BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Progress Energy Florida, Inc.'s	
petition for approval of long-term fuel	Docket No.: <u>041414 - El</u>
supply and transportation contracts for)
Hines Unit 4 and additional system)
supply and transportation.) Submitted for Filing: December 20, 2004
)

NOTICE OF FILING AFFIDAVITS IN SUPPORT OF FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida ("PEF" or the "Company"), hereby gives notice of filing the original Affidavit of Pamela R. Murphy as Director of PEF's Gas and Oil Energy Trading department and Affidavit of David M. Jenkins as Director of Marketing for BG LNG, LLC in support of PEF's First Request for Confidential Classification, submitted for filing on December 20, 2004.

Respectfully submitted this 20th day of December, 2004.

BONNIE E. DAVIS
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Progress Energy Service
Company, LLC
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Florida Bar No. 622575 JAMES MICHAEL WALLS

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Post Office Box 3239

Tampa, FL 33601-3239

Telephone: (813) 223-7000 Facsimile: (813) 229-4133

CERTIFICATE OF FILING

I HEREBY CERTIFY that a true and correct copy of the foregoing has been filed via electronic mail and via hand delivery with the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850, this 25% day of December, 2004.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Progress Energy Florida, Inc.'s	
petition for approval of long-term fuel	Docket No.:
supply and transportation contracts for)
Hines Unit 4 and additional system)
supply and transportation.) Submitted for Filing: December 20, 2001
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AFFIDAVIT OF PAMELA R. MURPHY IN SUPPORT OF PROGRESS ENERGY FLORIDA'S FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF NORTH CAROLINA

COUNTY OF WAKE

BEFORE ME, the undersigned authority duly authorized to administer oaths, j ers ally appeared Pamela R. Murphy, who being first duly sworn, on oath deposes and says th t:

- 1. My name is Pamela R. Murphy. I am over the age of 18 years old and has 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 First Recest for Confidential Classification. The facts attested to in my affidavit are based upon many personal knowledge.
- 2. I am the director of PEF's Gas and Oil Trading section in the Regulater

 Commercial Operations Department. This section is responsible for fuel acquisition for both

 PEF and Progress Energy Carolinas ("PEC") systems.
- 3. As the director of PEF's Gas and Oil Trading section in the Regulated

 Commercial Operations Department, I am responsible, along with the other members of the
 section, for the procurement of residual fuel oil, distillate oil, and natural gas for PEC' an

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PEF's electrical power generation facilities, and the administration of PEC's and PEF's game and oil contracts with various suppliers.

- 4. PEF is seeking confidential classification for portions of my direct test not in this matter along with portions of Exhibits PRM-1, -2, -3 and Exhibits PRM-5 and -6. A stailed description of the confidential information at issue is contained in confidential Appendix to PEF's First Request for Confidential Classification. PEF is requesting confidential classification of this information because it contains competitive confidential business information of both PEF and third-party fuel supply and transportation companies that PE has contracts with.
- obtain competitive contracts for fuel options that provide economic value to PEF and is ratepayers. In order to obtain such contracts, however, PEF must be able to assure fue suppliers and transportation companies that sensitive business information, such as the quantity and pricing terms of their contracts, will be kept confidential. PEF has kept confidential at 1 h not publicly disclosed confidential contract terms such as quantity and pricing. Absent such a measures, suppliers and transportation companies would run the risk that sensitive busness information that they provided in their contracts with PEF would be made available to he ablic and, as a result, end up in possession of potential competitors. Faced with that risk, person or companies who otherwise would contract with PEF might decide not to do so if PEF do 1 ne keep those terms of their contracts confidential. Without PEF's measures to maintain the confidentiality of sensitive terms in contracts between PEF and fuel suppliers and transportation corrects would be undermined. Additionally, the disclosure of quantity and pricing information in 1 3F's

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fuel supply and transportation contracts would adversely impact PEF's competitive be sines interests. If such information was disclosed to PEF's competitors or potential fuel supplies and fuel transportation companies, PEF's efforts to obtain competitive fuel supply and transportation options that provide economic value to both PEF and its ratepayers would be compromise.

