

Matthew R. Bernier
Associate General Counsel
Duke Energy Florida, LLC.

February 19, 2020

## VIA ELECTRONIC FILING

Adam Teitzman, 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. 20200001-EI

Dear Mr. Teitzman:

Please find enclosed for electronic filing on behalf of Duke Energy Florida, LLC ("DEF"), DEF's Request for Extension of Confidential Classification concerning certain information contained in Exhibit No. \_\_\_(JM-1P to the direct testimony of James McClay filed in docket no. 20180001-EI and Revised Exhibit D, Affidavit of James McClay. 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,

s/Matthew R. Bernier

Matthew R. Bernier Associate General Counsel Matt.Bernier@duke-energy.com

MRB/mw Enclosures

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

incentive factor.

Docket No. 20200001-EI

Dated: February 19, 2020

## DUKE ENERGY FLORIDA, LLC'S FIRST REQUEST FOR EXTENSION OF 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, submits this First Request for Extension of Confidential Classification for certain information contained in Exhibit \_\_\_\_( JM-1P), to the direct Testimony of James McClay, filed in Docket No. 20180001-EI. In support of this Request, DEF states:

- 1. On August 10, 2018, DEF filed a request for confidential classification for certain information provided in Exhibit \_\_\_(JM-1P), DEF's Supplemental Hedging Report for the period January 2018 through July 2018 to the direct testimony of James McClay, (Document No. 05236-2018), as it contains sensitive business information such as contractual and competitively negotiated data.
- 2. DEF's August 10, 2018 Request was granted by Order No. PSC-2018-0453-CFO-EI, on September 6, 2018. The period of confidential treatment granted by that order will expire on March 6, 2020, therefore this request is timely. 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 Exhibit No. \_\_\_(JM-1P), to the direct testimony of James McClay and, identified in Exhibit "A" and Exhibit "C" to the August 10, 2018 Request¹ continues to be "proprietary confidential business information" within the meaning of section 366.093(3), F.S., and continues to require confidential classification. See Affidavit of James McClay 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 James McClay ¶ 7.
- 4. Nothing has changed since the issuance of Order No. PSC- 2018-0453-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.

<sup>&</sup>lt;sup>1</sup> DEF hereby incorporates Exhibits A, B, and C to the original Request, Document No. 05236-2018 submitted on August 10, 2018 in Docket No. 20180001-EI as if attached hereto.

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

Respectfully submitted this 19th day of February, 2020.

#### s/Matthew R. Bernier

#### **DIANNE M. TRIPLETT**

Deputy General Counsel Duke Energy Florida, LLC 299 First Avenue North St. Petersburg, FL 33701

T: 727. 820.4692 F: 727.820.5519

E: <u>Dianne.Triplett@Duke-Energy.com</u>

#### MATTHEW R. BERNIER

Associate General Counsel Duke Energy Florida, LLC 106 E. College Avenue Suite 800 Tallahassee, FL

T: 850.521.1428 F: 727.820.5519

E: Matt.Bernier@Duke-Energy.com

## Duke Energy Florida, LLC **CERTIFICATE OF SERVICE**

Docket No. 20200001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via email this 19<sup>th</sup> day of February, 2020, to all parties of record as indicated below.

### <u>s/Matthew R. Bernier\_</u>

Attorney

Suzanne Brownless Office of General Counsel FL Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 sbrownle@psc.state.fl.us

J. Beasley / J. Wahlen / M. Means Ausley McMullen P.O. Box 391 Tallahassee, FL 32302 jbeasley@ausley.com jwahlen@ausley.com mmeans@ausley.com

Russell A. Badders
Gulf Power Company
One Energy Place, Bin 100
Pensacola, FL 32520-0100
russell.badders@nexteraenergy.com

Kenneth A. Hoffman Florida Power & Light Company 134 W. Jefferson Street Tallahassee, FL 32301-1713 ken hoffman@fpl.com

