



Matthew R. Bernier
SENIOR COUNSEL
Duke Energy Florida, LLC

April 19, 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 2011 Audit workpapers, *Audit Control No. PA-11-01-001* (document no. 04540-11) filed in Docket No. 110009-EI on July 1, 2011.

Portions of the documents submitted with the original July 1, 2011 Request for Confidential Classification are no longer confidential. Therefore, revised exhibits are provided as noted below.

This filing includes:

- Revised Exhibit A (confidential slipsheet only)
- Revised Exhibit B (two copies of redacted information)
- Revised Exhibit C (justification matrix)
- Revised Exhibit D (Affidavit of Mark R. Teague)

DEF's confidential Revised Exhibit A that accompanies the above-referenced filing, has been submitted under separate cover.

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: April 19, 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 documents and information provided to the Florida Public Service Commission Staff’s (“Staff”) Auditors, the Review of Progress Energy Florida, Inc.’s project Management Internal Controls for nuclear Plant Uprate and Construction Project Audit Work Papers (the “Work Papers”). submitted in Docket No. 110009-EI on July 1, 2011. In support of this Request, DEF¹ states as follows:

1. On July 1, 2011, DEF filed its Eleventh 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 No. PA-11-01-001* (document number 04540-11), which contains sensitive business information as it contains confidential proprietary business information.

2. The Commission granted DEF’s Eleventh Request for Confidential Classification concerning the Audit work papers in Order No. PSC-14-0618-CFO-EI, dated October 27, 2014. The period of confidential treatment granted by that order will expire on April 25, 2016. The

¹ The confidential information at issue was provided to the Commission by DEF’s predecessor, Progress Energy Florida, Inc. (“PEF”).

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 certain information contained in portions of the documents and information provided in response to Staff’s review of *Audit Control No. PA-11-01-001*, submitted as Appendix A to the July 11, 2011 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 of Mark Teague at ¶¶ 3-4, 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 Mark Teague ¶ 5.

4. Some of the documents originally submitted in DEF’s Eleventh Request for Confidential Classification are no longer confidential and therefore, DEF submits revised exhibits along with this Request. Otherwise, nothing has changed since the issuance of Order No. PSC-14-0618-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 19th day of April, 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 19th day of April, 2016.

/s/ Matthew R. Bernier

Attorney

<p>Martha Barrera Kyesha Mapp Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 mbarrera@psc.state.fl.us kmapp@psc.state.fl.us</p> <p>Kenneth Hoffman Vice President, Regulatory Affairs Florida Power & Light Company 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301-1859 ken.hoffman@fpl.com</p> <p>Jessica Cano Kevin I.C. Donaldson Florida Power & Light Company 700 Universe Boulevard June Beach, FL 33408-0420 jessica.cano@fpl.com kevin.donaldson@fpl.com</p> <p>Jon C. Moyle, Jr. Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com</p> <p>George Cavros 120 E. Oakland Park Blvd, Suite 105 Fort Lauderdale, FL 33334 george@cavros-law.com</p>	<p>J.R.Kelly Charles J. Rehwinkel Erik L. Sayler Patty Christensen Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399 kelly.jr@leg.state.fl.us rehwinkel.charles@leg.state.fl.us sayler.erik@leg.state.fl.us christensen.patty@leg.state.fl.us</p> <p>Victoria Mendez Christopher A. Green Xavier Alban Kerri L. McNulty City of Miami 444 SW 2nd Avenue, Suite 945 Miami, FL 33130-1910 vmendez@miamigov.com cagreen@miamigov.com xealban@miamigov.com klmcnulty@miamigov.com omorera@miamigov.com</p> <p>Robert Scheffel Wright John T. LaVia III Gardner Law Firm 1300 Thomaswood Drive Tallahassee, FL 32308 schef@gbwlegal.com jlavia@gbwlegal.com</p>
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**Revised
Exhibit A**

“CONFIDENTIAL”

