Diamond Williams

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Thursday, August 25, 2011 10:40 AM Sent:

To: Filings@psc.state.fl.us

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Subject: Filing Docket 110009

Attachments: Docket 110009 PEF Notice Filing Verified Affidavits.pdf

Docket 110009

In re: Nuclear Cost Recovery Clause

This filing is made on behalf of Progress Energy Florida, Inc. 1.

2. This filing is being made by

Jeanne Costello on behalf of Blaise N. Huhta

Carlton Fields, P.A.

4221 W. Boy Scout Boulevard, Suite 1000

Tampa, Florida 33607-5780

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This filing is Progress Energy Florida, Inc.'s Notice of Filing Verified Affidavits and consists of eight (8) pages.

DOCUMENT NUMBER-DATE

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: NUCLEAR POWER PLANT

COST RECOVERY CLAUSE

Docket No. 110009-EI

Submitted for Filing: August 25, 2011

PROGRESS ENERGY FLORIDA, INC.'S NOTICE OF FILING **VERIFIED AFFIDAVITS**

Progress Energy Florida, Inc. ("PEF" or the "Company"), hereby gives notice of filing the following verified affidavits:

- 1. Affidavit of Jon Franke in support of Progress Energy Florida, Inc.'s Seventeenth Request for Confidential Classification Regarding Portions of the Deposition Transcript of William "Tripp" Coston and Kevin Carpenter; and
- Affidavit of Jon Franke in support of Progress Energy Florida, Inc.'s Eighteenth Request for Confidential Classification.

R. Alexander Glenn General Counsel John Burnett Associate General Counsel Dianne M. Triplett Associate General Counsel PROGRESS ENERGY SERVICE COMPANY, LLC Post Office Box 14042 St. Petersburg, FL 33733-4042

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James Michael Walls Florida Bar No. 0706242

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DOCUMENT NUMBER - DATE

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 25th day of

Attorney

Anna Norris Keino Young Staff Attorney Florida Public Service Commission 2540 Shumard Oak Blvd Tallahassee 32399

August, 2011.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re:

Nuclear Power Plant Cost

Recovery Clause

Docket No. 110009-EI

Submitted for Filing: July 29, 2011

AFFIDAVIT OF JON FRANKE IN SUPPORT OF PROGRESS ENERGY FLORIDA, INC.'S SEVENTEENTH REQUEST FOR CONFIDENTIAL CLASSIFICATION REGARDING PORTIONS OF THE DEPOSITION TRANSCRIPT OF WILLIAM "TRIPP" COSTON AND KEVIN CARPENTER

STATE OF FLORIDA

COUNTY OF CITRUS

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

- 1. My name is Jon Franke. I am employed by Progress Energy Florida, Inc. ("PEF" or the "Company") in the Nuclear Generation Group and serve as Vice President Crystal River Nuclear Plant. I am over the age of 18 years old and I have been authorized by PEF to give this affidavit in the above-styled proceeding on PEF's behalf and in support of PEF's Seventeenth Request for Confidential Classification (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.
- 2. PEF is seeking confidential classification of portions of the Deposition Transcript of William "Tripp" Coston and Kevin Carpenter (the "Transcript"). 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.
- 3. PEF is requesting confidential classification of portions of the Transcript because it contains confidential contractual information and numbers, the disclosure of which would impair PEF's competitive business interests and violate PEF's confidentiality agreements with third parties and vendors; contract and change order financial information; and other information the disclosure of which would impair the Company's competitive business interests.

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- 4. The Company is requesting confidential classification of this information because the Transcript contains proprietary and confidential information that would impair PEF's competitive business interests if publicly disclosed, as well as information concerning contractual data, the disclosure of which would impair the Company's ability to contract on favorable terms and, in many cases, the information constitutes trade secrets of the Company and its contract partners. In many instances, the disclosure of this information would violate contractual confidentiality provisions or is the result of recent negotiations with PEF vendors or ongoing contracts with vendors. Portions of these documents reflect the Company's internal strategies for evaluating projects. The information contains sensitive information concerning the Crystal River Unit 3 ("CR3") Extended Power Uprate ("EPU") Project ("CR3 Uprate"). Information regarding the CR3 Uprate includes highly confidential and proprietary competitive business information and numbers, the release of which would place PEF's competitors at a relative competitive advantage, thereby harming the Company's and its customer's interests.
- 5. PEF considers this information to be confidential and proprietary and continues to take steps to protect against its public disclosure, including limiting the personnel who have access to this information. 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. If other third parties were made aware of confidential contractual terms that PEF has with other parties, 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.

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- 6. Upon receipt of this confidential information, as with all confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided therein. Such procedures include, but are not limited to, restricting access to the documents and information to only those persons who require it to assist the Company. At no time since developing or entering the contracts in question has PEF publicly disclosed the contracts' confidential terms; PEF has treated and continues to treat the information contained in the subject contracts and other documents as confidential.
 - 7. This concludes my affidavit.

Further affiant sayeth not.

Dated this 22 day of H	<u>u40</u> , 2011
	J () ')
	for m
	(Signature)
	Jon Franke
,	Vice President - Crystal River Nuclear Plant
	15760 W. Powerline St.
	Crystal River, Florida 34442



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re:

Nuclear Power Plant Cost

Recovery Clause

Docket No. 110009-EI

Submitted for Filing: August ___, 2011

AFFIDAVIT OF JON FRANKE IN SUPPORT OF PROGRESS ENERGY FLORIDA, INC.'S EIGHTEENTH REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF FLORIDA

COUNTY OF CITRUS

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

- 1. My name is Jon Franke. I am employed by Progress Energy Florida, Inc. ("PEF" or the "Company") in the Nuclear Generation Group and serve as Vice President Crystal River Nuclear Plant. I am over the age of 18 years old and I have been authorized by PEF to give this affidavit in the above-styled proceeding on PEF's behalf and in support of PEF's Eighteenth Request for Confidential Classification (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.
- 2. PEF is seeking confidential classification of portions of the Company's Response to Staff's Third Request for Production of Documents (No. 7). 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.
- 3. The Company's Response to Staff's Request includes sensitive material of a contractual nature, including contractual pricing figures. Release of this information, in addition to possibly violating contractual non-disclosure or confidentiality agreements, would place PEF at a competitive disadvantage when attempting to negotiate similar contracts in the future.

DOCUMENT NUMBER - DATE

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Additionally, release of these documents could provide PEF's competitors valuable insight into PEF's contractual arrangements. This information could be used to drive up the cost of goods and services that PEF contracts for in order to provide service to its customers.

- Upon receipt of this confidential information, as with all confidential information, 4. strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided therein. Such procedures include, but are not limited to, restricting access to the documents and information to only those persons who require it to assist the Company. At no time since developing or entering the contracts in question has PEF publicly disclosed the contracts' confidential terms; PEF has treated and continues to treat the information contained in the subject contracts as confidential.
 - 5. This concludes my affidavit.

Further affiant sayeth not.

Dated this 27 day of August, 2011

(Signature) Jon Franke

Vice President - Crystal River Nuclear Plant

15760 W. Powerline St.

Crystal River, Florida 34442

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 22 day of August, 2011, by Jon Franke. He is personally known to me, or has produced his driver's license, or his NOTARY PUBLIC, STATE OF TL (AFFIX NOTARIAL SEAL)

> CAROLYN E. PORPHMMMion Expiration Date) Commission # DD 937553 Expires March 1, 2014

(Serial Number, If Any)