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October 18, 2013

**VIA HAND DELIVERY**

Ms. Ann Cole  
Commission Clerk  
Florida Public Service Commission  
Betty Easley Conference Center  
2540 Shumard Oak Boulevard, Room 110  
Tallahassee, FL 32399-0850

RECEIVED-FPSC  
13 OCT 18 PM 12:40  
COMMISSION  
CLERK

**Re: Docket No. 130007-EI**

Dear Ms. Cole:

Enclosed for filing in the above docket are the original and seven (7) copies of Florida Power and Light Company's Request for Confidential Classification of certain information contained in Exhibits WLY-1 and WLY-2 to the rebuttal testimony of FPL witness William L. Yeager. The original includes Exhibit A, B (two copies), C and D. The seven copies do not include copies of the exhibits.

Exhibit A contains the confidential information that is the subject of FPL's Request for Confidential Classification. Exhibit A is submitted for filing separately and marked "EXHIBIT A"- CONFIDENTIAL. Exhibit B is an edited version of Exhibit A, in which the information that FPL asserts is confidential has been redacted. Exhibit C contains FPL's justification table for its Request for Confidential Classification. Exhibit D is the affidavit of William L. Yeager in support of FPL's Request for Confidential Classification. In accordance with Rule 25.22.006(3)(d), FPL requests confidential treatment of information in Exhibit A pending disposition of FPL's Request for Confidential Classification.

Also included herewith is a CD containing FPL's Request for Confidential Classification and Exhibit C in Microsoft Word format.

Please contact me if you or your Staff has any questions regarding this filing.

Sincerely,

Maria J. Moncada

COM  
AFD  
APA  
ECO  
ENG 3H CD  
GCL  
DM  
TEL  
CLK

Enclosures  
cc: parties of record, w/o exhibits  
Florida Power & Light Company

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

Environmental Cost Recovery Clause

Docket No: 130007-EI

Date: October 18, 2013

**REQUEST FOR CONFIDENTIAL CLASSIFICATION OF INFORMATION  
OF EXHIBIT WLY-1 AND WLY-2 TO YEAGER REBUTTAL TESTIMONY**

Pursuant to Section 366.093 of the Florida Statutes, and Rule 25-22.006, Florida Administrative Code, Florida Power & Light Company (“FPL”) requests confidential classification of certain information contained in Exhibits WLY-1 and WLY-2 to the rebuttal testimony of FPL witness William L. Yeager (“Confidential Information”). In support of its Request, FPL states as follows:

1. On September 27, 2013, FPL filed a Notice of Intent to Request Confidential Classification of Exhibits WLY-1 and WLY-2. Pursuant to Rule 25-22.006(3)(a), Florida Administrative Code, FPL has 21 days from the date of the Notice of Intent to file a formal request for confidential classification. Accordingly, FPL files this request for Confidential Classification to maintain continued confidential handling of the information in Exhibits WLY-1 and WLY-2.

2. The following exhibits are included with this Request:

a. Exhibit A consists of a copy of Exhibits WLY-1 and WLY-2 in which all of the confidential information is highlighted.

b. Exhibit B consists of a copy of Exhibits WLY-1 and WLY-2 in which all of the Confidential Information is redacted.

c. Exhibit C is a table that identifies by page, line or column the Confidential Information, together with references to the specific statutory bases for the claim of confidentiality and to the affiant who supports the requested classification.

d. Exhibit D is the affidavit of William L. Yeager in support of this request.

3. FPL submits that the highlighted information in Exhibit A is proprietary confidential business information within the meaning of Section 366.093(3), Florida Statutes (“Section 366.093(3)”). This information is intended to be and is treated by FPL as private, and its confidentiality has been maintained. Pursuant to Section 366.093, such information is entitled to confidential treatment and is exempt from the disclosure provisions of the public records law. Thus, once the Commission determined that the information in question is proprietary confidential business information, the Commission is not required to engage in any further analysis or review such as weighing the hard of disclosure against the public interest in access to the information.

4. FPL seeks confidential protection for the highlighted information contained in Exhibits WLY-1 and WLY-2, which identifies contract terms and conditions. The highlighted information consists of terms of offer by LS Power to sell the Desoto facility to FPL or to enter a Purchased Power Agreement. Such information is protected by Section 366.093(3)(d). This information also relates to the competitive interests of FPL and LS Power. The disclosure of this information would impair their competitive businesses. Such information is protected by Section 366.093(3)(e).

5. Upon a finding by the Commission that the Confidential Information is proprietary confidential business information within Section 366.093(3), such information should not be declassified for at least eighteen (18) months and should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. § 366.093(4), Fla. Stat.

