

Matthew R. Bernier Senior Counsel Duke Energy Florida, LLC

December 18, 2015

VIA ELECTRONIC FILING

Ms. Carlotta Stauffer, Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Fuel and purchased power cost recovery clause with generating performance incentive factor; Docket No. 150001-EI

Dear Ms. Stauffer:

Please find enclosed for electronic filing on behalf of Duke Energy Florida, LLC ("DEF"), DEF's First Request for Extension of Confidential Classification concerning information contained in the direct testimony of James McClay, specifically pages 3 and 4 and Exhibit No. JM-1T filed in docket no. 140001-EI on March 28, 2014, and Revised Exhibit D, Affidavit of Joseph McCallister in Support of DEF's First Request for Extension of Confidential Classification. The original Request included Exhibits A, B, and C.

There are no changes to the original Request's Exhibit A consisting of the confidential unredacted documents, Exhibit B containing two (2) redacted copies of the confidential document, or Exhibit C containing a justification table in support of DEF's original Request. The aforementioned exhibits remain on file with the Clerk.

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Respectfully,

<u>s/Matthew R. Bernier</u> Matthew R. Bernier Senior Counsel

MRB/mw Enclosures

cc: Certificate of Service

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost

recovery clause with generating performance

incentive factor.

Docket No. 150001-EI

Dated: December 18, 2015

DUKE ENERGY FLORIDA LLC'S REQUEST FOR CONFIDENTIAL CLASSIFICATION

Duke Energy Florida, LLC ("DEF" or "Company"), pursuant to Section 366.093, Florida

Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), submits its First Request

for Confidential Classification (the "Request") for certain information contained in the direct

testimony of James McClay and Exhibit No. JM-1T filed in Docket No. 140001-EI on March 28,

2014. In support of this Request, DEF states:

1. On March 28, 2014, DEF filed a request for confidential classification for portions of

the direct testimony of James McClay, specifically Pages 3 and 4, and Exhibit No. JM-1T (document

no. 01378-14), as they contain confidential proprietary business information. DEF incorporates

Exhibits A, B, and C to the March 28, 2014 request for confidential classification, as if fully set forth

as part of this request.

2. DEF's March 28, 2014 Request was granted by Order No. PSC-14-0338-CFO-EI, on

July 2, 2014. The period of confidential treatment granted by that order will expire on January 4,

2016. The information continues to warrant treatment as "proprietary confidential business

information" within the meaning of Section 366.093(3), F.S. Accordingly, DEF is filing its First

Request for Extension of Confidential Classification.

- 3. DEF submits that the information contained in DEF's confidential Exhibit A to the March 28, 2014 Request continue to be "proprietary confidential business information" within the meaning of section 366.093(3), F.S., and continue to require confidential classification. *See* Affidavit Joseph McCallister at ¶¶ 4-6, attached as Revised Exhibit "D". This information is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public. Pursuant to section 366.093(1), F.S., such materials are entitled to confidential treatment and are exempt from the disclosure provisions of the Public Records Act. *See* Affidavit of Affidavit Joseph McCallister ¶ 7.
- 4. Nothing has changed since the issuance of Order No. PSC-14-0338-CFO-EI to render the information stale or public such that continued confidential treatment would be inappropriate. Upon a finding by the Commission that this information continues to be "proprietary confidential business information," it should continue to be treated as such for an additional period of at least 18 months, and should be returned to DEF as soon as the information is no longer necessary for the Commission to conduct its business. *See* §366.093(4), F.S.

WHEREFORE, for the foregoing reasons, DEF respectfully requests that this Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 18th day of December, 2015.

s/Matthew R. Bernier_

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CERTIFICATE OF SERVICE

Docket No. 150001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via email this 18^{th} day of December, 2015 to all parties of record as indicated below.

s/Matthew R. Bernier

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Exhibit A

"CONFIDENTIAL"

(On file)

Exhibit B (On file)

DUKE ENERGY FLORIDA Confidentiality Justification Matrix

(On file)

Revised Exhibit D

AFFIDAVIT OF JOSEPH MCCALLISTER

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating

performance incentive factor.

Docket No. 150001-EI

Dated: December 18, 2015

AFFIDAVIT OF JOSEPH McCALLISTER IN SUPPORT OF DUKE ENERGY FLORIDA'S FIRST REQUEST FOR EXTENSION OF CONFIDENTIAL CLASSIFICATION

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

1. My name is Joseph McCallister. I am over the age of 18 years old and I have been authorized by Duke Energy Florida ("DEF" or the "Company") to give this affidavit in the above-styled proceeding on DEF's behalf and in support of DEF's First Request for Extension of Confidential Classification (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. I am the Director of Natural Gas, Oil and Emissions in the Fuel Procurement Department for Duke Energy. This unit is responsible for any natural gas, oil and emission allowance acquisition for Duke Energy Indiana ("DEI"), Duke Energy Kentucky ("DEK"), Duke Energy Carolinas ("DEC"), Duke Energy Progress-("DEP"), and DEF System.

- 3. As the Director of Gas, Oil and Emissions, I am responsible, along with the other members of the section, for the management of the gas and oil procurement, transportation, hedging activities and administration of gas and oil contracts with various suppliers for DEI, DEK, DEC, DEF and DEP's electrical power generation facilities.
- 4. DEF is seeking an extension of confidential classification for portions of the direct testimony of James McClay, specifically Pages 3 and 4, and portions of Exhibit No. JM-1T filed on March 28, 2014, in Docket No. 140001—EI (document no. 01378-14). There are no changes to the information contained in DEF's confidential Exhibit A, redacted Exhibit B, and justification matrix C. The referenced Exhibits are on file with the Clerk. DEF is seeking an extension of confidential classification of this information because it contains sensitive business information, the disclosure of which would impair the Company's efforts to contract for goods or services on favorable terms.
- 5. DEF negotiates with potential fuel suppliers to obtain competitive contracts for fuel options that provide economic value to DEF and its ratepayers. In order to obtain such contracts, however, DEF must be able to assure fuel suppliers that sensitive business information, such as individual hedging transactions, volume of fuel hedged, hedging targets, and the savings/costs of each transaction will be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed confidential information pertaining to contracts for natural gas and light oil. Absent such measures, suppliers would run the risk that sensitive business information that they provided in their contracts with DEF would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, persons or companies who otherwise would contract

with DEF might decide not to do so if DEF did not keep specific information confidential. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and fuel suppliers, the Company's efforts to obtain competitive fuel supply contracts could be undermined.

- 6. Additionally, the disclosure of confidential information in DEF's fuel supply contracts, could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors, DEF's efforts to obtain competitive fuel supply options that provide economic value to both DEF and its ratepayers could be compromised by DEF's competitors changing their consumption or purchasing behavior within the relevant markets.
- 7. Upon receipt of confidential information from fuel suppliers, 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, and restricting the number of, and access to the information and contracts. At no time since receiving the contracts and information in question has the Company publicly disclosed that information. The Company has treated and continues to treat the information and contracts at issue as confidential.
 - 8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 2^{4} day of Decemb	Joseph McCallister Director -Natural Gas, Oil and Emissions Fuels Procurement Department Duke Energy 526 South Church Street Charlotte, NC 28202
THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of December, 2015 by Joseph McCallister. He is personally known to me, or has produced his driver's license, or his as identification.	
(AFFIX NOTARIAL SEAL) Notary Public Mecklenburg County Mecklenburg County	(Signature) (Printed Name) NOTARY PUBLIC, STATE OF (Commission Expiration Date) (Serial Number, If Any)