



Matthew R. Bernier
SENIOR COUNSEL
Duke Energy Florida, LLC

January 20, 2016

VIA ELECTRONIC DELIVERY

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

Re: Nuclear Cost Recovery Clause; Docket No. 160009-EI

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 portions of information contained in Staff's 2014 Audit Workpapers, *Audit Control Nos. 14-007-2-1 and 14-007-2-2* (document no. 03558-14) filed in Docket No. 140009-EI on July 9, 2014. Also attached is Revised Exhibit D, Affidavits of Mark Teague, Christopher M. Fallon and Geoff Foster in support of DEF's First Request for Extension of Confidential Classification. The original Request included Appendices A, B, and C.

There are no changes to the original Request appendices: Appendix A consisting of the confidential unredacted documents; Appendix B containing two (2) redacted copies of the confidential documents; or Appendix C that contained a justification matrix in support of DEF's original Request. The aforementioned exhibits remain on file with the Clerk.

Thank you for your assistance in this matter. If you have any questions, please feel free to contact me at (850) 521-1428.

Sincerely,

/s/ Matthew R. Bernier

Matthew R. Bernier

MRB:at
Attachments

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Cost Recovery Clause

Docket No. 160009-EI
Submitted for Filing: January 20, 2016

**DUKE ENERGY FLORIDA'S
FIRST REQUEST FOR EXTENSION OF CONFIDENTIAL CLASSIFICATION**

Duke Energy Florida, LLC (“DEF” or the “Company”), pursuant to Section 366.093, Florida Statutes (“F.S.”), and Rule 25-22.006, Florida Administrative Code (“F.A.C.”), hereby submits this First Request for Extension of Confidential Classification (“Request”) concerning portions of the Florida Public Service Commission auditors workpapers for *Audit Control Nos. 14-007-2-1 and 14-007-2-2* (the “Workpapers”). In support of this Request, DEF states as follows:

1. On July 9, 2014, DEF filed its Sixth Request for Confidential Classification concerning certain information contained in portions of the documents and information provided to Staff in response to Staff’s review, *Audit Control Nos. 14-007-2-1 and 14-007-2-2* (document number 03558-14), which contains sensitive business information as it contains confidential contractual and financial information.

2. The Commission granted DEF’s Sixth Request for Confidential Classification concerning the Workpapers in Order No. PSC-14-0379-CFO-EI, dated July 21, 2014. The period of confidential treatment granted by that order will expire on January 21, 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 certain information contained in portions of the documents and information provided in response to *Audit Control Nos. 14-007-2-1 and 14-007-2-2*, submitted as Appendix A to the July 9, 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* Affidavits of Thomas G. Foster at ¶¶ 3-4, Mark Teague at ¶¶ 3-6, and Christopher M. Fallon at ¶¶ 3-5, attached as Revised Appendix “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* Affidavits of Thomas G. Foster at ¶ 5-6, Mark Teague at ¶ 7, and Christopher M. Fallon at ¶ 6.

4. Nothing has changed since the issuance of Order No. PSC-14-0379-CFO-EI to render the information stale or public such that continued confidential treatment would not be appropriate. 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 First Request for Extension of Confidential Classification be granted.

Respectfully submitted this 20th day of January, 2016,

/s/ Matthew R. Bernier

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished via electronic mail to the following this 20th day of January, 2016.