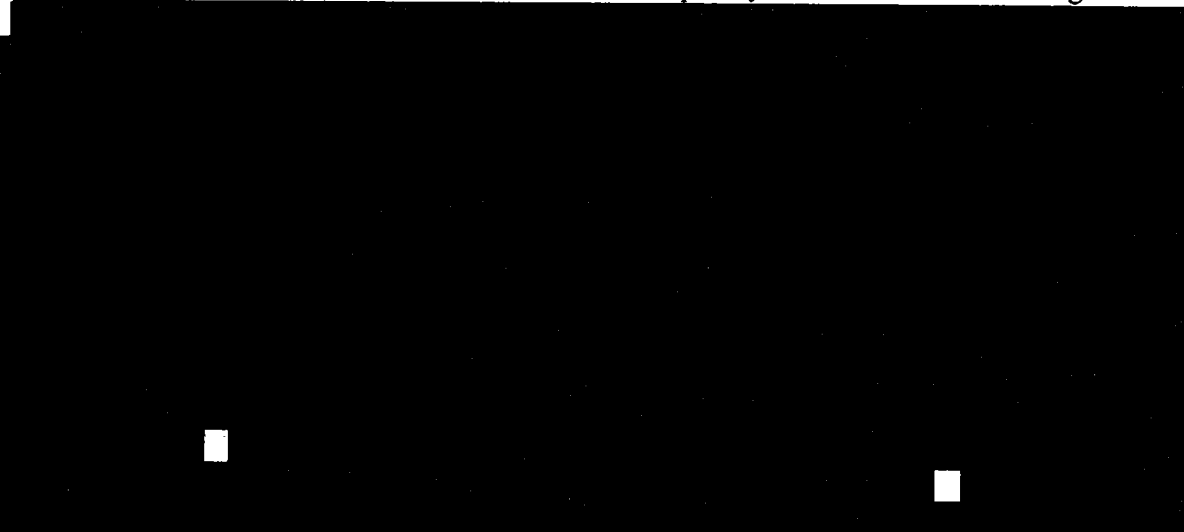
**Revised
Exhibit B
(copy #1)**

**Performance Analysis Section
2011 Work Plan
Progress Energy-Florida's
LNP Construction / Crystal River Unit 3 Uprate**

REDACTED

Task	Subtask	Auditor Notes	Conclusions
Determine whether current contractor cost management controls are effective	Perform a sample analysis of scope changes, work authorizations and related invoices to determine proper approvals have been obtained and that contractor is not being paid for corrective rework or work outside of approved scope.	The controls in place for contractor cost management have not changed since the last NCRC review. Audit staff sampled contractor and vendor invoices from 2010 to ensure compliance with company processes and procedures. Audit staff did not identify any issues with these invoices	
2.6 Follow-up Issues to 10009-EI Docket			
Determine if poor project management oversight lead to additional LAR expenditures during 2009 and 2010.	Review the itemized payments for the Areva WA 84 to determine actual costs associated with the re-write activities Review the Project Management costs associated with the LAR to determine the additional resources allocated for the project	Audit staff conducted interviews with LAR staff and expert panel member to assess the management oversight during the LAR review process. Additionally, the company provided personnel performance records for the LAR team. After further analysis, Audit staff determined that the poor management oversight lead to deficiencies in the LAR preparation. These	The [REDACTED] for WA 84 co 23 was a result of rework created by poor management oversight.

REDACTED	<p>The majority of remaining long lead items for ph 3 were procured during the first half of 2010. Contracts were secured for long lead items including but not limited to the following:</p> <ul style="list-style-type: none"> Main feedwater pump Feedwater booster pumps Condensation pump and motor Atmospheric dump valves Feed water heat exchangers. <p>The Inadequate Core Cooling Instrumentation project is still out. The selected contractor will be required to provide the oversight and personnel for implementation of design package. This is currently in the rfp state and anticipated to be complete in 2011.</p>
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:
	Document #: 19 Date Requested: Date Received: Comments: (i.e., Confidential)
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required: Review the two contracts
Document #: 20 Date Requested: Date Received: Comments: (i.e., Confidential)	Document Title and Purpose of Review: Please provide all documentation to show that the company was adequately compensated for the costs associated with the low pressure turbine manufacturing issue Summary of Contents: the company states no additional associated with the LPT manufacturing issues. Siemens agreed to correct this at no extra costs (contract 145569 am 7)
	Conclusions:
	Data Request(s) Generated: No. _____ Description: No. _____ Description:
	Follow-up Required:

<p>Document #: 4 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center; font-size: 2em; opacity: 0.5;">REDACTED</p>	<p>Follow-up Required:</p> <p>Document Title and Purpose of Review: Please provide an itemized description of the “additional that was outside the scope of the original contract and provides additional benefits to the company and its customers.” (bates 11-PMA-DR1CR3-RESPONSE-000027, second paragraph). For each addition, provide the justification for the additional scope and management’s assessment on whether the work is/is not a direct or indirect result of the September 2008 and April 2009 events. In addition, please detail any concessions made by the vendor for these costs.</p> <p>Summary of Contents: The company provided the breakdown of additional benefits to the company and customers, including concession amounts made by Siemens:</p> <p>There was some specific cost breakdown and cost benefit/analysis performed for each new LPT work scope item PEF received as a result of PEF’s negotiations with Siemens to resolve the dispute between them regarding the contract for the manufacture and installation of the CR3 LPTs. Generally, however, the entire work scope, and any resulting benefits and costs, were negotiated holistically and reflected in the settlement in the Letter of Intent (previously produced at 11PMA-DR1CR3-19-000001—000004) that resolved this dispute. The settlement resolved the outstanding dispute between PEF and Siemens associated with the incident at the DC Cook Nuclear Plant with a Siemens 18M2 LPT in September 2008, and the subsequent failed bunker spin test in April 2009 of the 18M2 LPTs being manufactured for PEF. The dispute was, generally, related to (1) PEF’s position that the installation of the LPTs at CR3 needed to be delayed until PEF had sufficient time to conduct any necessary due diligence and until such time as PEF received adequate assurances from Siemens to move forward with the installation of the CR3 LPTs and could adequately obtain insurance coverage for the LPTs, and (2) </p>
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REDACTED

The additional scope is defined in Attachment H and Attachment I of the restated contract previously produced in Bates range 11PMA-DR1CR3-24-000233-- 000296. The additional scope is a direct result of the September 2008 event. There were no PE direct or indirect scope changes due to the April 2009 event. Siemens made numerous concessions during the negotiations. First, Siemens agreed to pay

Conclusions:

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required:

