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Writer's Direct Dial No.
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October 17, 2007

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BY HAND DELIVERY

Ms. Ann Cole
Director Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Docket No. 070007-EI
Request for Confidential Classification
CONFIDENTIAL MATERIALS ENCLOSED

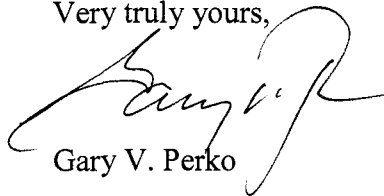
Dear Ms. Cole:

Enclosed for filing on behalf of Progress Energy Florida, Inc., (PEF) are the following:

- (1) The original and seven copies of PEF's Request for Confidential Classification; **09522-07**
- (2) A package containing Exhibit A, which includes two redacted copies of the confidential documents; and **09523-07**
- (3) A CONFIDENTIAL package containing Exhibit B which includes one copy of the documents on which the confidential material has been highlighted. **09524-07**

Please stamp and return the enclosed extra copy of this filing. If you have any questions regarding this filing, please contact the undersigned.

Very truly yours,



Gary V. Perko

GVP/dg
Enclosures
cc: certificate of service

Confidential
DOCUMENT NUMBER-DATE

09524 OCT 17
Post Office Box 6526 Tallahassee, Florida 32314

FPSC-COMMISSION CLERK

Redacted
DOCUMENT NUMBER-DATE

09523 OCT 17
123 South Calhoun Street (32301) 850.222.7500

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Request
DOCUMENT NUMBER-DATE

09522 OCT 17
850.224.8551 fax www.hgsllaw.com

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to all counsel of record and interested parties as listed below by hand-delivery (*) or regular U.S. mail this 17th day of October, 2007.

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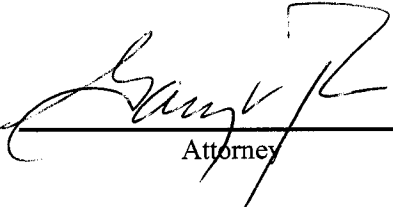
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Attorney

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Environmental Cost Recovery Clause.

DOCKET NO. 070007-EI

FILED: OCTOBER 17, 2007

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**PROGRESS ENERGY FLORIDA INC.'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Progress Energy Florida, Inc., ("PEF" or "Company"), pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code, submits this Request for Confidential Classification of information included in supplemental testimony and exhibit of PEF witness Thomas Cornell. In support of this request, Progress Energy states:

1. Contemporaneously with this request, PEF is submitting pre-filed supplemental direct testimony Mr. Thomas Cornell, along with Mr. Cornell's Exhibit No. __ (TC-9), which is a confidential engineering, procurement and construction ("EPC") contract for pollution control projects being constructed at PEF's Crystal River Plant Units 4 and 5 to as part of PEF's clean air regulatory program originally approved in Order No. PSC-05-0998-PAA-EI.

2. The information redacted from Page 2, line 19, of Mr. Cornell's supplemental testimony, as well as the entire final EPC contract provided with Mr. Cornell's supplemental

CMP _____ testimony contains confidential contractual data, "the disclosure of which would impair the COM _____ efforts of the public utility or its affiliates to contract for goods or services on favorable terms."

CTR _____
ECR _____ § 366.093(3)(d), F.S. Specifically, the redacted portion of the testimony includes contractual

GCL 1 data consisting of the total cost of the contract, as well as the estimate previously provided and

OPC _____ for which confidential classification has been granted. Moreover, the contract submitted as

RCA 1
SCR _____ Exhibit No. __ (TC-9) includes contractual data, such as costs, performance specifications and

SGA _____ other contractual terms related to design, engineering, equipment procurement and/or

