BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause

Docket No: 090009-EI Submitted for Filing: May 14, 2009

AFFIDAVIT OF JON FRANKE IN SUPPORT OF PROGRESS ENERGY FLORIDA'S REQUEST FOR CONFIDENTIAL CLASSIFICATION REGARDING PORTIONS OF AUDIT REPORT NO. 08-248-2-3

STATE OF FLORIDA

COUNTY OF CITRUS

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

My name is Jon Franke. I am over the age of 18 years old and I have been 1. 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.

I am the Vice President at Crystal River Unit 3. As such, I am responsible for the 2. safe operation of the nuclear generating station. Additionally, I have indirect responsibilities in COM ECR oversight of major project activities at the station. Through my management team I have about GEL 420 employees that perform the daily work required to operate the station and provide 678927 1 engineering training and support to the station. SAC DOCUMENT NO. DATE SA ADM

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3. PEF is seeking confidential classification for portions of responsive documents to Audit Request No. 08-248-2-3. 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 these documents because they include confidential and proprietary contractual information, the disclosure of which would compromise PEF's competitive business interests..

4. Specifically, portions of these responsive documents contain confidential contractual data, including pricing agreements and other confidential contractual terms. Disclosure of the terms of these agreements would impair PEF's competitive business interests, and would further be a violation of the PEF's confidentiality agreements. Disclosure of this information would impair PEF's competitive business interests by providing third parties with information regarding contractual terms with which PEF is willing to agree, thereby giving third parties a competitive advantage when negotiating similar contracts with PEF. For example, if third party contractors were to know the amount that PEF is willing to pay for certain work, they may raise their bids to such an amount, irrespective of the fact that they may be able to perform the work for a lesser amount, thus making it more expensive for PEF to contract for necessary goods and services.

5. Upon receipt of this confidential information, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality 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. At no time since receiving the information in question 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 14 day of May, 2009.

(Signature)

Jon Franke Vice President Crystal River Unit 3 15760 W. Power Line St. Crystal River, Florida 34448

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this $\frac{14}{14}$ day of May, 2009 by Jon Franke. He is personally known to me, or has produced his ______ driver's license, or his ______ as identification.

(Commission Expiration Date)

naud (Signature) Arolyn E Poetmann (Printed Name) NOTARY PUBLIC, STATE OF 7L

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(AFFIX NOTARIAL SEAL)

If Any CAROLYN E. PORTMANN (Se Notary Public - State of Florida Commission Expin s Mar 1, 2010 Commission # DD 524380 onded By National Notary As