<p>Document #: 5 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center; font-size: 2em; opacity: 0.5;">REDACTED</p>	<p>Document Title and Purpose of Review: For any additional contract costs not included in response to question 4, please an itemized description and justification for the additional scope and management's assessment on whether the work is/is not a direct or indirect result of the September 2008 and April 2009 events. In addition, please detail any concessions made by the vendor for these costs</p>
	<p>Summary of Contents: PEF states: As stated in the restated contract, PEF will store the removed LP Turbine components for a minimum of two fuel cycles. This is an indirect result of the September 2008 event. The costs for storing the removed LP turbine components are not stated in the contract. The storage plan is in development and the Company's has not completed a detailed estimate to date, but has budgeted roughly [REDACTED]. This cost is reasonable and necessary to mitigate the impact should a major in service failure of the new LP turbines occur. While a major in service failure is not predicted, prudent measures will limit the necessary time to restore the plant, reducing lost nuclear generation for PEF customers. PEF will incur a cost (approximately [REDACTED]) to support the installation of new LP turbine monitoring systems provided by Siemens and to install a generator fault recorder. This cost is an indirect result of the September 2008 event. This cost is reasonable and necessary to ensure complete monitoring of all turbine generator operating parameters that affect L-0 blade stress.</p> <p>[REDACTED]</p>
	<p>Conclusions:</p>
	<p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p>
<p>Document #: 6 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide documentation verifying that PEC did not benefit from the Levy contract settlement in its final Robinson settlement for the similarly-contracted LPTs</p>
	<p>Summary of Contents: The contract amendments with Siemens for LP Turbines at CR3 and Robinson Nuclear Plant (RNP) are separate and distinct, with each settlement standing on its own merit. There was no benefit to PEC for any agreed PEF work or payment. Likewise, there was no reverse benefit to PEF for any agreed PEC work or payment. Additionally, there was no cost or charge to the Florida Utility or PEF ratepayers for any costs associated with the PEC settlement. Both the settlement for PEF and the settlement for PEC were agreed to by separate Letters of Intent (LOI) with different corresponding conditions specific to each jurisdiction as summarized below. See documents previously produced in Bates range 11PMA-DR1CR3-19-000001--0000004. For PEF, the settlement was agreed to relative to the full scope of work PEF has contracted with</p>

**Bureau of Performance Analysis
Interview Summary**

Company: Progress Energy FL Area: CR3 EPU Auditor(s): Coston and Carpenter	Interview Number: 1 File Name:EPU Interview 1.doc
Name: Paul Ingersoll, Ted Williams, Kenneth Wilson, Dave Porter	Date of Interview: April 6, 2011 Location: CR Complex Telephone Number:

(1) Purpose of Interview: Discuss the status of the Crystal River 3 Extended Power Uprate

(2) Interview Summary:

Reviewed a PowerPoint presentation on the additional scope of the Phase III portion of the uprate. Company will provide a copy of this presentation.

Project is within policies and procedures and remains in compliance.
Phase III is the biggest project to obtain the required uprate.
In 2010, looked at detailed engineering to development and purchase/construction. Phase III is bigger and more complex than previous phases. Completed in radioactive areas and in specialized areas within plant.
Engineering has ramped-up in this phase to finalize the development of scope. EC packages and specifications on the LLE and procurement. Such as:
Feed Water heaters A/B (coming in July)
High Pressure Turbine
Condensation Motors (NOV)
LPT (FEB)
Feed Water Booster Pump (Aug)
Condensation Pumps (Oct)

The deamination work continued in 2010 from R16 which limited the team from testing the R16 installations.

Current Schedule (with a April 2013 R-17 outage):
In Oct 2011 start T18 Readiness Review to identify gags in plan. Plans in place at T-19 to ensure each component has a project plan with project manager oversight.

Construction Contract by mid-summer. [REDACTED]

Engineering plans are due Dec 2010. As the ECs are developed, we start workorders.

The second delam is unknown, until the company identifies the new schedule path, the EPU should not work overtime, limit all expenditures and services, limit contract issuance.

Did sign the contract fro fast cooldown system. Required for LAR support and submittal.

Based on current April 2013 outage schedule (which requires a mid-2011 start-up)—not feasible at this point—

In January 2012 (T-15)

In Feb-mobilize construction contractor, put in place in summer and set-up contract parameters.

T-13 (March 2012) all EC complete, all plans have outage schedule requirements
 T-12 Readiness Review #2
 T-10 Workorder review
 T-6 Readiness Review

Contractors will work with pre-established work stages.

In of 2012, work order packages will be reviewed with the construction team for constructability review. Also, validate resource requirements (impact to schedule and costs)

Outage in 2013:
 January 2013-all material is due.
 Critical path will be the high pressure and low pressure turbines.
 Outage schedule for 50 days

IPP—
 2nd delam has delayed the official IPP

In phase III, a general contractor will be responsible for all scope of work and all sub-contractors.

Management:

Terry Hobbs moved to NOS manager of PEC plant, Gene Flavors moves into project controls role.

Delam # 2

Event took place March 14th. at 110 of 112 retention. Acoustic monitors did not detect issue, as anticipated. When the alarm sounded, the event already occurred. This was in a separate area from the original delam. The company hired Bechtel to assess the event. Senior management will make recommendation. Until then, the EPU project will stay on its current Corse.

