

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: NUCLEAR COST
RECOVERY CLAUSE

_____ claim of confidentiality
 _____ notice of intent
 request for confidentiality
 _____ filed by OPC Docket No. 120009-EI
 Submitted for Filing: June 5, 2012

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**PROGRESS ENERGY FLORIDA, INC.'S THIRD REQUEST FOR
 CONFIDENTIAL CLASSIFICATION REGARDING PORTIONS
 OF THE AUDITOR'S WORK PAPERS IN AUDIT CONTROL NO. 12-010-2-2 FOR THE
 CRYSTAL RIVER UNIT 3 UPRATE PROJECT**

Progress Energy Florida, Inc. ("PEF" or the "Company"), pursuant to Sections 366.093, Florida Statutes, and Rule 25-22.006(3), Florida Administrative Code, requests confidential classification of portions of the audit work papers of the Florida Public Service Commission ("Commission") Office of Auditing and Performance Analysis Staff Auditors in Audit Control No. 12-010-2-2 for the Crystal River Unit 3 Uprate ("CR3 Uprate") project (the "Audit Work Papers"). The Audit Work Papers contain confidential financial legal invoices and legal services explanations and information, the disclosure of which would impair PEF's competitive business interests. Accordingly, these portions of the Audit Work Papers meet the definition of proprietary confidential business information per section 366.093(3), Florida Statutes. An unredacted copy of the Audit Work Papers is being filed under seal with the Commission on a confidential basis to keep the competitive business information in those documents confidential.

BASIS FOR CONFIDENTIAL CLASSIFICATION

Section 366.093(1), Florida Statutes, provides that "any records received by the Commission which are shown and found by the Commission to be proprietary confidential business information shall be kept confidential and shall be exempt from [the Public Records Act]." Proprietary confidential business information means information that is (i) intended to be

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and is treated as private confidential information by the Company, (ii) because disclosure of the information would cause harm, (iii) either to the Company's ratepayers or the Company's business operation, and (iv) the information has not been voluntarily disclosed to the public. § 366.093(3), Fla. Stat. The statute defines "information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information," as proprietary confidential business information. See § 366.093(3)(e), Fla. Stat. Additionally, "information concerning bids or other 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" is defined as proprietary confidential business information. § 366.093(3)(d), Fla. Stat.

Portions of the Audit Work Papers should be afforded confidential classification for the reasons set forth in the Affidavit Cynthia Lee filed in support of PEF's Request, and for the following reasons. Specifically, the Audit Work Papers contain legal services invoices and explanations for legal services performed for the CR3 Uprate project. The release of this confidential financial information would impair PEF's competitive business interests. See Affidavit of Lee, ¶ 3

The Audit Work Papers contain information related to legal work performed for the CR3 Uprate project. The public disclosure of this information would allow other parties to discover how the Company utilizes legal services and the costs it pays for such services, and would impair PEF's ability to contract for such goods and services on competitive and favorable terms. See Affidavit of Lee, ¶ 4.

The Company is requesting confidential classification of this information because the Audit Work Papers contain proprietary and confidential information that would impair PEF's competitive business interests if publicly disclosed. Portions of these documents reflect the

Company's internal strategies for evaluating projects. The information contains sensitive information concerning the legal services for the CR3 Uprate project the release of which would place PEF's competitors at a relative competitive advantage, thereby harming the Company's and its customer's interests. See Affidavit of Lee, ¶ 5.

PEF considers this information to be confidential and proprietary and continues to take steps to protect against its public disclosure. Upon receipt of this confidential information, strict procedures are established and followed to maintain the confidentiality of the information provided, including restricting access to those persons who need the information to assist the Company. 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. See Lee Affidavit ¶ 6.

CONCLUSION

The competitive, legal financial information at issue in this Request fits the statutory definition of proprietary confidential business information under Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, and that information should be afforded confidential classification. In support of this Request, PEF has enclosed the following:

- (1) A separate, sealed envelope containing one copy of the confidential Appendix A to PEF's Request for Confidential Classification for which PEF has requested confidential classification with the appropriate section, pages, or lines containing the confidential information highlighted. **This information should be accorded confidential treatment pending a decision on PEF's Request by the Florida Public Service Commission;**

(2) Two copies of the document with the information for which PEF has requested confidential classification redacted by section, page or lines, where appropriate, as Appendix B; and,

(3) A justification matrix supporting PEF's Request for Confidential Classification of the highlighted information contained in confidential Appendix A, as Appendix C.

WHEREFORE, PEF respectfully requests that the redacted portions of the Audit Work Papers be classified as confidential for the reasons set forth above.

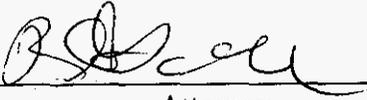
Respectfully submitted this 5th day of June, 2012.

R. Alexander Glenn
General Counsel
John Burnett
Associate General Counsel
Dianne M. Triplett
Associate General Counsel
PROGRESS ENERGY SERVICE
COMPANY, LLC
Post Office Box 14042
St. Petersburg, FL 33733-4042
Telephone: (727) 820-5587
Facsimile: (727) 820-5519


James Michael Walls
Florida Bar No. 0706242
Blaise N. Gamba
Florida Bar No. 0027942
Matthew R. Bernier
Florida Bar No. 0059886
CARLTON FIELDS, P.A.
Post Office Box 3239
Tampa, FL 33601-3239
Telephone: (813) 223-7000
Facsimile: (813) 229-4133

CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished to counsel and parties of record as indicated below via electronic and U.S. Mail this 5th day of June, 2012.



