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July 9, 2015

VIA HAND DELIVERY

Ms. Carlotta S. Stauffer
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RECEIVED-FPSC
15 JUL -9 PM 3:06
COMMISSION
CLERK

Re: Docket No. 150075-EI

REDACTED

Dear Ms. Stauffer:

I enclose for filing in the above docket an original and seven (7) copies of Florida Power & Light Company's ("FPL's") Request for Confidential Classification of Certain Responses to Staff of the Florida Public Service Commission's Eighth Set of Interrogatories (No. 44). The original includes Exhibits A, B (two copies), Exhibit C and Exhibit D. The seven copies do not include copies of the Exhibits.

Exhibit A consists of the confidential documents, and all the information that FPL asserts is entitled to confidential treatment has been highlighted. Exhibit B is an edited version of Exhibit A, in which the information FPL asserts is confidential has been redacted. Exhibit C is a justification table in support of FPL's Request for Confidential Classification. Exhibit D contains one affidavit in support of FPL's Request for Confidential Classification.

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

Sincerely,

Kevin I.C. Donaldson
Kevin I.C. Donaldson

COM _____
AFD 2 Enclosure
cc: Counsel for Parties of Record (w/ copy of FPL's Request for Confidential Classification)
APA _____
ECO 2
ENG 2 + cc + Redacted
GCL 1
IDM _____
TEL _____
CLK _____

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of arrangement to mitigate impact of unfavorable Cedar Bay power purchase obligation, by Florida Power & Light Company.

Docket No: 150075-EI

Date: July 9, 2015

FLORIDA POWER & LIGHT COMPANY'S REQUEST FOR CONFIDENTIAL CLASSIFICATION OF RESPONSE TO STAFF OF THE FLORIDA PUBLIC SERVICE COMMISSION'S EIGHTH SET OF INTERROGATORIES

Pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code, Florida Power & Light Company ("FPL") requests confidential classification of its response to Staff of the Florida Public Service Commission's ("Staff") Eighth Set of Interrogatories (No. 44). In support of its request, FPL states:

1. On June 26, 2015, FPL served its response to Staff's Eighth Set of Interrogatories. FPL's responses to Staff's Eighth Set of Interrogatories (No. 44) contain information of a confidential nature that comprises proprietary confidential business information within the meaning of Section 366.093(3), Florida Statutes (hereinafter referred to as the "Confidential Discovery Responses").
2. FPL files this request to Staff's Eighth Set of Interrogatories (No. 44), in order to request confidential classification of the Confidential Discovery Responses consistent with Rule 25-22.006, Florida Administrative Code.
3. The following exhibits are included with and made a part of the original request and this request:
 - a. Exhibit A consists of the Confidential Discovery Responses produced in response to Staff's Eighth Set of Interrogatories (No. 44).

b. Exhibit B consists of a copy of the confidential documents, on which all the information that is entitled to confidential treatment under Florida law has been redacted.

c. Exhibit C is a table containing an identification of the information highlighted in Exhibit A, together with a brief description of the documents designated confidential. Exhibit C also sets forth references to the specific statutory bases for the claim of confidentiality and to the affiant who supports the requested classification.

d. Exhibit D consists of the affidavit of David Herr.

4. FPL submits that the highlighted information in Exhibit A is proprietary confidential business information within the meaning of Section 366.093(3), Florida Statutes. 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.

5. As the affidavit of David Herr included as Exhibit D indicates, the Confidential Discovery Responses provided by FPL constitute proprietary business information related to competitively sensitive confidential business information, in that it contains information related to the third party's competitively interests. The disclosure of this information to third parties would adversely impact FPL by placing it at a competitive disadvantage and the valuation of the tangible and intangible assets of CBAS Power were performed by Duff and Phelps which would impair its competitive business and, which FPL is contractually obligated to treat confidentially. This information is protected by Sections 366.093(3)(d) and (e), Fla. Stat.


6. Upon a finding by the Commission that the Confidential Information remains proprietary and confidential business information, the information should not be declassified for at least an additional eighteen (18) month period and should be returned to FPL as soon as it is no longer necessary for the Commission to conduct its business. See § 366.093(4), Fla. Stat.

WHEREFORE, for the above and foregoing reasons, as more fully set forth in the supporting materials and affidavit included herewith, Florida Power & Light Company respectfully requests that its Request for Confidential Classification be granted.

Respectfully submitted,

John T. Butler
Assistant General Counsel - Regulatory
Kevin I.C. Donaldson
Senior Attorney
Maria J. Moncada
Principal Attorney
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Telephone: (561) 304-5170
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Email: kevin.donaldson@fpl.com

By:



Kevin I.C. Donaldson
Florida Bar No. 0833401


CERTIFICATE OF SERVICE
Docket No. 150075-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing Request for Confidential Classification* has been furnished by electronic mail on this 9th, day of July, 2015 to the following:

Martha F. Barrera, Esq.
Division of Legal Services
Florida Public Service Commission
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Attorney for the Citizens of the State of Fla.

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jmoyle@moylelaw.com
kputnal@molelaw.com
*Attorney for Fla. Industrial Power Users
Group*

By: 
for _____
Kevin I.C. Donaldson
Florida Bar No. 0833401

*The exhibits to this Request are not included with the service copies, but copies of Exhibits B, C and D are available upon request.

Q.

Please refer to the Direct Testimony of OPC Witness Brunault, page 13, line 9 through page 14, line 6.