Cost Estimates:

At the original budget formation, design for phase III was conceptual to 5 %, as of April @ 50-60% for this, the contingency is 10-20%

Current contingency is 12% with the 50-60%. 2008 feasibility study.
 Review PMC-0005 for the Association of advancement cost engineering for reference.
 New IPP draft reflects the most recent numbers

LPT update:

Technical requirements make up build of difference in budget. Company looked at a root cause strategy to mitigate and determine course of action. New scope is aprx [REDACTED], and the company received [REDACTED]. Final additional amount is [REDACTED]

[REDACTED] Contract accepted on August 3, 2010.

The LAR:

The revised LAR contained more detail on engineering, not just a summary

Increased design and additional technical details 30-50 conceptual designed.
Included additional NRC expectations on content.
Larger focus on the Balance of Plant piping
New format required a new template

REDACTED

Current new timeline will be June 2011—depending on the fall-out from the recent delamination.
Expenses thus far: \$17,520,137 non-lic engineering , \$67,970 travel, training, etc., \$455,525 PE company labor

Point of discharge towers

Put construction of cooling tower on hold, due to emerging environmental regulation—316A/B
The resolution should come in August of this year and company will evaluate the options. Company is reviewing its overall corporate strategies. If necessary, construction will still continue on time.
Contract in place and fabrications are in. Permits are in place and the initial grading is complete. [REDACTED] is spent, with [REDACTED] committed.

Phase III scope of work will be performed by a general contractor.

(3) Conclusions:

(4) Date Request(s) Generated:

No. _____
No. _____
No. _____

(5) Follow-up Required:

Project Manager

**Bureau of Performance Analysis
Interview Summary**

Company: Progress Energy FL Area: CR3 EPU Auditor(s): Coston and Carpenter	Interview Number: 3 File Name: EPU Interview 3.doc
Name: Dan Westcott	Date of Interview: April 18, 2011 Location: Carton Fields Tallahassee Office Telephone Number:

(1) Purpose of Interview: Discuss the status of the Crystal River 3 Extended Power Uprate LAR application

(2) Interview Summary:

30years experience with NSSSW vendors and Westinghouse. In June 2008, hired as the LIC supervisor for CR3. handled LIC issues at the station.

In spring 2009 Nuclear Oversight section had some concerns about EPU schedule and audit highlighted problems with schedule.

Temp re-assigned as the Superintendent of LIC of major projects. This included Steam Gen/EPU/Spent fuel Early on in project Brian McCabe and Kenneth Wilson were involved in project. The Expert Panel was put in place to assess the draft. Felt still had time to do a through assessment in March and still met the, then, September 2009 schedule.

Determined the EPU would be made of folks with strong LIC experience. Two PEC employees with a lot of engineering analysis and experience.

McCabe reviewed the LAR in March, does not recall major concerns over content.

All members of the panel had concerns about the NRC rising expectations with Monticello and Point Beach.

Adverse Conditions:

Mr. McCabe was through and spot-on. Embraced recommendations.

After report the establishment of a good Project Management Organization. Also established discipline set of meeting for monitor progress: Schedule Meeting (Mondays) Engineering Meetings (Thursdays) and Contract Details (Fridays)

Able to grab a larger cross-section of the company and reach-out for support.

Original LAR staff was relatively inexperienced. Ken Wilson tried to hire experienced people, but limited options. Spent most of time reviewing AREVA section.

Ken Wilson is very knowledgeable and has large LIC experience. Not always easy to encourage Ken to "don't be reactive. Ken is overly optimistic at times.

[REDACTED]

(3) Conclusions:

(4) Date Request(s) Generated:

No. _____

No. _____

No. _____

(5) Follow-up Required:

**Bureau of Performance Analysis
Interview Summary**

Company: Progress Energy FL Area: CR3 EPU Auditor(s): Coston and Carpenter	Interview Number: 4 File Name: EPU Interview 4.doc
Name: Paul Ingersoll Ted Williams Contract Staff	Date of Interview: June 1, 2011 Location: Teleconference Telephone Number:
(1) Purpose of Interview: Discuss the status of the Crystal River 3 Extended Power Uprate LAR application	
<p>(2) Interview Summary:</p> <p>Siemens Contract</p> <p>Company determined the insurance based on initial discussions with the potential Insurance provider. Initially, the amount to provide the additional warranty was [REDACTED] PEF was not involved with the final negotiations (this was between Siemens and the two insurance providers), but based on the initial discussion, PEF felt comfortable that the value of this coverage was between [REDACTED]</p> <p>The additional warranty figure was developed using the cost of 8 months of coverage for the 13m². This is the most comparable option to evaluate. The company took the cost for the 8 month coverage and calculated the cost for the requested 8 year coverage period.</p> <p>The Engineering enhancements were calculated using industry knowledge and previous contract experience.</p> <p>Estimate Vs Actual</p> <p>Due to the R16 extended outage, the company has spent R16 money in FQ 2011 that was not estimated in original budget. This was not a large amount and the company does not anticipate additional expenditures in these areas. These costs are a result of delays in the restart.</p> <p>The company also shifted some LPT costs from 2010 to 2011; this will show an increase over estimates for this item at year end. IF the 2nd Delam impact schedule, the estimates may be adjusted depending on the status on the Phase III work.</p> <p>The Schedule Performance Indicators for FQ 2011 show a lag in engineering schedule. Engineering scope baseline schedules are difficult to estimate. It is difficult to determine the engineering man hours for these projects. Corporate is working to develop new procedures to assist with better benchmarking baseline estimates.</p> <p>PM uses the SPI for gross estimates. The level two schedules are used to monitor the overall progress of the project.</p> <p>Two major projects drove the drop in overall SPI—the Emergency Feedwater Pump and the Main Feedwater Pump.</p> <p>A NCR assessment was completed in April 2011 to assess the delays. Project Team states that it has confidence that the schedule is being monitored and addressing any issues that may place the schedule in jeopardy.</p>	
(3) Conclusions:	
(4) Date Request(s) Generated: No. _____ No. _____	