- 6. Upon receipt of confidential information from fuel suppliers and transports on companies, strict procedures are established and followed to maintain the confidential ty the terms of the documents, including restricting access to those persons who need the contract information to assist the Company, and restricting the number of, and access to the contract information and contracts. At no time since receiving the confidential information in the contracts has the Company publicly disclosed that information or the contracts. The Company has treated and continues to treat the contractual terms at issue as confidential.
 - 7. This concludes my affidavit.

Further affiant sayeth not.

Dated	the	20^{th}	day	of	December,	2004.
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(Signature)

Pamela R. Murphy

Director

Gas and Oil Trading Section

Regulated Commercial Operations Depar ner

Murphy -

Progress Energy Carolinas

Post Office Box 1551

Raleigh, NC. 27602

THE FOREGOING INSTRUMENT wa	s sworn to and subscribed before me the 3 2 day
of December, 2004 by Pamela R. Murphy. She	is personally known to me, or has produce her
VA driver's license, or her	as identification.
(Sig	Lenda L norlera
	Linda L. Morbera

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(AFFIX NOTARIAL SEAL)



(Printed Name) NOTARY PUBLIC, STATE OF	NC.
(Commission Expiration Date)	
(Serial Number, If Any)	

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Progress Energy Florida, Inc.'s)		
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AFFIDAVIT OF DAVID M. JENKINS IN SUPPORT OF PROGRESS ENERGY FLORIDA'S FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF TEXAS

COUNTY OF HARRIS

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

- 1. My name is David M. Jenkins. I am over the age of 18 years old and I have been authorized by BG LNG Services, LLC (hereinafter "BGLS" or the "Company") to give this affidavit in the above-styled proceeding in support of PEF's First Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.
- 2. I am the Director of Marketing for BGLS. BGLS is an importer of liquefied natural gas into the United States and a marketer of natural gas. I am responsible, along with the other members of the department, for business development in the southeastern United States.
- 3. PEF is seeking confidential classification for portions of Exhibit PRM-1 to the direct testimony of Pamela R. Murphy in this proceeding. A detailed description of the confidential information at issue in Exhibit PRM-1 is contained in confidential Appendix A to PEF's First Request for Confidential Classification. PEF is requesting confidential classification

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of this information because it contains competitive confidential business information relating to BGLS.

- 4. BGLS has specifically requested that PEF keep certain contract terms in PEF's fuel contract with BGLS confidential. Exhibit PRM-1 to Pamela R. Murphy's direct testimony in this matter contains sensitive, confidential business information and terms, in addition to fuel price and quantity, that would adversely affect the competitive business interest of BGLS if that information and those terms were disclosed to the general public. Specifically, BGLS markets natural gas in a highly competitive environment. The terms at which BGLS sells natural gas are specifically negotiated for each transaction and depend on the competitive circumstances faced by BGLS and its customer. If details related to price, quantity, events of default, remedies, force majeure, and credit support were disclosed to BGLS's competitors or customers, BGLS would be placed at a disadvantage in future negotiations, which would have an adverse effect on BGLS.
- 5. BGLS utilizes strict procedures to maintain the confidentiality of the information at issue, including restricting access to those persons who needed the information to assist the Company, and restricting the number of, and access to the information. At no time has the Company publicly disclosed that 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 17th day of December, 2004.

David M. Jenkins

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Director of Marketing BG LNG Services, LLC

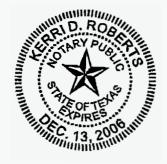
TPA#1968386.1

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 17th day of December, 2004 by David M. Jenkins. He is personally known to me, or has produced his driver's license as identification.

(Signature)

V.

(AFFIX NOTARIAL SEAL)



Kelvi D. Roberts
(Printed Name)
NOTARY PUBLIC, STATE OF TEXAS

(Commission Expiration Date)

(Serial Number, If Any)