has with other parties, such as pricing arrangements, they may offer less competitive contractual terms in future contractual negotiations. Without the Company's measures to maintain the confidentiality of sensitive terms in contracts with these nuclear contractors, the Company's efforts to obtain competitive contracts could be undermined to the detriment of PEF and its ratepayers.

7. Upon receipt of all this confidential information, 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. At no time since negotiating and receiving the contracts and performing the analyses in question has the Company publicly disclosed the information or the terms of the contracts at issue. The Company has treated and continues to treat the information at issue as confidential. Indeed, the information at issue has previously been produced by the Company in response to various discovery requests during the proceedings in this docket, and at all times the Company has taken the appropriate steps to maintain the confidentiality of this information.

8. This concludes my affidavit.

Dated this 30 day of 341 2012.

(Signature)

John Élnitsky, Vice President Project Management and Construction

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of day

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(AFFIX NOTARIAL SEAL)

NOTARY PUBLIC, STATE OF Kot 2015

(Comn n Expiration Date) (Serial Number, If Any)

(Printed Name)

