

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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

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Docket No. 20200001-EI

Dated: December 23, 2020

**NOTICE OF FILING VERIFIED AFFIDAVIT OF JAMES MCCLAY IN SUPPORT OF  
DUKE ENERGY FLORIDA, LLC'S  
FIRST REQUEST FOR EXTENSION OF CONFIDENTIAL CLASSIFICATION**

Duke Energy Florida, LLC, ("DEF") hereby gives notice of filing the verified Affidavit of James McClay in support of DEF's Request for Confidential Classification regarding certain information contained in DEF's 2018 Hedging Activities Audit Workpapers, Audit Control No. 2018-058-2-1, (document no. 06164-2018), filed on September, 2018 in Docket No. 20180001, via electronic filing to Adam Teitzman, Commission Clerk, Florida Public Service Commission, this 23<sup>rd</sup> day of December, 2020.

Respectfully submitted,

*s/ Matthew R. Bernier*

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 23<sup>rd</sup> day of December, 2020.

s/ Matthew R. Bernier  
Attorney

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

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Docket No. 20200001-EI

Dated: April 15, 2020

**AFFIDAVIT OF JAMES MCCLAY III 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 III, who being first duly sworn, on oath deposes and says that:

1. My name is James McClay III. 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 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 Staff's Hedging Audit Work papers, Audit Control No. 2018-058-2-1 (document no. 06164-2018), filed on September 20, 2020 in Docket No. 20180001. 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 a second 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. 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, volumes, and hedging costs, will be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed confidential contract terms such as volumes, hedging costs, and itemized hedging gains/losses. 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 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 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 3 day of December, 2020.

James McClay III

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

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 3 day of DEC, 2020 by James McClay III. He is personally known to me or has produced his VALID NCDL driver's license, or his \_\_\_\_\_ as identification.

Henry A. Brassel, Jr.

(Signature)  
Henry A. Brassel, Jr.

(Printed Name)  
NOTARY PUBLIC, STATE OF NC

05/04/2024  
(Commission Expiration Date)

200913400069  
(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)

