

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Petition for Determination
of Need of Hines Unit 2 Power Plant.**)
)
)

Docket No.: 001064-EI

Submitted for Filing: October 18, 2000

**AFFIDAVIT OF MICHAEL D. RIB
IN SUPPORT OF FLORIDA POWER
CORPORATION'S THIRD REQUEST
FOR CONFIDENTIAL CLASSIFICATION**

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Michael D. Rib. I am over the age of 18 years old and I have been authorized by Florida Power Corporation (hereinafter referred to as "FPC" or the "Company"), to give this affidavit in the above-styled proceeding on FPC's behalf and in support of FPC's Third Request for Confidential Classification.

2. I am currently employed by FPC as the Director of FPC's Resource Planning. I have held that position and precursors to that position with FPC for five (5) years. I have worked for FPC since 1981, and I have worked in FPC's Resource Planning Department (formerly called Generation Planning), since 1995.

3. The facts alleged in my affidavit are based upon my personal knowledge or upon records maintained in the ordinary course of FPC's business, as part of regularly conducted business activity, by or from information transmitted by a person with knowledge of the events described therein, at or near the time of the event described, and kept under my personal custody and control or the custody and control of FPC's Resource Planning and FPC's Financial Services.

DOCUMENT NUMBER-DATE

13240 OCT 18 00

FPSC-RECORDS/REPORTING

4. As the Director of FPC's Resource Planning, I was and I am responsible, along with other members of FPC's Resource Planning and FPC's Financial Services, for collecting and providing documents in response to Staff's First Request for Documents to FPC. As a result, I have read the document requests and collected, assisted in collecting, and reviewed FPC's documents and responses to Staff's document requests in this proceeding. With respect to certain documents responsive to Staff's documents requests, in particular the documents identified by bates numbers FPC001-019, FPC032, FPC040, FPC148-149, FPC154-155, FPC173-177, FPC178-210, FPC212-233, FPC234, FPC235-251, and FPC296-299, they contain proprietary, confidential business information belonging to FPC or others who provided the information to FPC with the understanding that it would be kept confidential.

Bidder Information

5. FPC requests confidential classification of the documents bearing bates numbers FPC001-019, FPC212, FPC234, and FPC235-251 for the same reasons provided in FPC's First Request for Confidential Classification and my supporting affidavit filed with the Commission on August 7, 2000. These documents contain information provided by the bidders in response to FPC's Request for Proposals (RFP) that the bidders designated as confidential.

6. As noted in my earlier filed affidavit, FPC included a confidentiality provision in its RFP to assure bidders that the terms of their bids would be kept confidential. Absent such assurances, potential bidders run the risk that sensitive engineering, construction, costs, or other business information that they provided in their bids might be made available to the public and, as a result, end up in the possession of potential competitors. Faced with that risk, potential bidders might withhold such information altogether, denying the utility the ability to fully understand and accurately assess the costs and benefits of the bidders' proposals. Or, persons or companies who otherwise would submit bids in response to an RFP might decide not to do so, if

the utility did not assure them that the terms of their bids would be kept confidential. In either case, without the assurance of confidentiality for the terms of the bids, FPC's efforts to obtain competitive alternative proposals to its next-planned generating unit through its RFP would be undermined.

7. For these reasons, FPC declared its intent in its RFP to keep the terms of the bidders' proposals confidential. Upon receipt of the bids, strict procedures were established and followed to maintain the confidentiality of the terms of the bidders' proposals, including restricting access to those persons who needed the information to assist FPC in its evaluation of the bids and restricting the number of, and access to, copies of the proposals. At no time since receiving the bidders' proposals has FPC publicly disclosed the terms of the proposals, even to the other bidders. FPC has treated and continues to treat the bidders' proposals as confidential.

Third Party Proprietary Information

8. FPC further requests confidential classification for the documents bearing bates numbers FPC040, FPC148-149, FPC154-155, and FPC173-177 because they contain confidential, sensitive proprietary business information belonging to third parties who provided the documents or information to FPC with the express understanding that it would be kept confidential. FPC040, FPC148-149, and FPC154-155 contain sensitive, proprietary information provided to FPC by FPC's equipment supplier and FPC's potential gas transportation suppliers for the Hines 2 power unit. FPC173-177 contains proprietary modeling formats belonging to one of FPC's system model providers. In both cases, the information is not public and FPC, pursuant to its understanding with the providers of this information, has treated and continues to treat the information as confidential.