**WHEREFORE**, FPL respectfully requests confidential classification of the Confidential Information contained in Exhibits WLY-1 and WLY-2.

Respectfully submitted,  
John T. Butler, Esq.  
Assistant General Counsel – Regulatory  
Maria J. Moncada  
Principal Attorney Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach, FL 33408  
Telephone: (561) 304-5795  
Facsimile: (561) 691-7135

By: \_\_\_\_\_

  
Maria J. Moncada  
Fla. Bar No. 0773301

**CERTIFICATE OF SERVICE**  
**Docket No. 130007-EI**

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by electronic mail and United States mail this 18th day of October 2013, to the following:

Charles Murphy, Esq. \*  
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Florida Public Service Commission  
2540 Shumard Oak Blvd.  
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Attorneys for DeSoto County Generating  
Company, LLC

By:



\_\_\_\_\_  
Maria J. Moncada  
Fla. Bar No. 0773301

\*Exhibits to this Request are not included with the service copies, but Exhibit B was included with the testimony of Mr. Yeager that was served on all parties, and copies of Exhibits C and D are available upon request.

**EXHIBIT A**

**CONFIDENTIAL**

**FILED UNDER SEPARATE COVER**

# **EXHIBIT B**

## **REDACTED COPIES**



PROPRIETARY CONFIDENTIAL  
BUSINESS INFORMATION

DESOTO COUNTY  
GENERATING COMPANY

## Draft Terms and Conditions Summary

**Buyer** Florida Power and Light Company ("FPL" or "Buyer")

**Seller** DeSoto County Generating Company, LLC ("Seller")

**Project** Seller's DeSoto power plant located in Arcadia, Florida ("Facility"). The Facility consists of two GE 7FA combustion turbines with a summer generating capacity of 310 MW with a Commercial Operations Date of June 2002. Major overhauls to be performed on both turbines prior to transaction date.

**Delivery Point** FPL's Whidden 230 kV substation

### Asset Purchase Option

**Purchase Price** Buyer may purchase asset for \$51 million

**Closing Date** Financial closing of purchase by April 1, 2014

**Terms & Conditions** Customary and usual for a transaction of this type

### Power Purchase Agreement Option

**Type of Service/ Agreement** Capacity and Physical Toll of Energy, based on Parties' previous Power Purchase Agreement dated October 24, 2011. PPA to include

[REDACTED]

1  
2  
3

**Contract Term** April 1, 2014 - March 31, 2024

**Contract Quantity** For the purposes of calculating the Capacity Payment, the Contract Quantity shall be 310 MW

**Capacity Payment** The Capacity Payment shall be the product of the Contract Quantity and the Capacity Price throughout the term, subject to the Availability Guarantee

**Capacity Price** The Capacity Price shall be:

[REDACTED]

4  
5  
6

1 | DeSoto County Generating Facility

COM \_\_\_\_\_  
AFD \_\_\_\_\_  
APA \_\_\_\_\_  
ECO \_\_\_\_\_  
ENG | EXN B  
GCL \_\_\_\_\_  
DM \_\_\_\_\_  
TEL \_\_\_\_\_  
CLK \_\_\_\_\_

PROPRIETARY CONFIDENTIAL  
BUSINESS INFORMATION

DESOTO COUNTY  
GENERATING COMPANY

<b>Guaranteed Heat Rate</b>	Buyer shall supply all fuel necessary to generate Energy from the Facility. The Guaranteed Heat Rate is [REDACTED]	1
<b>VOM Charge</b>	The VOM Charge shall be [REDACTED]	2
<b>Start Charge</b>	The Start Charge shall be [REDACTED]	3 4
<b>Availability Guarantee</b>	The Capacity Payments shall be [REDACTED] [REDACTED] APA to provide for customary allowances for scheduled maintenance outages.	5 6 7
<b>Fuel Oil</b>	Items in this term sheet contemplate the Facility operating on Natural Gas. The Facility has the capability to operate on No. 2 Fuel Oil. Heat rate, VOM and Start charges when operating on Fuel Oil are available if desired by Buyer.	
[REDACTED]	[REDACTED]	8 9 10



PROPRIETARY CONFIDENTIAL  
BUSINESS INFORMATION

DESOTO COUNTY  
GENERATING COMPANY

## Draft Terms and Conditions Summary

**Buyer** Florida Power and Light Company ("FPL" or "Buyer")

**Seller** DeSoto County Generating Company, LLC ("Seller")

**Project** Seller's DeSoto power plant located in Arcadia, Florida ("Facility"). The Facility consists of two GE 7FA combustion turbines with a summer generating capacity of 310 MW with a Commercial Operations Date of June 2002. Major overhauls to be performed on both turbines prior to transaction date. Facility will install GE's 'Fast Start OpFlex' package which provides for each CT capable of achieving ~78% of baseload capability (121 MW) in 10 minutes and 100% of baseload capability in 13 minutes.

