BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of coal costs for Progress Energy Florida's Crystal River Units 4 and 5 for 2006 and 2007

Docket No. 070703-EI

February

Submitted for Filing:

NOTICE OF FILING AFFIDAVIT IN SUPPORT OF PEF'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

Progress Energy Florida, Inc. hereby gives notice of filing the affidavit of Alexander

(Sasha) Weintraub in support of its Request for Confidential Classification.

Respectfully submitted,

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CERTIFICATE OF SERVICE

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Review of coal costs for Progress Energy Florida's Crystal River Units 4 and 5 for 2006 and 2007

Docket No. 070703-EI

Dated: February __, 2008

AFFIDAVIT OF ALEXANDER (SASHA) WEINTRAUB IN SUPPORT OF PROGRESS ENERGY FLORIDA'S <u>REQUEST FOR CONFIDENTIAL CLASSIFICATION</u>

STATE OF NORTH CAROLINA

COUNTY OF WAKE

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

1. My name is Alexander (Sasha) 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 affidavit are based upon my personal knowledge.

2. I am Executive Director of PEF's Regulated Fuels Department. This section is responsible for coal acquisition for both PEF and Progress Energy Carolinas ("PEC") systems.

3. As the Executive Director of PEF's Regulated Fuels Department, I am responsible, along with the other members of the section, for the procurement of coal and

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coal transportation contracts for PEC's and PEF's electrical power generation facilities, and the administration of coal contracts with various suppliers.

4. PEF is seeking confidential classification for certain information provided in response to the Office of Public Counsel's ("OPC's") First Request for Production of Documents. A detailed description of the confidential information at issue is contained in confidential Exhibit A to PEF's Request for Confidential Classification 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, the disclosure of which would impair the Company's efforts to contract for goods or services on favorable terms.

5. Portions of the responses to OPC Requests 1, 2b, 2c, 3, 7, 8, 9, and 10 contain confidential contractual information regarding the purchase of coal and transportation services for that coal. Certain of these documents contain contractual quantities and pricing arrangements between PEF and third parties (fuel suppliers & transportation providers) that would adversely impact PEF's competitive business interests if disclosed to the public.

6. 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. Some of the contracts at issue contain confidentiality provisions that prohibit the disclosure of the terms of the contract to third parties. Specifically, the information at issue relates to competitively negotiated contractual data, such as quantity and pricing of fuel, and other contractual terms, the disclosure of which would impair the efforts of the Company to negotiate coal supply contracts and transportation contracts on favorable terms. If other third parties were made aware of confidential contractual terms that PEF has with other parties, they may offer PEF less competitive contractual terms in future contractual negotiations. 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.

7. Portions of PEF's responses to Request number 6 contain confidential and sensitive analysis done by the Company in considering whether to purchase certain equipment. These documents reflect the Company's internal strategies for evaluating bid responses. They also reflect the Company's forecasts for coal prices and transportation costs. If this information was disclosed to the public, it could adversely impact PEF's competitive interests. If such information was disclosed to PEF's competitors and/or other potential suppliers, 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 and/or suppliers changing their offers, consumption, or purchasing behavior within the relevant markets.

8. Upon receipt of confidential information from coal suppliers and coal transportation 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. The Company has treated and continues to treat the information and contracts at issue as confidential.

9. This concludes my affidavit.

Further affiant sayeth not.

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Dated the day of February, 2008.

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(Signature)

Alexander (Sasha) Weintraub **Executive Director Regulated Fuels Department Progress Energy Carolinas** Post Office Box 1551 Raleigh, NC. 27602

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this and ay of February, 2008 by Alexander (Sasha) Weintraub. He is personally known to me, or has produced his $n \lfloor a$. $n \lfloor a \rfloor$ as identification. driver's license, or his

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(AFFIX NOTARIAL SEAL)

(Printed Name) . Dunn NOTARY PUBLIC, STATE OF N , C .

(Commission Expiration Date)

(Serial Number, If Any)