**Bureau of Performance Analysis
Finding Summary**

Company: Progress Energy Florida
Area: Crystal River 3 - EPU
Auditor(s): Coston/Carpenter

Item No: CR3-3
File Name: CR3 Issue 2.doc
WLC#:

(1) Issue (Is there a point of discussion, debate or dispute?)

The company's original LAR application did not meet its standards for completeness

(2) Condition (What is happening?)

A review by an expert panel and an internal root cause assessment determined that the original LAR did not meet the expectations of the NRC. Audit staff interviewed members of the panel and determined that technical detail was omitted from the original LAR application.

(3) Standard/Criteria (How is it supposed to work?)

The company used the Ginna application as its standard and consulted with the NRC on its expectation. However, the initial application did not incorporate know technical standards that the NRC expects in an application

(4) Cause (What has happened or could happen due to variance between 2 & 3?)

Poor management and lack of oversight was a leading cause. Additionally, the Expert Panel member stated that the company allowed AREVA to produce a less technical version than the Ginna counterpart.

(5) Effect (What has happened or could happen due to variance between 2&3?)

The company initiated a new WA to the AREVA contract to incorporate the additional technical detail. This contract was for [REDACTED]

(6) Recommendation (What action steps will correct this problem?)

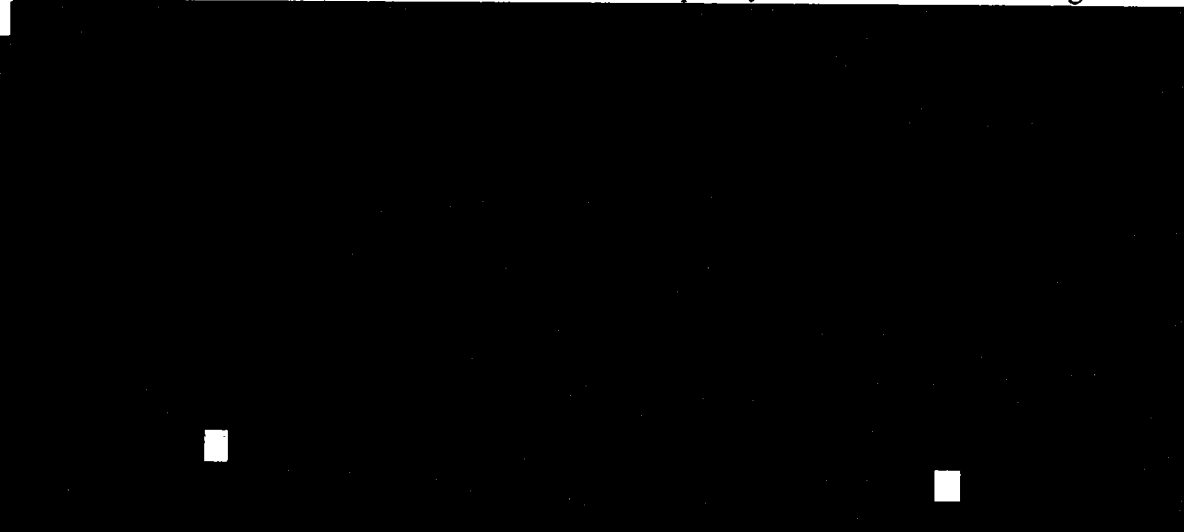
**Revised
Exhibit B
(copy #2)**

**Performance Analysis Section
2011 Work Plan
Progress Energy-Florida's
LNP Construction / Crystal River Unit 3 Uprate**

REDACTED

Task	Subtask	Auditor Notes	Conclusions
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REDACTED	<p>The majority of remaining long lead items for ph 3 were procured during the first half of 2010. Contracts were secured for long lead items including but not limited to the following:</p> <ul style="list-style-type: none"> Main feedwater pump Feedwater booster pumps Condensation pump and motor Atmospheric dump valves Feed water heat exchangers. <p>The Inadequate Core Cooling Instrumentation project is still out. The selected contractor will be required to provide the oversight and personnel for implementation of design package. This is currently in the rfp state and anticipated to be complete in 2011.</p>
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REDACTED

The additional scope is defined in Attachment H and Attachment I of the restated contract previously produced in Bates range 11PMA-DR1CR3-24-000233-- 000296. The additional scope is a direct result of the September 2008 event. There were no PE direct or indirect scope changes due to the April 2009 event. Siemens made numerous concessions during the negotiations. First, Siemens agreed to pay

Conclusions:

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required:

<p>Document #: 5 Date Requested: Date Received: Comments: (i.e., Confidential)</p> <p style="text-align: center; font-size: 2em; opacity: 0.5;">REDACTED</p>	<p>Document Title and Purpose of Review: For any additional contract costs not included in response to question 4, please an itemized description and justification for the additional scope and management's assessment on whether the work is/is not a direct or indirect result of the September 2008 and April 2009 events. In addition, please detail any concessions made by the vendor for these costs</p>
	<p>Summary of Contents: PEF states: As stated in the restated contract, PEF will store the removed LP Turbine components for a minimum of two fuel cycles. This is an indirect result of the September 2008 event. The costs for storing the removed LP turbine components are not stated in the contract. The storage plan is in development and the Company's has not completed a detailed estimate to date, but has budgeted roughly [REDACTED]. This cost is reasonable and necessary to mitigate the impact should a major in service failure of the new LP turbines occur. While a major in service failure is not predicted, prudent measures will limit the necessary time to restore the plant, reducing lost nuclear generation for PEF customers. PEF will incur a cost (approximately [REDACTED]) to support the installation of new LP turbine monitoring systems provided by Siemens and to install a generator fault recorder. This cost is an indirect result of the September 2008 event. This cost is reasonable and necessary to ensure complete monitoring of all turbine generator operating parameters that affect L-0 blade stress.</p> <p>[REDACTED]</p>
	<p>Conclusions:</p>
	<p>Data Request(s) Generated: No. ____ Description: No. ____ Description:</p>
<p>Document #: 6 Date Requested: Date Received: Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Please provide documentation verifying that PEC did not benefit from the Levy contract settlement in its final Robinson settlement for the similarly-contracted LPTs</p>
	<p>Summary of Contents: The contract amendments with Siemens for LP Turbines at CR3 and Robinson Nuclear Plant (RNP) are separate and distinct, with each settlement standing on its own merit. There was no benefit to PEC for any agreed PEF work or payment. Likewise, there was no reverse benefit to PEF for any agreed PEC work or payment. Additionally, there was no cost or charge to the Florida Utility or PEF ratepayers for any costs associated with the PEC settlement. Both the settlement for PEF and the settlement for PEC were agreed to by separate Letters of Intent (LOI) with different corresponding conditions specific to each jurisdiction as summarized below. See documents previously produced in Bates range 11PMA-DR1CR3-19-000001--0000004. For PEF, the settlement was agreed to relative to the full scope of work PEF has contracted with</p>

**Bureau of Performance Analysis
Interview Summary**

Company: Progress Energy FL Area: CR3 EPU Auditor(s): Coston and Carpenter	Interview Number: 1 File Name:EPU Interview 1.doc
Name: Paul Ingersoll, Ted Williams, Kenneth Wilson, Dave Porter	Date of Interview: April 6, 2011 Location: CR Complex Telephone Number:

(1) Purpose of Interview: Discuss the status of the Crystal River 3 Extended Power Uprate

(2) Interview Summary:

Reviewed a PowerPoint presentation on the additional scope of the Phase III portion of the uprate. Company will provide a copy of this presentation.

Project is within policies and procedures and remains in compliance.
Phase III is the biggest project to obtain the required uprate.
In 2010, looked at detailed engineering to development and purchase/construction. Phase III is bigger and more complex than previous phases. Completed in radioactive areas and in specialized areas within plant.
Engineering has ramped-up in this phase to finalize the development of scope. EC packages and specifications on the LLE and procurement. Such as:
Feed Water heaters A/B (coming in July)
High Pressure Turbine
Condensation Motors (NOV)
LPT (FEB)
Feed Water Booster Pump (Aug)
Condensation Pumps (Oct)

The deamination work continued in 2010 from R16 which limited the team from testing the R16 installations.

Current Schedule (with a April 2013 R-17 outage):
In Oct 2011 start T18 Readiness Review to identify gags in plan. Plans in place at T-19 to ensure each component has a project plan with project manager oversight.

Construction Contract by mid-summer. [REDACTED]

Engineering plans are due Dec 2010. As the ECs are developed, we start workorders.

The second delam is unknown, until the company identifies the new schedule path, the EPU should not work overtime, limit all expenditures and services, limit contract issuance.

Did sign the contract fro fast cooldown system. Required for LAR support and submittal.

Based on current April 2013 outage schedule (which requires a mid-2011 start-up)—not feasible at this point—

In January 2012 (T-15)

In Feb-mobilize construction contractor, put in place in summer and set-up contract parameters.

T-13 (March 2012) all EC complete, all plans have outage schedule requirements
 T-12 Readiness Review #2
 T-10 Workorder review
 T-6 Readiness Review

Contractors will work with pre-established work stages.

In of 2012, work order packages will be reviewed with the construction team for constructability review. Also, validate resource requirements (impact to schedule and costs)

Outage in 2013:
 January 2013-all material is due.
 Critical path will be the high pressure and low pressure turbines.
 Outage schedule for 50 days

IPP—
 2nd delam has delayed the official IPP

In phase III, a general contractor will be responsible for all scope of work and all sub-contractors.

Management:

Terry Hobbs moved to NOS manager of PEC plant, Gene Flavors moves into project controls role.

Delam # 2

Event took place March 14th. at 110 of 112 retention. Acoustic monitors did not detect issue, as anticipated. When the alarm sounded, the event already occurred. This was in a separate area from the original delam. The company hired Bechtel to assess the event. Senior management will make recommendation. Until then, the EPU project will stay on its current Corse.

