## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause

Docket No. 100009-EI

Submitted for Filing: August 5, 2010

AFFIDAVIT OF THOMAS G. FOSTER IN SUPPORT OF PROGRESS ENERGY FLORIDA'S TWENTIETH REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF FLORIDA

**COUNTY OF PINELLAS** 

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

- 1. My name is Thomas G. Foster. 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 employed by Progress Energy Service Company, LLC as Supervisor of Regulatory Planning Florida. I am responsible for regulatory planning and cost recovery for PEF. These responsibilities include: regulatory financial reports; and analysis of state, federal and local regulations and their impact on PEF. In this capacity, I am also responsible for the Levy County Nuclear Project ("LNP") and Crystal River Unit 3 ("CR3") Uprate Project Cost Recovery Actual/Estimated, Projection and True-up to Original filings, made as part of this docket, in accordance with Rule 25-6.0423, Florida Administrative Code (F.A.C.).

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- 3. PEF is seeking confidential classification of portions of the documents produced in response to Staff's 8th Set of Interrogatories. A detailed description of the confidential information at issue is contained in confidential Attachment A to PEF's Request and is outlined in PEF's Justification Matrix that is attached to PEF's Request as Appendix C.
- 4. The Company is requesting confidential classification of this information because portions thereof contain and include proprietary and confidential numbers and amounts that would impair PEF's competitive business interests if publicly disclosed. In many instances, the disclosure of this information would violate contractual confidentiality provisions. Specifically, portions of the documents contain details regarding PEF's budgeted and estimated costs for the LNP under its Engineering, Procurement & Construction ("EPC") agreement.
- 5. 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 nuclear equipment and service options that provide economic value to both the Company and its customers could be compromised by the Company's competitors and/or suppliers changing their offers, consumption, or purchasing behavior within the relevant markets.
- 6. PEF must be able to assure these vendors that sensitive business information, such as the terms of their contracts, will be kept confidential. Indeed, as discussed above, the contract at issue contains 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 the disclosure of which would impair the efforts of the Company to negotiate these contracts on favorable terms. If other third parties were made aware of confidential contractual terms that PEF has with other parties, such as pricing arrangements, they may offer

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less competitive contractual terms in future contractual negotiations. Without the Company's measures to maintain the confidentiality of sensitive terms in contracts with these nuclear contractors, the Company's efforts to obtain competitive contracts could be undermined to the detriment of PEF and its ratepayers.

- 7. Upon receipt of all this confidential information, 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. At no time since negotiating and receiving the contracts and performing the analyses in question has the Company publicly disclosed the information or the terms of the contracts at issue. The Company has treated and continues to treat the information at issue as confidential.
  - 8. This concludes my affidavit.

Further affiant sayeth not.

Dated this 5th day of August, 2010.

(Signature)

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Thomas G. Foster

Supervisor of Regulatory Planning Florida

Progress Energy Florida

Post Office Box 14042

St. Petersburg, FL 33733

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of August, 2010 by Thomas G. Foster. He is personally known to me, or has produced his as identification.	
JEAN L. COSTELLO  Notary Public - State of Florida  My Comm. Expires Feb 21, 2013  Commission & DD 848547  Bonded Through National Hotary Assn.	(Signardire)
(AFFIX NOTARIAL SEAL)	(Printed Name) NOTARY PUBLIC, STATE OF FLORIDA  (Commission Expiration Date)
	(Serial Number, If Any)