Jon C. Moyle, Jr. Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com mqualls@moylelaw.com J.R. Kelly / T. David Office of Public Counsel 111 W. Madison St., Room 812 Tallahassee, FL 32399-1400 kelly.jr@leg.state.fl.us david.tad@leg.state.fl.us

Paula K. Brown Regulatory Affairs Tampa Electric Company P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com

Maria Moncada / David Lee Florida Power & Light Company 700 Universe Blvd. (LAW/JB) Juno Beach, FL 33408-0420 maria.moncada@fpl.com david.lee@fpl.com

James Brew / Laura W. Baker Stone Law Firm 1025 Thomas Jefferson St., N.W. Suite 800 West Washington, DC 20007 jbrew@smxblaw.com lwb@smxblaw.com

Mike Cassel Florida Public Utilities Company 208 Wildlight Avenue Yulee, FL 32097 mcassel@fpuc.com

Beth Keating Gunster, Yoakley & Stewart, P.A. 215 South Monroe Street, Suite 601 Tallahassee, FL 32301 bkeating@gunster.com

## Exhibit A

# "CONFIDENTIAL"

(on file)

# Exhibit B

# **REDACTED**

(on file)

## **Exhibit C**

# **DUKE ENERGY FLORIDA Confidentiality Justification Matrix**

(On file)

# Exhibit D AFFIDAVIT OF JAMES MCCLAY

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor.

Docket No. 20200001-EI

Dated: February 19, 2020

## AFFIDAVIT OF JAMES MCCLAY IN SUPPORT OF DUKE ENERGY FLORIDA, LLC'S 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 James McClay, who being first duly sworn, on oath deposes and says that:

- 1. My name is James McClay. I am over the age of 18 years old and I have been authorized by Duke Energy Florida (hereinafter "DEF" or the "Company") to give this affidavit in the above-styled proceeding on DEF's behalf and in support of DEF's Request for Extension of Confidential Classification (Request). The facts attested to in my affidavit are based upon my personal knowledge.
- 2. I am the Director of Trading in the Fuel Procurement Department. This section is responsible for natural gas, power, fuel oil and emission allowance activity for the Duke Energy Indiana ("DEI"), Duke Energy Kentucky ("DEK"), Duke Energy Carolinas ("DEC"), Duke Energy Progress ("DEP"), and DEF Systems.

- 3. As the Director of Gas Trading, 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's, DEK's, DEC's, DEF's and DEP's electrical power generation facilities.
- 4. DEF is seeking an extension of confidential classification for certain information contained in Exhibit No. \_\_\_(JM-1P) to my direct testimony filed on August 10, 2018 in docket 20180001-EI. 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 requesting an extension of confidential classification of this information because it contains proprietary confidential sensitive business information, the disclosure of which would impair the Company's efforts to contract for goods or services on favorable terms.
- 5. The confidential information at issue relates to DEF's hedging targets and actual hedging results, including information from individual hedging transactions, such as the volume of fuel hedged and the savings/costs of each transaction. DEF negotiates with potential fuel suppliers to obtain competitive contracts for fuel options that provide economic value to DEF and its customers. In order to obtain such contracts, however, DEF must be able to assure fuel suppliers that sensitive business information, such as bid evaluations, pricing, and quantities of fuel, 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 bids/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 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 customers 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 17 day of February, 2020.

(Signature)
James McClay
Director of Trading
Duke Energy
526 South Church
Charlotte, NC 28202

	MENT was sworn to and subscribed before me this mes McClay. He is personally known to me or has driver's license, or his
	Mary BVicknow
(AFFIX NOTARIAL SEAL)	(Signature)  (Printed Name)  NOTARY PUBLIC, STATE OF  O9 2 2022  (Commission Expiration Date)
MARY B VICKNAIR NOTARY PUBLIC Davie County North Carolina My Commission Expires Sept. 21, 2022	(Serial Number, If Any)