9. This information, or information much like it, is frequently obtained or used during the course of the Company's operations, and it is necessary to the efficient and effective operation of the Company's system. Public disclosure of this proprietary third party information would undermine the ability of the Company to obtain such information in the future, or potentially subject the Company either to claims by the third party providers or more restrictive terms on the receipt and use of such information, all to the detriment of the Company and its ratepayers. Because the information is necessary to the efficient operation of the Company's system, FPC must honor its obligation to keep the information confidential.

10. Accordingly, access within the Company to such information is restricted to those employees who need the information to perform their responsibilities for the Company. At no time is the information provided to the public.

Proprietary Contract Information

11. The documents bearing bates numbers FPC032, FPC178-210, and FPC213-233 contain confidential information similar to that contained in the documents mentioned in the immediately preceding paragraphs. The documents with bates numbers FPC032 and FPC213-233 are detailed financial pro formas containing information that embodies confidential, proprietary contract and variable operation and maintenance information provided to FPC by FPC's equipment supplier. The documents bearing bates numbers FPC178-210 actually contain the confidential, proprietary contract data between FPC and its equipment supplier for the Hines 2 power plant.

12. FPC has treated and continues to treat this information as confidential, especially its proprietary contract information found in the documents bearing bates numbers FPC178-210. Access to the information is restricted within FPC to those employees who need the information

to perform their duties or responsibilities with the Company. At not time has such proprietary contract information ever been made public.

13. Public disclosure of the Company's proprietary contract information with its suppliers would harm the Company and its ratepayers. Suppliers will be less willing to make concessions on price, delivery, and other contract terms during negotiations with the Company if they know such concessions will become public. Rather than make such concessions known to their competitors or other potential customers, thus impairing their ability to compete or negotiate more favorable terms in the future with other customers, they will refuse to negotiate with the Company on such terms at all. Or, suppliers who otherwise would have submitted bids to, or entered into negotiations with, the Company might decide not to do so, if there is no assurance that their proposals would be protected from disclosure. In either event, the Company will be able to obtain such services only upon less favorable terms than it otherwise would have if the parties were assured that the terms would remain confidential, all to the detriment of the Company and its ratepayers.

Confidential Management Information

14. The documents bearing bates numbers FPC296-299 contain confidential, sensitive management information with respect to the proprietary contract information mentioned above and the internal financial assessment of the Hines 2 power plant. This is highly confidential information; very few employees were involved in the preparation of the document for management, access was restricted to management until a decision was made, and it was not disseminated within the Company after that decision was made. It has never been made public.

15. The information within this document is proprietary, sensitive business information. The public disclosure of such information will harm FPC and its ratepayers. Such

disclosure will undermine the ability of the Company to make such decisions in the future on behalf of the Company and its ratepayers. No Company would document such proprietary business and financial information for its management if it will be forced to make such information public.

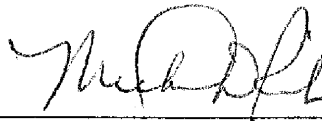
Conclusion

16. All the information contained in the documents identified by bates numbers herein contain confidential, proprietary business information, for all the reasons provided above. The disclosure of such information to the public will harm both the Company and its ratepayers. For this reason, FPC requests confidential classification of only those documents bearing the bates numbers identified herein.

17. This concludes my affidavit.

Further affiant sayeth not.

Dated the 17th day of October, 2000.



(Signature)

Michael D. Rib

(Printed Name)

Address:

Director

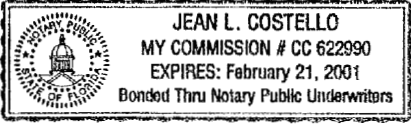
Resource Planning

Florida Power Corporation

263 - 13th Avenue, S.

St. Petersburg, FL 33701-5511

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 17th day of October, 2000 by Michael D. Rib. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.



(AFFIX NOTARIAL SEAL)

Jean L. Costello
(Signature)

Jean L. Costello
(Printed Name)

NOTARY PUBLIC, STATE OF Florida

FEB 21 2001
(Commission Expiration Date)

#CC 622990
(Serial Number, If Any)