

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause

Docket No. 140009-EI
Submitted for Filing: May 1, 2014

DUKE ENERGY FLORIDA, INC.'S NOTICE OF FILING

Duke Energy Florida, Inc. ("DEF" or the "Company"), hereby gives notice of filing the Affidavits of Christopher M. Fallon and Michael R. Delowery in Support of Duke Energy Florida, Inc.'s Second Request for Confidential Classification Regarding Portions of the Testimonies and Exhibits Filed as Part of the Company's May 1, 2014 Filing.

Respectfully submitted on this 1st day of May, 2014:

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished to counsel and parties of record as indicated below via electronic and U.S. Mail this 1st day of May, 2014.

/s/ Blaise N. Gamba

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause

Docket No. 140009-EI
Submitted for Filing: May 1, 2014

**AFFIDAVIT OF CHRISTOPHER M. FALLON IN SUPPORT OF DUKE ENERGY
FLORIDA, INC.'S SECOND REQUEST FOR CONFIDENTIAL CLASSIFICATION
REGARDING PORTIONS OF THE TESTIMONIES AND EXHIBITS FILED
AS PART OF THE COMPANY'S MAY 1, 2014 PETITION**

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 ("DEF" or the "Company") behalf and in support of DEF's Second Request for Confidential Classification Regarding Portions of the Testimonies and Exhibits filed as Part of the Company's May 1, 2014 Petition (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. As Vice President of Nuclear Development, I am responsible for the 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, LLC ("WEC") and Stone & Webster, Inc. ("S&W") (collectively, the "Consortium").

3. DEF is seeking confidential classification of the following materials filed with the Florida Public Service Commission ("FPSC" or the "Commission") in the above referenced

docket: (1) portions of my testimony and Exhibit Nos. ___(CMF-10), (CMF-11), and (CMF-12), and (2) portions of the testimony of Mr. Thomas G. Foster and Exhibit Nos. ___ (TGF-4) and (TGF-5). Unredacted versions of the testimonies and exhibits at issue are contained in confidential Appendix A to DEF's Request and the confidential portions thereof are outlined in DEF's Justification Matrix that is attached to DEF's Request as Appendix C.

4. DEF is requesting confidential classification of the portions of the testimonies and exhibits that contain confidential capital cost, contractual, or ongoing negotiation information the disclosure of which would compromise DEF's competitive business interests.

5. DEF is requesting confidential classification of the portions of the testimonies and exhibits of Mr. Foster that contain confidential capital costs numbers and contractual information regarding the purchase of goods and services for the Levy Nuclear Project ("Levy"), the disclosure of which would compromise DEF's competitive business interests or violate contractual confidentiality provisions.

6. DEF is also requesting confidential classification of the portions of my testimony and the testimony of Mr. Foster and Exhibit No. ___(TGF-4) that contain competitively sensitive capital cost numbers under the EPC Agreement.

7. Additionally, DEF is requesting confidential classification of Exhibit Nos. ___(CMF-10), (CMF-11), and (CMF-12), because these exhibits contain highly confidential settlement information between the DEF, the Consortium and its vendors regarding the disposition of long lead time equipment ("LLE") for the LNP. This information would adversely impact DEF's competitive business interests, and ongoing LLE disposition process and negotiations with Westinghouse regarding wind down of the EPC Agreement and disposition of the Levy LLE, if disclosed to third parties.

8. Moreover, the Company must be able to assure these vendors that sensitive business information will be kept confidential during negotiations. Indeed, most of the contracts

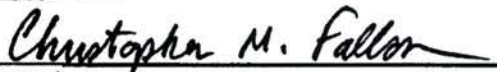
at issue contain confidentiality provisions that prohibit the disclosure of the terms of the contract to third parties. If third parties were made aware of confidential contractual terms that the Company has with other parties, they may offer DEF less competitive terms in future contractual negotiations. Additionally, revealing LLE disposition terms to third parties may compromise DEF's ability to negotiate additional LLE dispositions on a favorable basis. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and these nuclear contractors, the Company's efforts to obtain competitive terms for the LNP would be undermined.

9. As stated above, most of the contracts at issue, and specifically the EPC Agreement, contain confidentiality provisions; therefore, DEF is requesting confidential classification of this information to avoid public disclosure that would violate the confidentiality agreements between DEF and the other parties. DEF has kept confidential and has not publicly disclosed the proprietary contract terms and provisions at issue here.

