

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Petition for approval for an accounting order to record in a regulatory asset or liability the unrealized and realized gains and losses resulting from financial accounting requirements related to interest rate derivative agreements, Progress Energy Florida, Inc.

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Docket No. 120303-EI

Filed: August 29, 2013

**DUKE ENERGY FLORIDA INC.'S  
SECOND REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Duke Energy Florida, Inc. ("DEF" or "Company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, Florida Administrative Code (F.A.C.), submits this Request for Confidential Classification for certain information contained in the Supporting Documentation to DEF's Risk Management Plan for Interest Rate Derivatives For 2013 (the "Risk Management Plan").

In support of this Request, DEF states:

1. The Supporting Documentation to DEF's Risk Management Plan meet the definition of "proprietary business information" under Section 366.093(3), Florida Statutes.

2. The following exhibits are included with this request:

a. Composite Exhibit A is a package containing unredacted copies of all documents for which DEF seeks confidential treatment. Composite Exhibit A is being submitted separately in a sealed envelope labeled "CONFIDENTIAL." In the unredacted versions, the confidential information is highlighted in yellow.

b. Composite Exhibit B is a package containing two copies of redacted versions of the documents for which the Company requests confidential classification. The specific information for which confidential treatment is requested has been blocked out by opaque marker or other means.

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AFD 7 \_\_\_\_\_  
APA \_\_\_\_\_  
ECO \_\_\_\_\_  
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TEL \_\_\_\_\_  
CLK \_\_\_\_\_

c. Exhibit C is a table which specifically identifies by page and line the information for which DEF seeks confidential classification and the specific statutory bases for seeking confidential treatment.

3. As indicated in Exhibit C, the information for which DEF requests confidential classification is “proprietary confidential business information” within the meaning of Section 366.093(3), Florida Statutes. Specifically, Supporting Documentation to DEF’s Risk Management Plan consists of “proprietary confidential business information” within the meaning of Section 366.093(3), Fla. Stat. The Supporting Documentation provides internal policies and guidelines regarding interest rate derivative transactions. Affidavit of William Bryan Buckler at ¶ 5. Disclosure of this information would enable third parties to have insight into DEF’s internal risk management guidelines and to obtain competitive information, which could result in greater price convergence in future negotiations. Id. Transaction counterparties would no longer need to make their best offers to ensure the competitiveness of their prices against the disclosed prices. See id. Instead, potential counterparties could simply offer the highest prices that would allow them to maintain a marginally competitive position against the disclosed forecasted costs and percentages. See id. As such, disclosure of the information would impair the Company’s efforts to contract for goods or services on favorable terms. See § 366.093(3)(d), Fla. Stat.; Affidavit of Buckler at ¶¶ 5, 6.

4. Additionally, if the information at issue was publicly disclosed, DEF’s efforts to enter transactions that effectively manage DEF’s Interest Rate risk and 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. § 366.093(3)(e), Fla. Stat.; Affidavit of Buckler at ¶ 5. Accordingly, such information constitutes “proprietary confidential business information”

which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), Florida Statutes.

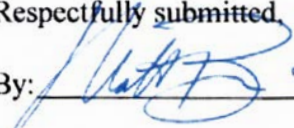
5. The information identified as Exhibit "A" is intended to be and is treated as confidential by the Company. Affidavit of Buckler at ¶ 6. The information has not been disclosed to the public and the Company has treated and continues to treat the information and contracts at issue as confidential.

See id.

6. DEF requests that the information identified in Exhibit A be classified as "proprietary confidential business information" within the meaning of section 366.093(3), Florida Statutes, that the information remain confidential for a period of at least 18 months as provided in section 366.093(4) Florida Statutes, and that the information be returned as soon as it is no longer necessary for the Commission to conduct its business.

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


Respectfully submitted,

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

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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 29<sup>th</sup> day of August, 2013.

  
Matthew R. Bernier

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