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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Requirement for investor-owned electric utilities to file ongoing storm preparedness plans and implementation cost. COMMISSION Docket No. 060198-EI

Dated: October 6, 2006

## AFFIDAVIT OF JASON CUTLIFFE IN SUPPORT OF PROGRESS ENERGY FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF FLORIDA

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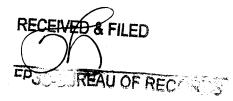
COUNTY OF PINELLAS

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

1. My name is Jason Cutliffe. I am over the age of 18 years old 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 Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.

2. I am the Manager of PEF's Distribution Asset Performance in the
Distribution Engineering and Operations Department. This section is responsible for
distribution delivery system capacity and reliability.

3. As the Manager of PEF's Distribution Asset Performance, I am ONO responsible, along with the other members of the section, for forecasting reliability



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performance goals and associated investment, including expected price and work volume to be awarded through the competitive bid process.

4. PEF is seeking confidential classification for portions of its responses to Staff's Informal Data Request regarding PEF's Integrated Vegetation Management Plan. A detailed description of the confidential information at issue is contained in confidential Exhibit A to PEF's Notice of Intent to Request for Confidential Classification filed on September 15, 2006 and is outlined in PEF's Justification Matrix that is attached to PEF's Request for Confidential Classification as Exhibit C. PEF is requesting confidential classification of this information because it contains sensitive business information of PEF.

5. PEF negotiates with potential service providers to obtain competitively priced contracts for vegetation management maintenance that provide economic value to PEF and its ratepayers. In order to obtain such contracts, however, PEF must be able to assure providers that sensitive business information, such as the pricing terms of their contracts, will be kept confidential. With respect to the information at issue in this Request, PEF has kept confidential and has not publicly disclosed confidential information such as dollars to be spent, number of lines trimmed and future vegetation management plans. Absent such measures, suppliers may run the risk that sensitive business information that they provided to PEF would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, persons or companies who otherwise would contract with PEF might decide not to do so if PEF did not keep such information confidential. Without PEF's measures to maintain the confidentiality of sensitive business terms, the Company's efforts to obtain competitive pricing contracts could be undermined.

6. Additionally, the disclosure of this confidential information at issue could adversely impact PEF's competitive business interests. If such information was disclosed to PEF's competitors, PEF's efforts to obtain competitive pricing options that provide economic value to both PEF and its ratepayers could be compromised by PEF's competitors changing their behavior within the relevant markets.

7. Upon receipt of confidential information from such service providers, 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, and restricting the number of, and access to the information and contracts. At no time since receiving the contracts and information in question has the Company publicly disclosed that information or contracts. The Company has treated and continues to treat the information at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the  $4^{\text{TH}}$  day of October, 2006.

lason Cutliffe (Signature)

Jason Cutliffe Manager – Distribution Asset Performance Distribution Engineering and Operations Department Progress Energy Florida 100 Central Avenue St. Petersburg, Florida 33701

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this <u>4</u><u>/h</u> day of October, 2006 by Jason Cutliffe. He is personally known to me, or has produced his \_\_\_\_\_\_ driver's license, or his \_\_\_\_\_\_ as identification.

(AFFIX NOTARIAL SEAL)

(Printed Name X Eileen M. Clark NOTAR P Expires September 10, 2010 Expires September 10, 2010 Sender Trey Path, Hisujafise, Inc. 809-386-7619

(Commission Expiration Date)

(Serial Number, If Any)