Attorney

Keino Young
Michael Lawson
Staff Attorney
Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee 32399
Phone: (850) 413-6218
Facsimile: (850) 413-6184
Email: kyoung@psc.fl.state.us
mlawson@psc.fl.state.us

Charles Rehwinkel
Associate Counsel
Erik Sayler
Associate Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399-1400
Phone: (850) 488-9330
Email: rehwinkel.charles@leg.state.fl.us
Sayler.erik@leg.state.fl.us

Vicki G. Kaufman
Jon C. Moyle, Jr.
Moyle Law Firm, P.A.
118 North Gadsden Street
Tallahassee, FL 32301
Phone: (850) 681-3828
Fax: (850) 681-8788
Email: vkaufman@moylelaw.com
jmoyle@moylelaw.com

Bryan S. Anderson
Jessica Cano
Florida Power & Light
700 Universe Boulevard
Juno Beach, FL 33408-0420
Phone: (561) 691-7101
Facsimile: (561) 691-7135
Email: bryan.anderson@fpl.com
Jessica.cano@fpl.com

Capt. Samuel Miller
USAF/AFLOA/JACL/ULFSC
139 Barnes Drive, Ste. 1
Tyndall AFB, FL 32403-5319
Phone: (850) 283-6663
Fax: (850) 283-6219
Email: Samuel.Miller@Tyndall.af.mil

Kenneth Hoffman
Florida Power & Light
215 South Monroe St., Ste. 810
Tallahassee, FL 32301-1858
Phone: (850) 521-3919
Fax: (850) 521-3939
Email: Ken.Hoffman@fpl.com

Mr. Paul Lewis, Jr.
Progress Energy Florida, Inc.
106 East College Avenue, Ste. 800
Tallahassee, FL 32301-7740
Phone: (850) 222-8738
Facsimile: (850) 222-9768
Email: paul.lewisjr@pgnmail.com

Robert Scheffel Wright
John T. LaVia
c/o Gardner Law Firm
1300 Thomaswood Drive
Tallahassee, FL 32308
Email: schef@gbwlegal.com

Gary A. Davis
James S. Whitlock
Davis & Whitlock, P.C.
61 North Andrews Avenue
P.O. Box 649
Hot Springs, NC 28743
gadavis@enviroattorney.com
jwhitlock@environattorney.com

James W. Brew
F. Alvin Taylor
Brickfield Burchette Ritts & Stone, PC
1025 Thomas Jefferson St NW
8th FL West Tower
Washington, DC 20007-5201
Phone: (202) 342-0800
Fax: (202) 342-0807
Email: jbrew@bbrslaw.com
ataylor@bbrslaw.com

Randy B. Miller
White Springs Agricultural Chemicals, Inc.
PO Box 300
White Springs, FL 32096
Email: RMiller@pscphosphate.com
(via email only)

Robert H. Smith
11340 Heron Bay Blvd.
Coral Spring, FL 33076
Email: rpjrb@yahoo.com
(via email only)

PROGRESS ENERGY FLORIDA
In re: Nuclear Cost Recovery Clause
Docket 120009-EI
Third Request for Confidential Classification

Exhibit B

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PROGRESS ENERGY FLORIDA
In re: Nuclear Cost Recovery Clause
Docket 120009-EI
Third Request for Confidential Classification

AUDITOR'S DESIGNATION 43-3 through 43-3
2-2 p1 2-2 p2

are redacted in their entirety

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AUDITOR'S DESIGNATION 43-3 through 43-3
3 p1 3 p19

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AUDITOR'S DESIGNATION 43-3 through 43-3
4 p1 4 p39

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AUDITOR'S DESIGNATION 43-3 through 43-3
5 p1 5 p4

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AUDITOR'S DESIGNATION 43-3 through 43-3
6 p1 6 p9

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**PROGRESS ENERGY FLORIDA
THIRD REQUEST FOR CONFIDENTIAL CLASSIFICATION
CONFIDENTIALITY JUSTIFICATION MATRIX
Docket No. 120009; Audit Control No. 12-010-2-2**

DOCUMENT	PAGE/LINE	JUSTIFICATION
Work Paper Location <u>43-3</u> through <u>43-3</u> 2-2p1 2-2p2	All pages in their entirety exclusive of headers and footers	<p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
Work Paper Location <u>43-3</u> through <u>43-3</u> 3p1 3p19	All pages in their entirety exclusive of headers and footers	<p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>

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THIRD REQUEST FOR CONFIDENTIAL CLASSIFICATION
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ATTACHMENT C

<p>Work Paper Location <u>43-3</u> through <u>43-3</u> 4p1 4p39</p>	<p>All pages in their entirety exclusive of headers and footers</p>	<p>§366.093(3)(d), Fla. Stat. The document in question contains confidential <i>contractual information</i>, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>Work Paper Location <u>43-3</u> through <u>43-3</u> 5p1 5p4</p>	<p>All pages in their entirety exclusive of headers and footers</p>	<p>§366.093(3)(d), Fla. Stat. The document in question contains confidential <i>contractual information</i>, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>Work Paper Location <u>43-3</u> through <u>43-3</u> 6p1 6p9</p>	<p>All pages in their entirety exclusive of headers and footers</p>	<p>§366.093(3)(d), Fla. Stat. The document in question contains confidential <i>contractual information</i>, the disclosure of which would</p>

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