## ORIGINAL

RECEIVED-FIRSO

DEC 18 PH 12: 4

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

).

In Re: Petition on behalf of Citizens of the State of Florida to require Progress Energy Florida, Inc. to refund to customers \$143 million

DOCKET NO. 060658-EL

# AFFIDAVIT OF ALEXANDER WEINTRAUB IN SUPPORT OF PROGRESS ENERGY FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

### STATE OF NORTH CAROLINA

#### COUNTY OF WAKE

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

 My name is Alexander Weintraub. 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

CMP \_\_\_\_\_ affidavit are based upon my personal knowledge.

COM	· 2.	I am the dire	ector of PEF's Coal section in the Regulated Fuels &
CTR _			
ECR	Capital Planning	Department.	This section is responsible for coal acquisition for both
GCL /	PEF and Progress	s Energy Car	olinas ("PEC") systems.

OPC \_\_\_\_\_ 3. As the director of PEF's Coal section, I am responsible, along with the RCA \_\_\_\_\_\_ SCR \_\_\_\_\_ other members of the section, for the procurement of coal for PEC's and PEF's electrical SGA \_\_\_\_\_\_

FPSC-BUREAU OF RECORDS

SEC | OTH

~~

**RECEIVED & FILED** 

DOCUMENT NUMBER-DATE 11523 DEC 188 EDSD-COMMISSION CLERK power generation facilities, and the administration of PEC's and PEF's coal contracts with various suppliers.

4. In this Request for Confidential Classification, PEF is seeking confidential classification for portions of its responses to OPC's First Set of Interrogatories (Nos. 1-18). The detailed description of the confidential information at issue is outlined in PEF's Justification Matrix that is attached to PEF's Request for Confidential Classification as Exhibit C.

5. Portions of PEF's answer in response to OPC's First Set of Interrogatories Nos. 6 contain competitive confidential business information of both PEF and third-party coal supply and transportation companies that PEF has contracts with. PEF negotiates with potential coal suppliers and transportation companies to obtain competitive contracts for coal options that provide economic value to PEF and its ratepayers. In order to obtain such contracts, however, PEF must be able to assure coal suppliers and transportation companies 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 contract terms such as pricing, and similar competitive information. Absent such measures, suppliers and transportation companies would run the risk that sensitive business information that they provided in their contracts with 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 those terms of their contracts confidential. Without PEF's measures to maintain the confidentiality of sensitive terms in contracts

between PEF and coal suppliers and transportation contractors, the Company's efforts to obtain competitive coal supply and transportation contracts could be undermined.

Additionally, the disclosure of confidential information in PEF's coal supply and transportation contracts, proposals, and other such documents could adversely impact PEF's competitive business interests. If such information was disclosed to PEF's competitors, PEF's efforts to obtain competitive coal supply and transportation options that provide economic value to both PEF and its ratepayers could be compromised by PEF's competitors changing their consumption or purchasing behavior within the relevant markets.

6. Portions of PEF's answers in response to OPC's Interrogatories No. 1(b)(1) and 1(b)(2) concern confidential information contained in proprietary business operating agreements with third parties. PEF has contractual requirements with these third parties to not disclose the proprietary business information contained in the operating agreements and, thereby, public disclosure of the information in question would be contrary to such confidentiality provisions and may impair PEF's efforts to contract favorably in future negotiations. Specifically, PEF may not be able to favorably contract for the services offered by these third parties if such parties are not assured that all the information provided in connection with the agreements is kept confidential.

7. Upon receipt of confidential information from coal suppliers and transportation companies, 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, contracts and operating agreements. At no time since receiving the contracts, information, and operating agreements in question has the Company publicly disclosed that information, contracts, or operating agreements. The Company has treated and continues to treat the information, operating agreements, and contracts at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not. Dated the  $\underline{147}^{\text{m}}$  day of December, 2006.

(Signature) Alexander Weintraub Director - Coal Regulated Fuels & Capital Planning Department Progress Energy Carolinas Post Office Box 1551 Raleigh, NC. 27602

# THE FOREGOING INSTRUMENT was sworn to and subscribed before me this  $/\frac{4}{4}$  day of December, 2006 by Alexander Weintraub. He is personally known to me, or has produced his \_\_\_\_\_\_ driver's license, or his

as identification.-

(AFFIX NOTARIAL SEAL)



May D. John (Stenature) Mary D. Fokh (Printed Name/ NOTARY PUBLIC, STATE OF NC December 16, 2006 (Commission Expiration Date)

(Serial Number, If Any)