IN RE: NUCLEAR COST RECOVERY

CLAUSE

Docket No. 120009-EI

Submitted for Filing: October 25, 2012

PROGRESS ENERGY FLORIDA, INC.'S NOTICE OF FILING AFFIDAVIT

Progress Energy Florida, Inc. ("PEF"), hereby gives notice of filing the Affidavit of John Elnitsky in Support of Progress Energy Florida, Inc.'s Eleventh Request for Confidential Classification regarding Progress Energy Florida, Inc.'s Portions of the Review of Progress Energy Florida, Inc.'s Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects Audit Work Papers as Provided in Section 366.93, Florida Statutes, and Rule 25-6.0423, F.A.C.

Respectfully submitted,

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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 25 day of October, 2012.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re:	Nuclear Cost Recovery Clause	Docket No. 120009-EI Submitting for filing: October, 2012
AFI		KY IN SUPPORT OF PROGRESS ENERGY FLORIDA JEST FOR CONFIDENTIAL CLASSIFICATION
STATE COUN		

- 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 (hereinafter "PEF" or the "Company") to give this affidavit in the above-styled proceeding on PEF's behalf and in support of PEF's Eleventh Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.
- 2. I am the Vice President of Project Management and Construction for Duke Energy, I have been responsible for the leadership and management of the Levy Nuclear Project ("LNP"), including the Engineering, Procurement, and Construction Agreement ("EPC Agreement") with Westinghouse and Shaw, Stone, & Webster (the "Consortium").
- 3. PEF is seeking confidential classification of portions of the documents produced in response to the Florida Public Service Commission Staff Auditors ("Staff") Review of Progress Energy Florida, Inc.'s Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects. 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 it contains proprietary and confidential information received from third-party vendors pursuant to contractual agreements with those vendors. Portions of the Work Papers contain confidential contractual data, including pricing agreements and other confidential contractual financial terms regarding long-lead equipment, the release of which would impair PEF's competitive business interests. Those agreements contain non-disclosure provisions that limit the use and forbid the dissemination of the information. The disclosure of this would impair the Company's ability to contract on favorable terms, or at all, for such information. The Company requires this information for use in analyzing the continued feasibility of its projects and to aid its management in long-term planning. The Company and its customers would be harmed if PEF were not able to contract for the use of this information on favorable terms.
- 5. Also included in the responses are details regarding risk analysis and on-going negotiations. This material includes proprietary confidential information that is not disseminated outside of Senior Management and other employees who need the information to perform their jobs. The information includes, among other things, risk analyses, analyses of the various options PEF has confronted, as well as confidential contractual terms. Publication of this information would provide PEF's competitors and those that PEF would wish to contract with valuable insight into the Company's strategic planning. Without the Company's measures to maintain the confidentiality of the negotiation process, the Company's efforts to obtain competitive contracts could be undermined to the detriment of PEF and its ratepayers.

Furthermore, dissemination of this information in many cases would violate contractual confidentiality provisions, most notably the provisions of the LNP EPC Agreement.

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

7. This concludes my aff	idavit.
Further affiant sayeth not.	
Dated this day of Octol	ber 2012.
	(Signature) John Elnitsky, Vice President – Project Management and Construction
THE FOREGOING INSTRIT	MENT was sworn to and subscribed before me this day
	He is personally known to me, or has produced his
	ense, or his as identification.
	(Signature)
(AFFIX NOTARIAL SEAL)	(Printed Name) NOTARY PUBLIC, STATE OF
	(Commission Expiration Date)
	(Serial Number, If Any)