- a. How is FPL's valuation of the Cedar Bay PPA accounts for the cost of coal used to meet Cedar Bay's contractual obligations to its steam host and FPL?
- b. Please provide the NPV associated with fuel for electric and steam sales. As part of this response, please include the annual values and calculations used to determine the coal cost.
- c. How did FPL determine the assumed heat rate to estimate the total fuel required by Cedar Bay to meet its contractual obligations to its steam host and FPL? As part of this response, provide the heat rate used in FPL's valuation that accounts for both electric and steam sales. Please include the values and calculations used to determine the heat rate.

A.

a. In estimating the cost of coal used to meet Cedar Bay's obligation to its steam host and FPL, the capacity factor of [REDACTED], the 250 MW size and the budgeted [REDACTED] were used to compute a total number of MMBTUs required to fulfill the obligations to the steam host and FPL. The MMBTUs were converted to pounds (and then to tons) based on an estimated heat content of [REDACTED] for [REDACTED] coal which is the primary fuel currently used at Cedar Bay. The delivered price per ton was estimated based on the [REDACTED] price estimate plus [REDACTED]. The total cost of coal was computed as the product of the tons required and the delivered price.

b. See Attachment I, which shows an after-tax NPV (using the 7% discount rate) of approximately [REDACTED] associated with fuel for electric and steam sales. The calculations used to determine the coal cost are also provided in Attachment I.

c. As noted in the response to subpart 44a. above, the budgeted [REDACTED] was used to estimate the total fuel requirement. To compute the equivalent MWHs required to produce steam, [REDACTED] in the July 2014 Cedar Bay information to estimate [REDACTED] (volume is assumed constant with a [REDACTED] annual price escalation). Based on the [REDACTED] in the July 2014 Cedar Bay information, approximately [REDACTED] are required to meet the steam obligations. When this amount is added to the [REDACTED], the implied "Full Heat Rate" reasonably aligns with the budgeted "Full Heat Rate". Attachment I presents the requested values and calculations.

Documents responsive to Staff's Eighth Set of Interrogatories No. 44 are confidential in their entirety.

EXHIBIT C

COMPANY: Florida Power & Light Company

DOCKET TITLE: In re: Petition for approval of arrangement to mitigate impact of unfavorable Cedar Bay power purchase obligation, by Florida Power & Light Company.

DOCKET NO: 150075-EI

SUBJECT: FPL's Confidential Responses to Staff's Eighth Set of Interrogatories (No. 44)

DATE: July 9, 2015

FPL's Responses to Staff's 8th Set of Interrogatories	Page No.	Description	Column No. / Line No.	Florida Statute 366.093(3) Subsection	Affiant
No. 44	Page 1 of 1	Interrogatory response concerning Cedar Bay heat rate, transportation costs and annual revenues	Lns. 1A, 1B, 2C, 5D, 5E, 6F, 7G, 8H, 9I, 10J, 11K, 23L, 13M, 13N, 14O, 14P, 15Q, 16R, 17S	(d), (e)	D. Herr
No. 44, Attachment I	Page 1 of 1	Valuation of CBAS Power, Inc.	ALL	(d), (e)	D. Herr

EXHIBIT D

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In RE: Petition for approval of arrangement to mitigate impact of unfavorable Cedar Bay power purchase obligation, by Florida Power & Light Company.

Docket No: 150075-EI

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF PHILADELPHIA)

AFFIDAVIT OF DAVID HERR

BEFORE ME, the undersigned authority, personally appeared David Herr who, being first duly sworn, deposes and says:

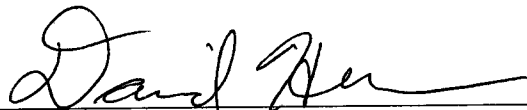
1. My name is David Herr. I am currently employed by Duff & Phelps LLC as Managing Director, the Philadelphia City Leader, and the Energy and Mining Industry leader. I have personal knowledge of the matters stated in this affidavit.

2. I have reviewed the documents and information included in Exhibit A to FPL's Request for Confidential Classification. The documents or materials that I have reviewed and which are asserted by FPL to be confidential constitute the proprietary business information of a third party related to the third party's competitive interests. The disclosure of this information would disadvantage FPL customers and would place FPL at a competitive disadvantage when coupled with other information that is publicly available. In addition, information designated as confidential consists of or relates to the valuation of the tangible and intangible assets of CBAS Power, Inc. which was performed by Duff & Phelps, Inc. The details of this highly detailed valuation report identify with specificity the proprietary methodology that Duff & Phelps employs in performing such valuations. Accordingly, public disclosure would impair the competitive businesses of Duff & Phelps and therefore should be treated confidentially. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

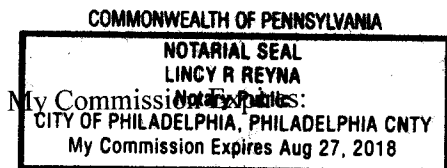
4. Consistent with the provisions of the Florida Administrative Code, such materials should remain confidential for a period of eighteen (18) months. In addition, they should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can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

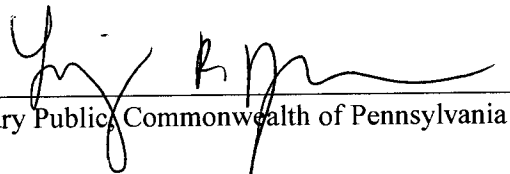
5. Affiant says nothing further.



David Herr

SWORN TO AND SUBSCRIBED before me this 8th day of July 2015, by David Herr, who is personally known to me or who has produced Drivers License (type of identification) as identification and who did take an oath.





Notary Public, Commonwealth of Pennsylvania