Cost Estimates:

At the original budget formation, design for phase III was conceptual to 5 %, as of April @ 50-60% for this, the contingency is 10-20%

Current contingency is 12% with the 50-60%. 2008 feasibility study.
 Review PMC-0005 for the Association of advancement cost engineering for reference.
 New IPP draft reflects the most recent numbers

LPT update:

Technical requirements make up build of difference in budget. Company looked at a root cause strategy to mitigate and determine course of action. New scope is aprx [REDACTED], and the company received [REDACTED]. Final additional amount is [REDACTED]

[REDACTED] Contract accepted on August 3, 2010.

The LAR:

The revised LAR contained more detail on engineering, not just a summary

Increased design and additional technical details 30-50 conceptual designed.
Included additional NRC expectations on content.
Larger focus on the Balance of Plant piping
New format required a new template

REDACTED

Current new timeline will be June 2011—depending on the fall-out from the recent delamination.
Expenses thus far: \$17,520,137 non-lic engineering , \$67,970 travel, training, etc., \$455,525 PE company labor

Point of discharge towers

Put construction of cooling tower on hold, due to emerging environmental regulation—316A/B
The resolution should come in August of this year and company will evaluate the options. Company is reviewing its overall corporate strategies. If necessary, construction will still continue on time.
Contract in place and fabrications are in. Permits are in place and the initial grading is complete. [REDACTED] is spent, with [REDACTED] committed.

Phase III scope of work will be performed by a general contractor.

(3) Conclusions:

(4) Date Request(s) Generated:

No. _____
No. _____
No. _____

(5) Follow-up Required:

Project Manager

**Bureau of Performance Analysis
Interview Summary**

Company: Progress Energy FL Area: CR3 EPU Auditor(s): Coston and Carpenter	Interview Number: 3 File Name: EPU Interview 3.doc
Name: Dan Westcott	Date of Interview: April 18, 2011 Location: Carton Fields Tallahassee Office Telephone Number:

(1) Purpose of Interview: Discuss the status of the Crystal River 3 Extended Power Uprate LAR application

(2) Interview Summary:

30years experience with NSSSW vendors and Westinghouse. In June 2008, hired as the LIC supervisor for CR3. handled LIC issues at the station.

In spring 2009 Nuclear Oversight section had some concerns about EPU schedule and audit highlighted problems with schedule.

Temp re-assigned as the Superintendent of LIC of major projects. This included Steam Gen/EPU/Spent fuel Early on in project Brian McCabe and Kenneth Wilson were involved in project. The Expert Panel was put in place to assess the draft. Felt still had time to do a through assessment in March and still met the, then, September 2009 schedule.

Determined the EPU would be made of folks with strong LIC experience. Two PEC employees with a lot of engineering analysis and experience.

McCabe reviewed the LAR in March, does not recall major concerns over content.

All members of the panel had concerns about the NRC rising expectations with Monticello and Point Beach.

Adverse Conditions:

Mr. McCabe was through and spot-on. Embraced recommendations.

After report the establishment of a good Project Management Organization. Also established discipline set of meeting for monitor progress: Schedule Meeting (Mondays) Engineering Meetings (Thursdays) and Contract Details (Fridays)

Able to grab a larger cross-section of the company and reach-out for support.

Original LAR staff was relatively inexperienced. Ken Wilson tried to hire experienced people, but limited options. Spent most of time reviewing AREVA section.

Ken Wilson is very knowledgeable and has large LIC experience. Not always easy to encourage Ken to "don't be reactive. Ken is overly optimistic at times.

[REDACTED]

(3) Conclusions:

(4) Date Request(s) Generated:

No. _____

No. _____

No. _____

(5) Follow-up Required:

Bureau of Performance Analysis Interview Summary

Company: Progress Energy FL Area: CR3 EPU Auditor(s): Coston and Carpenter	Interview Number: 4 File Name: EPU Interview 4.doc
Name: Paul Ingersoll Ted Williams Contract Staff	Date of Interview: June 1, 2011 Location: Teleconference Telephone Number:
(1) Purpose of Interview: Discuss the status of the Crystal River 3 Extended Power Uprate LAR application	
(2) Interview Summary: Siemens Contract Company determined the insurance based on initial discussions with the potential Insurance provider. Initially, the amount to provide the additional warranty was [REDACTED] PEF was not involved with the final negotiations (this was between Siemens and the two insurance providers), but based on the initial discussion, PEF felt comfortable that the value of this coverage was between [REDACTED]. The additional warranty figure was developed using the cost of 8 months of coverage for the 13m ² . This is the most comparable option to evaluate. The company took the cost for the 8 month coverage and calculated the cost for the requested 8 year coverage period. The Engineering enhancements were calculated using industry knowledge and previous contract experience. Estimate Vs Actual Due to the R16 extended outage, the company has spent R16 money in FQ 2011 that was not estimated in original budget. This was not a large amount and the company does not anticipate additional expenditures in these areas. These costs are a result of delays in the restart. The company also shifted some LPT costs from 2010 to 2011; this will show an increase over estimates for this item at year end. IF the 2 nd Delam impact schedule, the estimates may be adjusted depending on the status on the Phase III work. The Schedule Performance Indicators for FQ 2011 show a lag in engineering schedule. Engineering scope baseline schedules are difficult to estimate. It is difficult to determine the engineering man hours for these projects. Corporate is working to develop new procedures to assist with better benchmarking baseline estimates. PM uses the SPI for gross estimates. The level two schedules are used to monitor the overall progress of the project. Two major projects drove the drop in overall SPI—the Emergency Feedwater Pump and the Main Feedwater Pump. A NCR assessment was completed in April 2011 to assess the delays. Project Team states that it has confidence that the schedule is being monitored and addressing any issues that may place the schedule in jeopardy.	
(3) Conclusions:	
(4) Date Request(s) Generated: No. _____ No. _____	