SEC _____

OTH 1 comp records

DOCUMENT NUMBER - DATE

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construction contract for air pollution control projects at PEF's Crystal River Plant Units 4 and 5. PEF negotiates with design, engineering and construction companies to obtain competitive contracts for the design and construction of major projects at its facilities, including the air pollution control projects. If the information for which PEF seeks confidential classification, particularly the pricing information and other contractual terms, is disclosed to potential contractors, PEF's efforts to obtain competitive design and construction options that provide economic value to both PEF and its ratepayers could be compromised by potential contractors changing their negotiating behavior when PEF seeks to negotiate similar contracts in the future. Likewise, in order to secure contracts, PEF must be able to assure such companies that sensitive business information, such as the terms of their contracts, will be kept confidential. Absent such measures, the 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 design, engineering and construction companies, the Company's efforts to obtain competitive design and construction contracts could be undermined. The EPC contract provided with Mr. Cornell's supplemental testimony contains provisions which specifically require the parties to keep the terms of the contracts, any amendments and work authorizations confidential. For these reasons, the information for which PEF seeks confidential classification constitutes confidential contractual data, "the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms." § 366.093(3)(d), F.S.

3. Additionally, the disclosure of confidential information in PEF's design, engineering and construction contracts could adversely impact PEF's competitive business interests. If such information was disclosed to PEF's competitors, PEF's efforts to obtain competitive design and construction options that provide economic value to both PEF and its ratepayers could be compromised by PEF's competitors changing their negotiating behavior within the relevant markets. Accordingly, the redacted information relates to PEF's competitive interests, the disclosure of which would impair PEF's competitive business. § 366.093(3)(e), F.S.

4. For all of these reasons, this information constitutes "proprietary confidential business information" which is exempt from the public records act pursuant to § 366.093(1), F.S. This is confirmed by the fact that the Prehearing Officer recently granted confidential classification for other contracts related to PEF's ongoing clean air regulatory compliance program, including a Letter of Intent that led up to the final EPC contract presented with Mr. Cornell's supplemental testimony. *See* Order No. PSC-07-0676-CFO-EI (Aug. 11, 2007).

5. The following exhibits are included with this request:

(a) Composite Exhibit A is a package containing two copies of redacted versions of the documents for which the Company requests confidential classification. In the redacted version of Mr. Cornell's supplemental testimony, the confidential information has been blackened out by opaque marker or other means. Because the final EPC contract is confidential in its entirety, Composite Exhibit A includes a single page indicating that the contract has been redacted in full.

(b) Composite Exhibit B is a package containing unredacted copies of the documents for which Progress Energy seeks confidential treatment. Composite Exhibit B is

being submitted separately in a sealed envelope labeled "CONFIDENTIAL." In the unredacted version of Mr. Cornell's supplemental testimony, the confidential information has been highlighted in yellow. Because the EPC contract has been redacted in its entirety, all pages are copied on yellow paper.

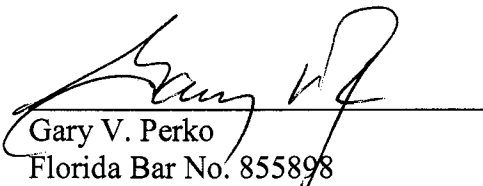
6. The information in Composite Exhibit B is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public.

7. PEF requests that the information identified in Composite Exhibit B be classified as "proprietary confidential business information" within the meaning of section 366.093(3), F.S., that the information remain confidential for a period of at least 18 months as provided in section 366.093(4), F.S., and that the information be returned as soon as it is no longer necessary for the Commission to conduct its business.

WHEREFORE, for the foregoing reasons, Progress Energy Florida, Inc., respectfully requests that this Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 7th day of October, 2007.

HOPPING GREEN & SAMS, P.A.



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NATHAN A. SKOP



OFFICE OF COMMISSION CLERK
ANN COLE
COMMISSION CLERK
(850) 413-6770

Public Service Commission

ACKNOWLEDGEMENT

DATE: 10-17-07

TO: Gary Perko, Esquire

FROM: , Office of Commission Clerk

RE: Acknowledgement of Receipt of Confidential Filing
Portion of Suppl. Direct ty of T. Cornell & TC-9 Exh.

This will acknowledge receipt of a CONFIDENTIAL DOCUMENT filed in Docket Number 070007-ET or, if filed in an undocketed matter, concerning _____, and filed on behalf of Progress

The document will be maintained in locked storage.

If you have any questions regarding this document, please contact Marguerite Lockard, Deputy Clerk, at (850) 413-6770.

DOCUMENT NUMBER - DATE
09524 OCT 17 08
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