10. 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 therein. Such procedures include, but are not limited to, restricting access to the documents and information to only those persons who require it to assist the Company. At no time since developing or entering the contracts in question has DEF publicly disclosed the contracts' terms; DEF has treated and continues to treat the information contained in the subject contracts as confidential.

11. This concludes my affidavit.

Dated this 28th day of April, 2014.



(Signature)

Christopher M. Fallon
Vice President of Nuclear Development
Duke Energy Corporation
526 South Church Street, EC1
Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 28th day of April, 2014 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 _____

9/2/2015
(Commission Expiration Date)

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery
Clause

Docket No. 140009-EI
Submitted for Filing: May1, 2014

**AFFIDAVIT OF MICHAEL R. DELOWERY IN SUPPORT OF DUKE ENERGY FLORIDA,
INC.'S SECOND REQUEST FOR CONFIDENTIAL CLASSIFICATION REGARDING
PORTIONS OF THE TESTIMONIES AND EXHIBITS FILED AS PART OF THE
COMPANY'S MAY 1, 2014 PETITION**

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

1. My name is Michael R. Delowery. I am employed by Duke Energy Florida, Inc. ("DEF" or the "Company") and serve as its acting Vice President of Project Management and Construction. I am over the age of 18 years old and I have been authorized by DEF to give this affidavit in the above-styled proceeding on DEF's behalf and in support of DEF's Second Request for Confidential Classification Regarding Portions of the Testimonies and Exhibits filed as Part of the Company's May 1, 2014 Petition (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. DEF is seeking confidential classification of the following materials filed with the Florida Public Service Commission ("FPSC" or the "Commission") in the above referenced docket: (1) portions of the testimony and exhibits of Mr. Thomas G. Foster; and (2) portions of the testimony and exhibits of Mr. Christopher M. Fallon.

3. Unredacted versions of the testimonies and exhibits at issue are contained in confidential Appendix A to DEF's Request and the confidential portions thereof are outlined in DEF's Justification Matrix that is attached to DEF's Request as Appendix C.

4. DEF is requesting confidential classification of the portions of the testimonies and exhibits that contain confidential contractual information regarding the purchase of goods and services for the Crystal River 3 ("CR3") Extended Power Uprate ("EPU") project, the disclosure of which would compromise DEF's competitive business interests. More specifically, certain portions of the Schedules attached to Mr. Foster's testimony as Exhibit No. ___(TGF-5) contain or reflect contractual arrangements, including terms and conditions, between DEF and providers of various equipment and services required for the close-out of the EPU project that would adversely impact DEF's competitive business interests if disclosed to the public.

5. The Company must be able to assure vendors that sensitive business information, such as the terms of their contracts and close-out agreements, will be kept confidential. Indeed, most of the contracts at issue contain confidentiality provisions that prohibit the disclosure of the terms of the contract to third parties. If third parties were made aware of confidential contractual terms that the Company 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 or close out agreement between DEF and these nuclear contractors, the Company's efforts to obtain competitive contracts for the close-out of the EPU project would be undermined.

6. As stated above, most of the contracts at issue contain confidentiality provisions; therefore, DEF is requesting confidential classification of this information to avoid public disclosure that would violate the confidentiality agreements between DEF and the other parties. DEF has kept confidential and has not publicly disclosed the proprietary contract terms and

provisions at issue here. Absent such measures, DEF would run the risk that sensitive business information regarding what the Company is willing to pay for necessary equipment, goods and supplies 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.

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 therein. Such procedures include, but are not limited to, restricting access to the documents and information to only those persons who require it to assist the Company. At no time since developing or entering the contracts in question has DEF publicly disclosed the contracts' terms; DEF has treated and continues to treat the information contained in the subject contracts as confidential.

8. This concludes my affidavit.

Dated this 28 day of APRIL, 2014.

Michael R. Delowery

(Signature)

Michael R. Delowery
Vice President, Project Management and Construction
400 South Tryon Street
Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 28th day of April, 2014 by Michael R. Delowery. He is personally known to me, or has produced his Florida driver's license, or his _____ as identification.

Muriel A. Spear

(Signature)

Muriel A. Spear

(Printed Name)

NOTARY PUBLIC, STATE OF North Carolina

October 20, 2018

(Commission Expiration Date)

(AFFIX NOTARIAL SEAL)



(Serial Number, If Any)