**Bureau of Performance Analysis
Finding Summary**

Company: Progress Energy Florida
Area: Crystal River 3 - EPU
Auditor(s): Coston/Carpenter

Item No: CR3-3
File Name: CR3 Issue 2.doc
WLC#:

(1) Issue (Is there a point of discussion, debate or dispute?)

The company's original LAR application did not meet its standards for completeness

(2) Condition (What is happening?)

A review by an expert panel and an internal root cause assessment determined that the original LAR did not meet the expectations of the NRC. Audit staff interviewed members of the panel and determined that technical detail was omitted from the original LAR application.

(3) Standard/Criteria (How is it supposed to work?)

The company used the Ginna application as its standard and consulted with the NRC on its expectation. However, the initial application did not incorporate know technical standards that the NRC expects in an application

(4) Cause (What has happened or could happen due to variance between 2 & 3?)

Poor management and lack of oversight was a leading cause. Additionally, the Expert Panel member stated that the company allowed AREVA to produce a less technical version than the Ginna counterpart.

(5) Effect (What has happened or could happen due to variance between 2&3?)

The company initiated a new WA to the AREVA contract to incorporate the additional technical detail. This contract was for [REDACTED]

(6) Recommendation (What action steps will correct this problem?)

**DUKE ENERGY FLORIDA
REVISED EXHIBIT C
CONFIDENTIALITY JUSTIFICATION MATRIX
Docket No. 160009**

DOCUMENT	PAGE/LINE	JUSTIFICATION
<p>Audit Work Papers, Section 5. Work Plan</p>	<p>Page 29, Conclusions column, 4th column, the amount in 1st line</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>Audit Work Papers Section 6. Document Requests</p>	<p>Page 159, 6th row, 2nd column, 1st line, 2nd to last word</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential</p>

**DUKE ENERGY FLORIDA
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		<p>contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>Audit Work Papers Section 6. Document Requests</p>	<p>Page 171, 3rd row, 2nd column, 2nd paragraph, 12th line, 3rd word through the end of the paragraph</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>

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<p>Audit Work Papers Section 6. Document Requests</p>	<p>Page 172, 1st row, 2nd column, entire 1st line through entire 16th line; 1st row, 2nd column 20th line, last word through end of paragraph</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>Audit Work Papers Section 6. Document Requests</p>	<p>Page 173, 2nd row, 2nd column, 5th line, last 4 words in line, first 5 words in 6th line, 9th line, 4th word from end of line, entire 13th line through end of paragraph.</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would</p>

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		<p>impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>Audit Work Papers Section 9. Interview Summaries</p>	<p>Page 195, 5th row, 6th paragraph, 2nd sentence through the end of the paragraph</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>

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<p>Audit Work Papers Section 9. Interview Summaries</p>	<p>Page 196, 2nd from the bottom paragraph, 2nd line, 11th word and last 2 words, 3rd line, 1st, 2nd and 7th word through 7th line, 13th word.</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>Audit Work Papers Section 9. Interview Summaries</p>	<p>Page 197, 3rd paragraph, 5th line, 2nd to last word and 6th line, 2nd to last word</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services</p>

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		<p>on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>Audit Work Papers Section 9. Interview Summaries</p>	<p>Page 200, 5th row, last paragraph, 5th line, 9th word through end of paragraph</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>

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<p>Audit Work Papers Section 9. Interview Summaries</p>	<p>Page 202, 5th row, 1st paragraph, 4th line, 9th and 10th word and 6th line, last 2 words</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
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<p>Audit Work Papers Section 9. Interview Summaries</p>	<p>Page 212, 7th row, last 2 words in paragraph</p>	<p>§366.093(3)(b), Fla. Stat. The information in question contains confidential information relating to, or derived from, the Company's internal auditing controls and/or reports of the Company's internal auditors</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair PEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
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**Revised Exhibit D
Affidavit of
Mark Teague**

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 No. PA-11-01-001* (document number 04540-11). The facts attested to in my affidavit are based upon my personal knowledge.

2. As Managing Director of Major Projects, my role includes 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 No. PA-11-01-001* and portions of Staff's workpapers in Docket No. 110009-EI. Some of the documents originally submitted on July 1, 2011, in DEF's Eleventh Request for Confidential Classification are no longer confidential. Therefore, DEF is submitting revised Exhibits A, B, and C along with this Affidavit. 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 portions of Exhibit A contain 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 Exhibit 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 portions of Exhibit 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 8th day of April, 2016.



(Signature)
Mark Teague

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 8th day of April, 2016 by Mark Teague. He is personally known to me, or has produced his North Carolina driver's license, or his _____ as identification.





(Signature)
Lisa S. Moore

(Printed Name)
NOTARY PUBLIC, STATE OF NC

04-13-2019

(Commission Expiration Date)

(Serial Number, If Any)