/s/ Matthew R. Bernier

Attorney

<p>Danijela Janjic, Esq. John Villafrate, Esq. Suzanne Brownless, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 sbrownle@psc.state.fl.us djanjic@psc.state.fl.us jvillafr@psc.state.fl.us</p> <p>James D. Beasley, Esq. J. Jeffrey Wahlen, Esq. Ashley M. Daniels, Esq. Ausley McMullen Law Firm P.O. Box 391 Tallahassee, FL 32302 jbeasley@ausley.com jwahlen@ausley.com adaniels@ausley.com</p> <p>Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steven R. Griffin, Esq. Beggs & Lane P.O. Box 12950 Pensacola, FL 32591 jas@beggslane.com rab@beggslane.com srg@beggslane.com</p>	<p>Mike Cassel, Director Regulatory Affairs Florida Public Utilities Company 1750 S 14th Street, Suite 200 Fernandina Beach, FL 32034 mcassel@fpuc.com</p> <p>Robert L. McGee, Jr. Gulf Power Company One Energy Place Pensacola, FL 32520-0780 rlmcgee@southernco.com</p> <p>Beth Keating, Esq. Gunster, Yoakley & Stewart, P.A. 215 South Monroe Street, Suite 601 Tallahassee, FL 32301 bkeating@gunster.com</p> <p>Charles J. Rehwinkel Erik Sayler / John Truitt Patty Christensen / J.R. Kelly Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 rehwinkel.charles@leg.state.fl.us sayler.erik@leg.state.fl.us kelly.jr@leg.state.fl.us Christensen.patty@leg.state.fl.us Truitt.john@leg.state.fl.us</p>	<p>Ms. Paula K. Brown Manager, Regulatory Coordination Tampa Electric Company P.O. Box 111 Tampa, FL 33601 regdept@tecoenergy.com</p> <p>Maria Moncada, Esq. Florida Power & Light Company 700 Universe Boulevard (LAW/JB) Juno Beach, FL 33408-0420 john.butler@fpl.com maria.moncada@fpl.com</p> <p>Kenneth Hoffman Florida Power & Light Company 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301-1858 ken.hoffman@fpl.com</p> <p>Jon C. Moyle, Jr., Esq. Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com</p>
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Appendix A

“CONFIDENTIAL”

(On file)

Appendix B

(On file)

**DUKE ENERGY FLORIDA – APPENDIX C
Confidentiality Justification Matrix**

(On file)

**Revised Appendix D:
Affidavits of
Thomas G. Foster
Christopher M. Fallon
Mark Teague**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Cost Recovery Clause

Docket No. 160009-EI

Submitted for Filing: _____

**AFFIDAVIT OF THOMAS G. FOSTER IN SUPPORT OF
DUKE ENERGY FLORIDA'S FIRST
REQUEST FOR EXTENSION OF CONFIDENTIAL CLASSIFICATION**

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Thomas G. Foster. I am employed by Duke Energy Florida, LLC (hereinafter "DEF" or the "Company") and serve as its Director, Rates and Regulatory Planning. I am over the age of 18 years old and I have been authorized by 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") concerning portions of the documents and information provided to Staff in response to Staff's review, *Audit Control Nos. 14-007-2-1 and 14-007-2-2* (document number 03558-14). The facts attested to in my affidavit are based upon my personal knowledge.

2. DEF is seeking an extension of confidential classification for certain portions of documents and information provided to Staff in response to data requests during Staff's review, *Audit Control Nos. 14-007-2-1 and 14-007-2-2* and portions of Staff's workpapers in

Docket No. 140009-EI. There are no changes to the information contained in DEF's confidential Appendix A, redacted Appendix B, and justification matrix Appendix C. The referenced appendices are on file with the Clerk. DEF is requesting an extension of confidential classification of portions of the workpapers because they contain confidential financial information, information gleaned from internal audit controls and reports, and information related to the Company's competitive business interests, the disclosure of which would impair DEF's competitive business interests.

3. The Company is requesting an extension of confidential classification of this information because Appendix A contains proprietary and confidential information that would impair DEF's competitive business interests if publicly disclosed.

4. Furthermore, portions of the information in the Exhibit were taken from internal audit reports which are confidential. If the Company were to know that its internal auditing controls and process were subject to public disclosure, it would likely compromise the level of cooperation needed to efficiently conduct audits.

5. With respect to Appendix A at issue in this request, DEF considers this information confidential and proprietary and continues to take steps to protect against its public disclosure, including limiting the personnel who have access to this information.

6. Upon receipt of this confidential information, as with all 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 documents. At no time has the Company publicly disclosed the confidential

information contained in these documents. The Company has treated and continues to treat the information and documents at issue as confidential.

7. This concludes my affidavit.

Further affiant sayeth not.

Dated the 14th day of January, 2016.



(Signature)

Thomas G. Foster

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 14 day of January, 2016 by Thomas G. Foster. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.



(Signature)

Sarah Hirschman Libes

(Printed Name)

NOTARY PUBLIC, STATE OF Florida

March 23, 2018

(Commission Expiration Date)

(AFFIX NOTARIAL SEAL)



Sarah Hirschman Libes
NOTARY PUBLIC
STATE OF FLORIDA
Comm# FF105231
Expires 3/23/2018

FF105231

(Serial Number, If Any)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Cost Recovery Clause

Docket No. 160009-EI

Submitted for Filing: _____

**AFFIDAVIT OF CHRISOPHER M. FALLON 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 Christopher M. Fallon, who being first duly sworn, on oath deposes and says that:

1. My name is Christopher M. Fallon. I am employed by Duke Energy Corporation ("Duke Energy") in the capacity of Vice President of Nuclear Development. I am over the age of 18 years old and I have been authorized to give this affidavit in the above-styled proceeding on Duke Energy Florida's (hereinafter "DEF" or the "Company") behalf and in support of DEF's First Request for Extension of Confidential Classification (the "Request") concerning portions of the documents and information provided to Staff in response to Staff's review, *Audit Control Nos. 14-007-2-1 and 14-007-2-2* (document number 03558-14). The facts attested to in my affidavit are based upon my personal knowledge.

2. As Vice President of Nuclear Development, I am responsible for licensing and engineering design for the Levy Nuclear Power Plant Project ("LNP" or "Levy"), including the direct management of the Engineering, procurement and Construction ("EPC") Agreement with

Westinghouse Electric Company Co., LLC (“WEC”) and Stone & Webster, Inc. (“S&W”) (collectively, the “Consortium”).

3. DEF is seeking an extension of confidential classification for certain portions of documents and information provided to Staff in response to data requests during Staff’s review, *Audit Control Nos. 14-007-2-1 and 14-007-2-2* and portions of Staff’s workpapers in Docket No. 140009-EI. There are no changes to the information contained in DEF’s confidential Appendix A, redacted Appendix B, and justification matrix Appendix C. The referenced appendices are on file with the Clerk. DEF is requesting an extension of confidential classification of this information because it contains proprietary and confidential information received from third-party vendors pursuant to contractual agreements with those vendors. Those agreements contain non-disclosure provisions that limit the use and forbid the dissemination of the information. The disclosure of this would impair the Company’s ability to contract for goods and services on favorable terms. The Company requires this information for use in analyzing the continued feasibility of its projects and to aid its management in long-term planning. The Company and its customers would be harmed if DEF were not able to contract for the use of this information on favorable terms. The disclosure of this information would compromise DEF’s competitive business interests and in certain instances violate continuing contractual confidentiality provisions with DEF’s vendors, as well as cost numbers and information relating to on-going and future negotiations with its vendors.

4. Additionally, portions of Appendix A reflect the Company’s internal strategies for evaluating its projects, risk evaluations, as well as contractual pricing arrangements between DEF and providers of equipment and services required for the LNP and would adversely impact DEF’s competitive business interests and impede on-going negotiations if disclosed to the

public. DEF must be able to assure these vendors that sensitive business information, such as the pricing, payment, and quantity terms of their contracts, will be kept confidential. Indeed, most of the contracts at issue contain confidentiality provisions that prohibit disclosure of contractual terms to third parties. If third parties were made aware of confidential contractual terms that DEF has with other parties, they may offer DEF less competitive contractual terms in future contractual negotiations. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and these nuclear contractors, the Company's efforts to negotiate and obtain competitive contracts for the LNP would be undermined. Absent such measures, DEF would run the risk that sensitive business information regarding what the Company is willing to pay for necessary equipment, goods, supplies and real property would be made available to the public and, as a result, other potential sellers of similar materials and services could change their position in their negotiations to the detriment of DEF.

5. Appendix A also includes information gleaned from the Company's internal audit procedures and reports, the release of which would harm DEF's ability to conduct internal audits. Public disclosure of the documents and information in question would compromise DEF's ability to effectively audit the Company's major projects. If the Company were to know that its internal auditing controls and process were subject to public disclosure, it would compromise the level of cooperation needed with auditors to efficiently conduct audits.

6. Upon receipt of all this confidential information, 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. At no time has the Company publicly

disclosed the information at issue. The Company has treated and continues to treat the information at issue as confidential.

7. This concludes my affidavit.

Further affiant sayeth not.

Dated the 19th day of January, 2016.

Christopher M. Fallon
(Signature)
Christopher M. Fallon

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 19th day of January, 2016 by Christopher M. Fallon. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.

Teresa D. Neely
(Signature)

TERESA D NEELY
(Printed Name)

NOTARY PUBLIC, STATE OF NC

9/2/2020
(Commission Expiration Date)

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Cost Recovery Clause

Docket No. 160009-EI

Submitted for Filing: _____

**AFFIDAVIT OF MARK TEAGUE 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 Mark Teague, who being first duly sworn, on oath deposes and says that:

1. My name is Mark Teague. I am employed by Duke Energy Business Services, LLC ("Duke Energy") and serve as its Managing Director of Major Projects Sourcing in the Supply Chain Department. 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 First Request for Extension of Confidential Classification (the "Request") concerning portions of the documents and information provided to Staff in response to Staff's review, *Audit Control Nos. 14-007-2-1 and 14-007-2-2* (document number 03558-14). The facts attested to in my affidavit are based upon my personal knowledge.

2. As Managing Director of Major Projects, my role included providing management oversight in the disposition of the Crystal River Unit 3 ("CR3") Extended Power Uprate ("EPU") assets by ensuring that Supply Chain employees at CR3 follow DEF's processes and

procedures. I also have responsibility for the Supply Chain functions for Duke Energy International and with most Duke Energy Major Projects.

3. DEF is seeking an extension of confidential classification for certain portions of documents and information provided to Staff in response to data requests during Staff's review, *Audit Control Nos. 14-007-2-1 and 14-007-2-2* and portions of Staff's workpapers in Docket No. 140009-EI. There are no changes to the information contained in DEF's confidential Appendix A, redacted Appendix B, and justification matrix Appendix C. The referenced appendices are on file with the Clerk. DEF is requesting an extension of confidential classification of portions of the workpapers because they contain confidential contractual information and numbers concerning the Crystal River Unit 3 ("CR3") Extended Power Uprate ("EPU") Project ("CR3 Uprate"), the disclosure of which would impair DEF's competitive business interests and violate DEF's confidentiality agreements with third parties and vendors; information gleaned from internal audit controls and reports; and other information the disclosure of which would impair the Company's competitive business interests.

4. The Company is requesting an extension of confidential classification of this information because Appendix A contains proprietary and confidential information that would impair DEF's competitive business interests if publicly disclosed, as well as information concerning contractual data, the disclosure of which would impair the Company's ability to contract on favorable terms. In many instances, the disclosure of this information would violate contractual confidentiality provisions or is the result of recent negotiations with DEF vendors or ongoing contracts with vendors. Portions of these documents reflect the Company's internal strategies for evaluating projects. The information contains sensitive information concerning the

CR3 Uprate, the release of which would place DEF's competitors at a relative competitive advantage, thereby harming the Company's and its customer's interests.

5. Furthermore, portions of the information in Appendix A were taken from internal audit reports which are confidential. If the Company were to know that its internal auditing controls and process were subject to public disclosure, it would likely compromise the level of cooperation needed to efficiently conduct audits.

6. With respect to Appendix A at issue in this request, DEF considers this information confidential and proprietary and continues to take steps to protect against its public disclosure, including limiting the personnel who have access to this information. If such information was disclosed to DEF's competitors and/or other potential suppliers, DEF's efforts to obtain competitive nuclear equipment and service options that provide economic value to both the Company and its customers could be compromised by the Company's competitors and/or suppliers changing their offers, consumption, or purchasing behavior within the relevant markets. If other third parties were made aware of confidential contractual terms that DEF has with other parties, they may offer less competitive contractual terms in future contractual negotiations. Without the Company's measures to maintain the confidentiality of sensitive terms in contracts with these nuclear contractors, the Company's efforts to obtain a competitive contracts could be undermined to the detriment of DEF and its ratepayers.

7. Upon receipt of this confidential information, as with all 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 documents. At no time since developing or entering into the contracts in

question has the Company publicly disclosed the contracts' confidential terms. The Company has treated and continues to treat the information and documents at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 20th day of January, 2016.

Mark Teague
(Signature)
Mark Teague

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 20th day of January, 2016 by Mark Teague. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.

SHANNON L. WALL
Notary Public, North Carolina
Mecklenburg County
My Commission Expires
June 17, 2017

(AFFIX NOTARIAL SEAL)

Shannon L. Wall
(Signature)
Shannon L. Wall
(Printed Name)
NOTARY PUBLIC, STATE OF North Carolina
6-17-17
(Commission Expiration Date)

(Serial Number, If Any)