**Delivery Point** FPL's Whidden 230 kV substation

### Asset Purchase Option

**Purchase Price** Buyer may purchase asset for \$52.75 million

**Closing Date** Financial closing of purchase by April 1, 2014

**Terms & Conditions** Customary and usual for a transaction of this type

### Power Purchase Agreement Option

**Type of Service/ Agreement** Capacity and Physical Toll of Energy, based on Parties' previous Power Purchase Agreement dated October 24, 2011. PPA to include

[REDACTED]

1  
2  
3

**Contract Term** April 1, 2014 – March 31, 2024

**Contract Quantity** For the purposes of calculating the Capacity Payment, the Contract Quantity shall be 310 MW.

**Capacity Payment** The Capacity Payment shall be the product of the Contract Quantity and the Capacity Price throughout the term, subject to the Availability Guarantee.

1 | DeSoto County Generating Facility

PROPRIETARY CONFIDENTIAL  
BUSINESS INFORMATION

DESOTO COUNTY  
GENERATING COMPANY

Capacity Price	The Capacity Price shall be:	[REDACTED]	1 2 3
Guaranteed Heat Rate	Buyer shall supply all fuel necessary to generate Energy from the Facility. The Guaranteed Heat Rate is:	[REDACTED]	4
VOM Charge	The VOM Charge shall be:	[REDACTED]	5
Start Charge	The Start Charge shall be:	[REDACTED]	6 7
Availability Guarantee	The Capacity Payments shall be:	[REDACTED]	8 9 10
Fuel Oil	Items in this term sheet contemplate the Facility operating on Natural Gas. The Facility has the capability to operate on No. 2 Fuel Oil. Heat rate, VOM and Start charges when operating on Fuel Oil are available if desired by Buyer.	[REDACTED]	11 12 13

# **EXHIBIT C**

## **JUSTIFICATION TABLE**

**EXHIBIT C**

**Florida Power and Light Company  
Rebuttal Exhibits of William L. Yeager  
Docket No. 130007-EI**

<b>Document</b>	<b>Description</b>	<b>No. of Pages</b>	<b>Conf. Y/N</b>	<b>Line No./Col. No.</b>	<b>Florida Statute 366.093 (3) Subsection</b>	<b>Affiant</b>
1	Exhibit WLY-1: Initial Draft Terms and Conditions from LS Power	2	Y	Page 1, Lines 1a, 2-6  Page 2 Line 1a, 2a, 3a, 4, 5a, 6, 7a, and 8-10	(d), (e)	William L. Yeager
2	Exhibit WLY-2: Revised Draft Terms and Conditions from LS Power	2	Y	Page 1, Lines 1a, 2-3  Page 2, Lines 1-3, 4a, 5a, 6a, 7, 8a, 9, 10a, and 11-13	(d), (e)	William L. Yeager

**EXHIBIT D**

**AFFIDAVIT**



EXHIBIT D

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Environmental Cost Recovery Clause

Docket No: 130007-EI

Date: October 16, 2013

STATE OF FLORIDA )  
 )  
COUNTY OF PALM BEACH )

AFFIDAVIT OF WILLIAM L. YEAGER

BEFORE ME, the undersigned authority, personally appeared William L. Yeager who, being first duly sworn, deposes and says:

1. My name is William L. Yeager. I am currently employed by NextEra Energy, Inc. as Executive Vice President of Engineering, Construction and Integrated Supply Chain ("ISC"). I have personal knowledge of the matters stated in this affidavit.

2. I have reviewed the documents and information included in Exhibit A to FPL's Request for Confidential Classification of Exhibits WLY-1 and WLY-2. The documents or materials that I have reviewed and which are asserted by FPL to be proprietary confidential business information consist of terms of an offer by LS Power to sell the Desoto facility to FPL and or to enter a Purchased Power Agreement. LS Power considers these terms competitively sensitive and has requested that FPL maintain their confidentiality. Disclosure would harm the competitive interests of both FPL and LS Power.

3. Consistent with the provisions of the Florida Administrative Code, such materials should remain confidential for a period of eighteen (18) months. In addition, they should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents

4. Affiant says nothing further.

William L. Yeager

SWORN TO AND SUBSCRIBED before me this 16<sup>th</sup> day of October 2013, by William L. Yeager, who is personally known to me or who has produced \_\_\_\_\_ (type of identification) as identification and who did take an oath.

Notary Public, State of Florida

My Commission Expires:

