

REDACTED

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Determination)
of Cost Effective Generation Alternative)
to Meet Need Prior to 2018 for Duke)
Energy Florida, Inc.)
_____)

DOCKET NO. 140111-EI
Submitted for filing: June 16, 2014

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DUKE ENERGY FLORIDA, INC.'S FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION REGARDING PORTIONS OF TESTIMONY EXHIBITS FILED IN SUPPORT OF THE COMPANY'S PETITION FOR DETERMINATION OF COST EFFECTIVE GENERATION ALTERNATIVE TO MEET NEED PRIOR TO 2018

Duke Energy Florida, Inc. ("DEF" or the "Company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006(3), Florida Administrative Code ("F.A.C."), files this Request for Confidential Classification Regarding Portions of Testimony Exhibits filed in support of the Company's Petition for Determination of Cost Effective Generation Alternative to Meet Need Prior to 2018 for Duke Energy Florida, Inc. (the "Request"). 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 o May 27, 2014: (1) Exhibit BMHB-7 to the Direct Testimony of Benjamin M.H. Borsch, Exhibits KD-1 and KD-2 to the Direct Testimony of Kevin Delehanty, and Exhibit ES-4 to the Direct Testimony of Ed Scott. An unredacted version of the documents discussed above is being filed under seal with the Commission as Appendix A on a confidential basis to keep the competitive business information in those documents confidential.

In support of this Request, DEF states as follows:

The Confidentiality of the Documents at Issue

Section 366.093(1), Florida Statutes, provides that "any records received by the Commission which are shown and found by the Commission to be proprietary confidential business information shall be kept confidential and shall be exempt from [the Public Records

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Act].” § 366.093(1), Fla. Stat. Proprietary confidential business information means information that is (i) intended to be and is treated as private confidential information by the Company, (ii) because disclosure of the information would cause harm, (iii) either to the Company’s ratepayers or the Company’s business operation, and (iv) the information has not been voluntarily disclosed to the public. § 366.093(3), Fla. Stat. Specifically, “information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms” is defined as proprietary confidential business information. § 366.093(3)(d), Fla. Stat. Additionally, subsection 366.093(3)(e) defines “information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information,” as proprietary confidential business information.

Testimony Exhibits

As listed above, Exhibit No. BMHB-7 of Mr. Borsch contains confidential and sensitive information and numbers regarding the supply-side generation proposal evaluated by the Company to meet its capacity needs in the summers of 2016 and 2017, the disclosure of which would impair DEF’s competitive business interests and ability to negotiate favorable contracts, as well as violate contractual nondisclosure provisions of these bids. See Affidavit of Borsch, ¶ 4. In order to obtain such proposals, DEF must be able to ensure potential bidders that the terms of their bids will be kept confidential. If such assurances are not provided, potential bidders know that the terms of their bids are subject to public disclosure, they might withhold sensitive information necessary for the utility to fully understand and accurately assess the costs and benefits of their proposals. Persons or companies who otherwise would have submitted bids in response to the utility’s RFP might not do so if there is no assurance that their proposals would be protected from disclosure. Furthermore, the information at issue relates to the competitive

interests of DEF and the bidding entities, the disclosure of which would impair their competitive business interests. See Affidavit of Borsch, ¶ 4.

Additionally, DEF is requesting confidentiality classification of Exhibits KD-1 and KD-2. These exhibits contain confidential information of the Company's forecasts of pricing. This information would adversely impact DEF's competitive business interests if disclosed to third parties. See Affidavit of Delehanty, ¶ 5. As such, this information qualifies as "information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information," and as proprietary confidential business information under subsection 366.093(3)(e), Fla. Stat.

DEF is also requesting confidentiality classification of Exhibit ES-3, a confidential description of the potential generating facility acquisitions evaluated for transmission cost impacts to the DEF transmission system. If third parties were to know DEF's specific transmission needs, they could increase the price of those goods and services. Affidavit of Scott, ¶ 3.

Disclosure of any of this information would adversely impact DEF's competitive business interests. Specifically, the information at issue relates to competitively negotiated contractual data the disclosure of which would impair the efforts of the Company to negotiate on favorable terms. Affidavit of Borsch, ¶ 5, Delehanty, ¶ 5, Scott, ¶¶ 4-5. The Company must be able to assure these vendors that sensitive business information 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. Id. If third parties were made aware of confidential contractual terms and conditions that the Company has with other parties, they may offer DEF less competitive contractual terms and conditions in any future contractual negotiations. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and these contractors, the Company's efforts to obtain competitive contracts would be undermined.

Affidavits of Borsch, ¶ 5, Delehanty, ¶ 5, Scott, ¶ 5.

Confidentiality Procedures

Strict procedures are established and followed to maintain the confidentiality of the terms of all of the confidential documents and information at issue, including restricting access to those persons who need the information and documents to assist the Company. See Affidavits of Borsch, ¶ 6, Delehanty, ¶ 6, Scott, ¶ 6.

At no time has the Company publicly disclosed the confidential information or documents at issue; DEF has treated and continues to treat the information and documents at issue as confidential. See Affidavits of Borsch, ¶ 7, Delehanty, ¶ 6, Scott, ¶ 7. DEF requests this information be granted confidential treatment by the Commission.

Conclusion

The competitive, confidential information at issue in this Request fits the statutory definition of proprietary confidential business information under Section 366.093, Florida Statutes, and Rule 25-22.006, F.A.C., and therefore that information should be afforded confidential classification. In support of this motion, DEF has enclosed the following:

(1) A separate, sealed envelope containing one copy of the confidential Appendix A to DEF's First Request for Confidential Classification which DEF intends to request confidential classification with the appropriate section, pages, or lines containing the confidential information highlighted. **This information should be accorded confidential treatment pending a decision on DEF's Request by the Commission;**

(2) Two copies of the documents with the information for which DEF intends to request confidential classification redacted by section, pages, or lines where appropriate as Appendix B; and,

(3) A justification matrix of the confidential information contained in Appendix A

supporting DEF's Request, as Appendix C.

WHEREFORE, DEF respectfully requests that the redacted portions of the exhibit of Mr. Borsch; the redacted portions of the exhibits of Mr. Delehanty, and the redacted portions of the exhibit of Mr. Scott be classified as confidential for the reasons set forth above.

Respectfully submitted this 16th day of June, 2014.

John T. Burnett
Deputy General Counsel
Dianne M. Triplett
Associate General Counsel
DUKE ENERGY FLORIDA, INC.
Post Office Box 14042
St. Petersburg, FL 33733-4042
Telephone: (727) 820-5587
Facsimile: (727) 820-5519

/s/ Blaise N. Gamba
James Michael Walls
Florida Bar No. 0706242
Blaise N. Gamba
Florida Bar No. 0027942
CARLTON FIELDS JORDEN BURT, P.A.
Post Office Box 3239
Tampa, FL 33601-3239
Telephone: (813) 223-7000
Facsimile: (813) 229-4133

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 mail this 16th day of June, 2014.

/s/ Blaise N. Gamba

Attorney

Michael Lawson
Florida Public Service Commission Staff
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
Phone: (850) 413-6199
Facsimile: (850) 413-6184
Email: mlawson@psc.state.fl.us

Charles Rehwinkel
Deputy Public Counsel
Erik Sayler
Associate Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
Phone: (850) 488-9330
Email: rehwinkel.charles@leg.state.fl.us
Sayler.erik@leg.state.fl.us

Jon C. Moyle, Jr.
Karen A. Putnal
Moyle Law Firm
118 North Gadsden Street
Tallahassee, FL 32301
Phone: (850) 681-3828
Fax: (850) 681-8788
Email: jmoyle@moylelaw.com
kputnal@moylelaw.com

James W. Brew
F. Alvin Taylor
Brickfield Burchette Ritts & Stone, PC
1025 Thomas Jefferson St NW
8th FL West Tower
Washington, DC 20007-5201
Phone: (202) 342-0800
Fax: (202) 342-0807
Email: jbrew@bbrslaw.com
ataylor@bbrslaw.com

Robert Scheffel Wright
John T. LaVia, III
Gardner Law Firm
1300 Thomaswood Drive
Tallahassee, FL 32308
Phone: (850) 385-0070
Email: Schef@gbwlegal.com
Jlavia@gbwlegal.com

Marsha E. Rule
Rutledge Ecenia
119 South Monroe Street, Ste. 202
Tallahassee, FL 32301
Phone: (850) 681-6788
Fax: (850) 681-6515
Email: marsha@rutledge-ecenia.com

Gordon D. Polozola
NRG Energy, Inc.
112 Telly Street
New Roads, LA 70760
Phone: (225) 618-4084
Email: Gordon.Polozola@nrgenergy.com

Richard A. Zambo
Richard A. Zambo, P.A.
2336 S.E. Ocean Boulevard, #309
Stuart, FL 34966
Phone: (772) 225-5400
Email: richzambo@aol.com

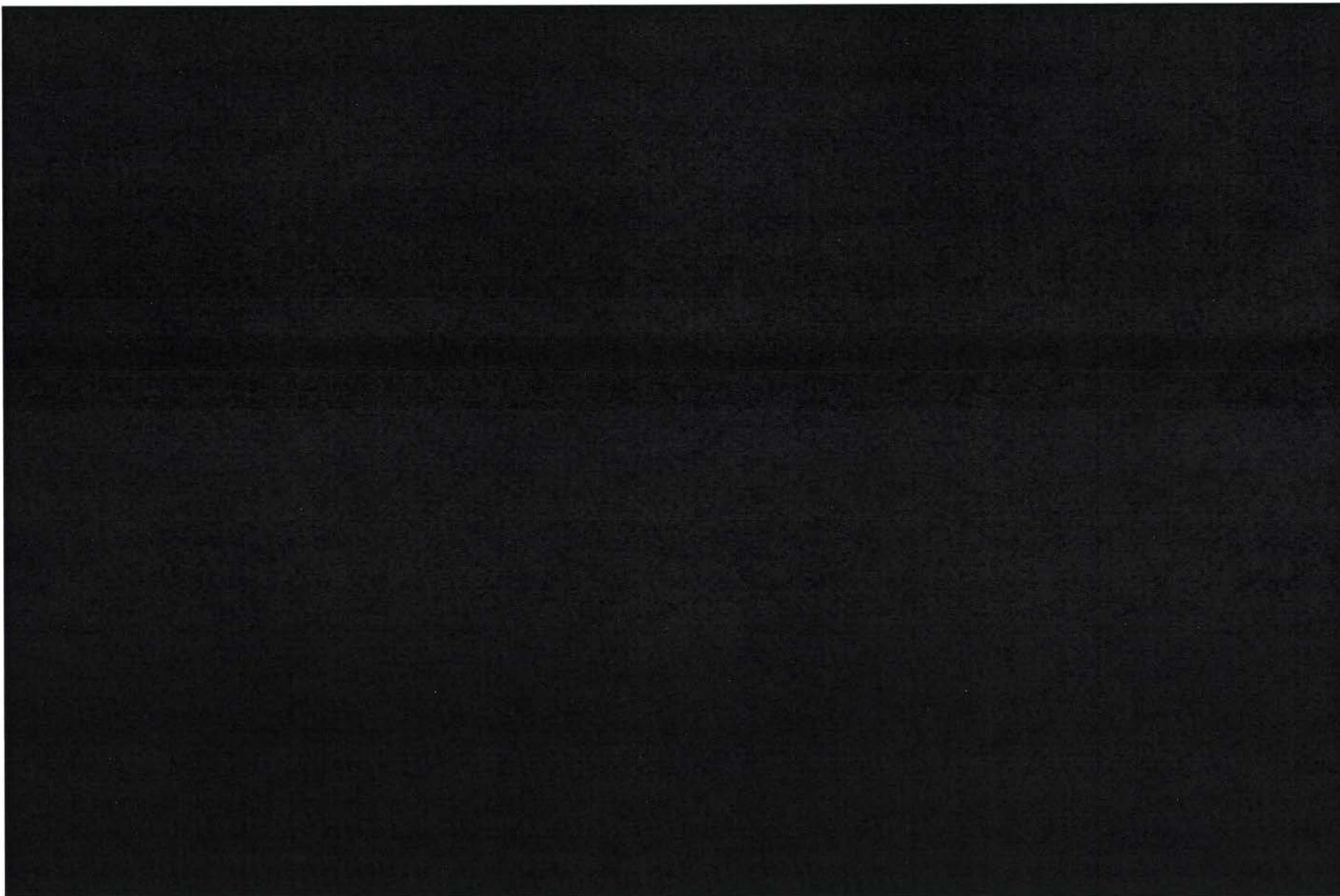
DUKE ENERGY FLORIDA

**In re: Petition for Determination of Cost
Effective Generation Alternative to Meet Need
Prior to 2018 for Duke Energy Florida, Inc.
Docket 140111-EI**

First Request for Confidential Classification

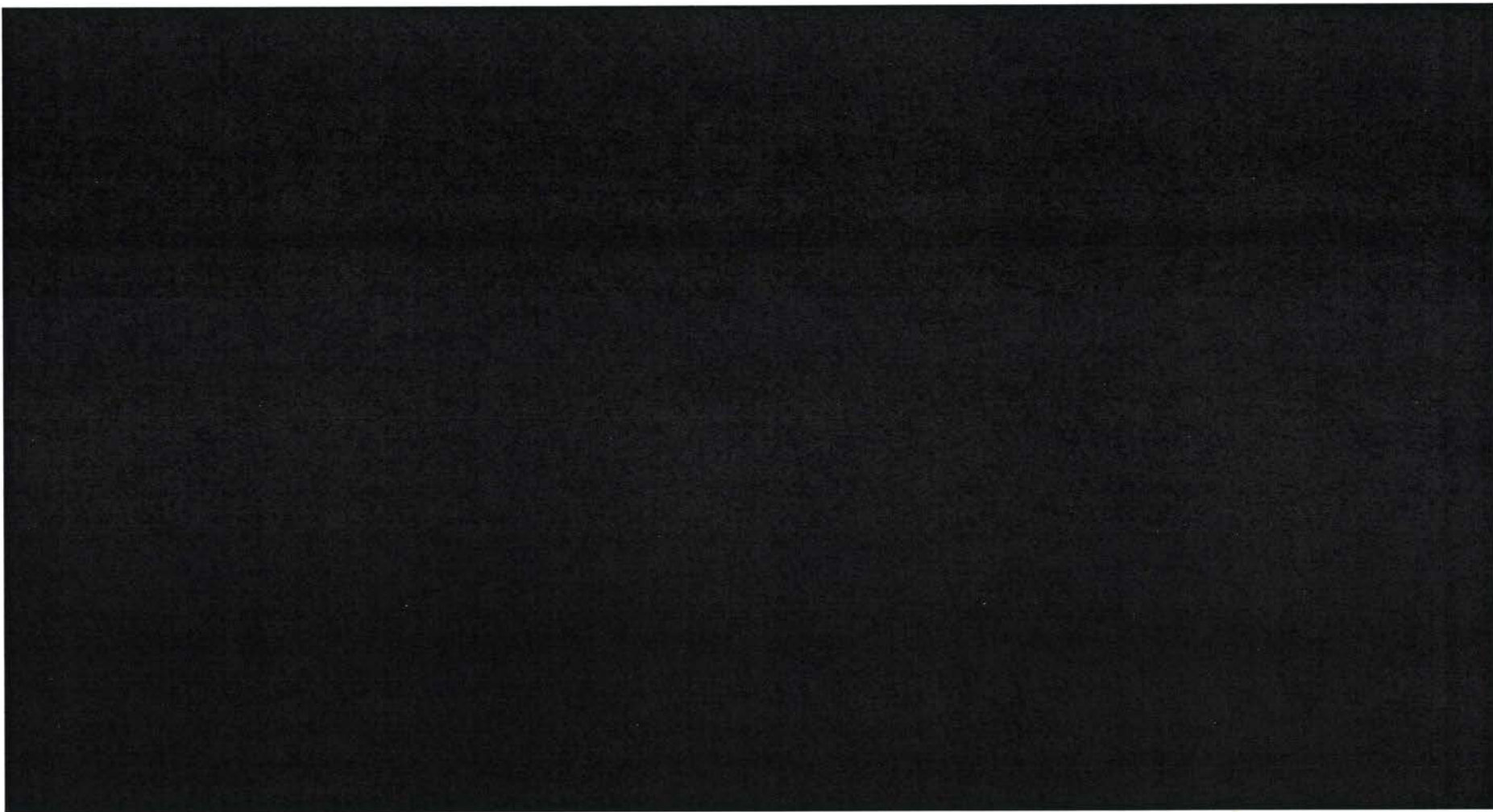
Exhibit B

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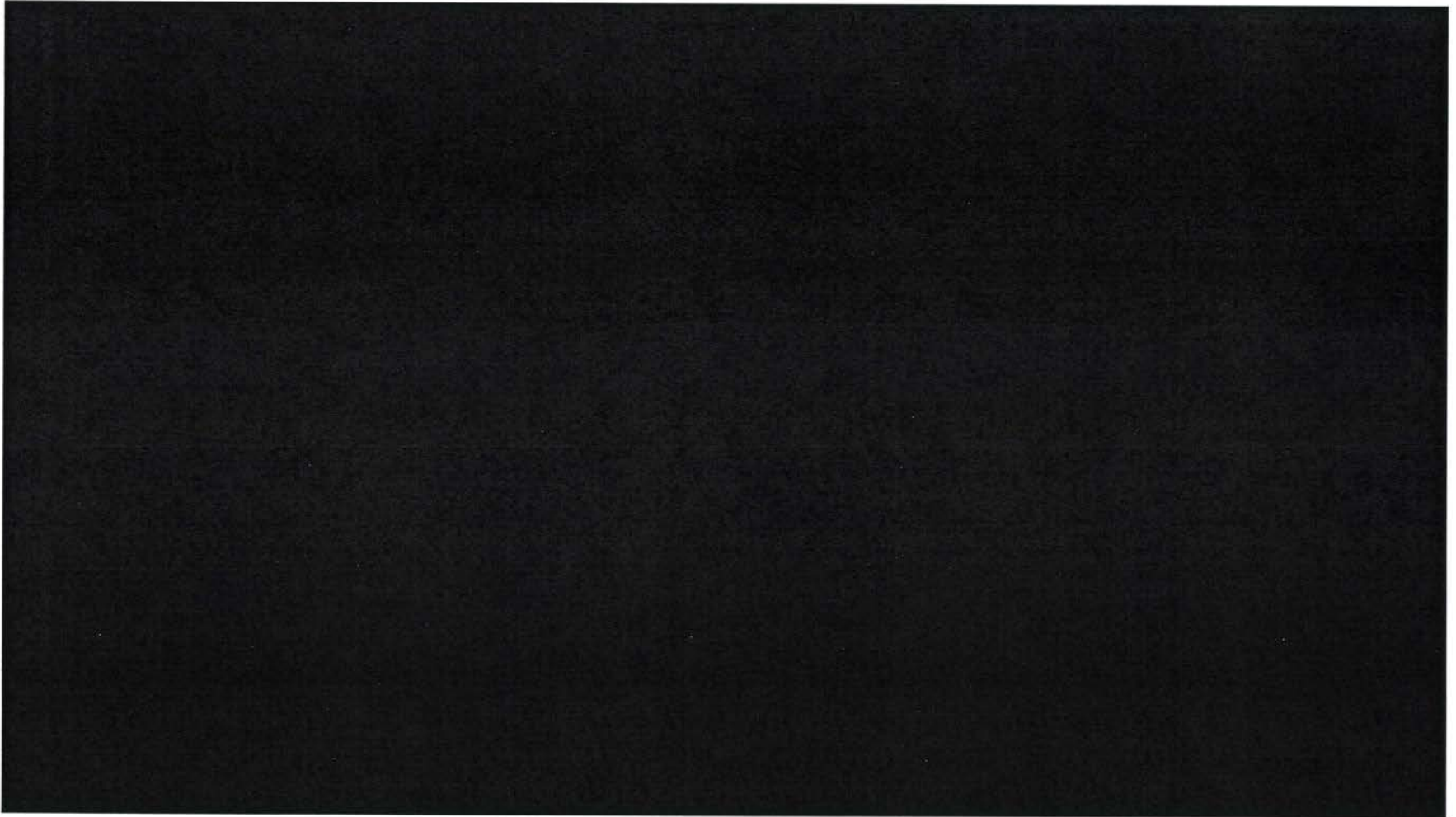
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Docket No. _____
Duke Energy Florida
Exhibit No. _____ (KD-1)
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Docket No. _____
Duke Energy Florida
Exhibit No. _____ (KD-2)
Page 1 of 1



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**Potential Generation Facility Acquisitions Evaluated for Transmission Cost
Impacts to the DEF transmission system**

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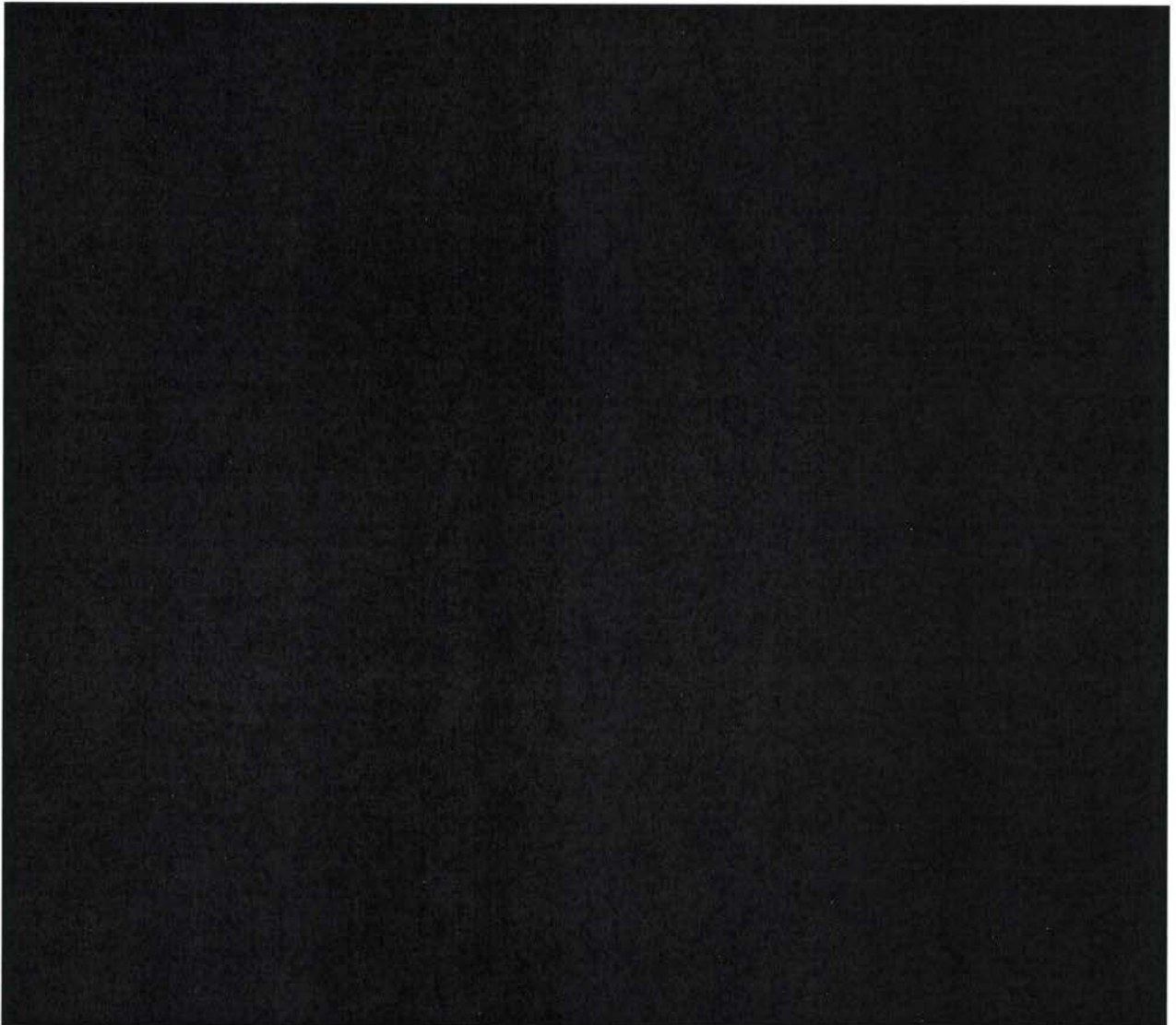


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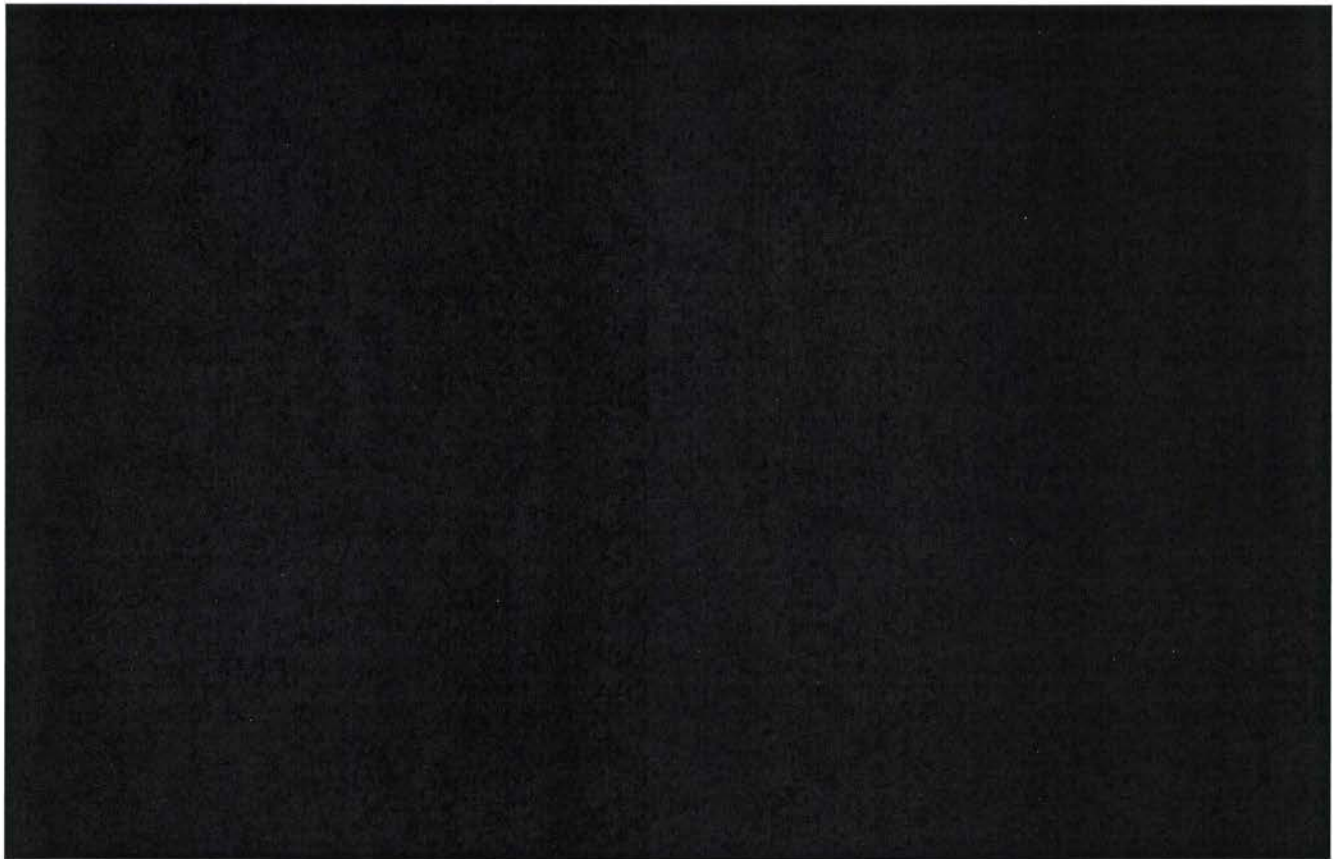
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Exhibit No. _____ (ES-3)
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Duke Energy Florida
Exhibit No. _____ (ES-3)
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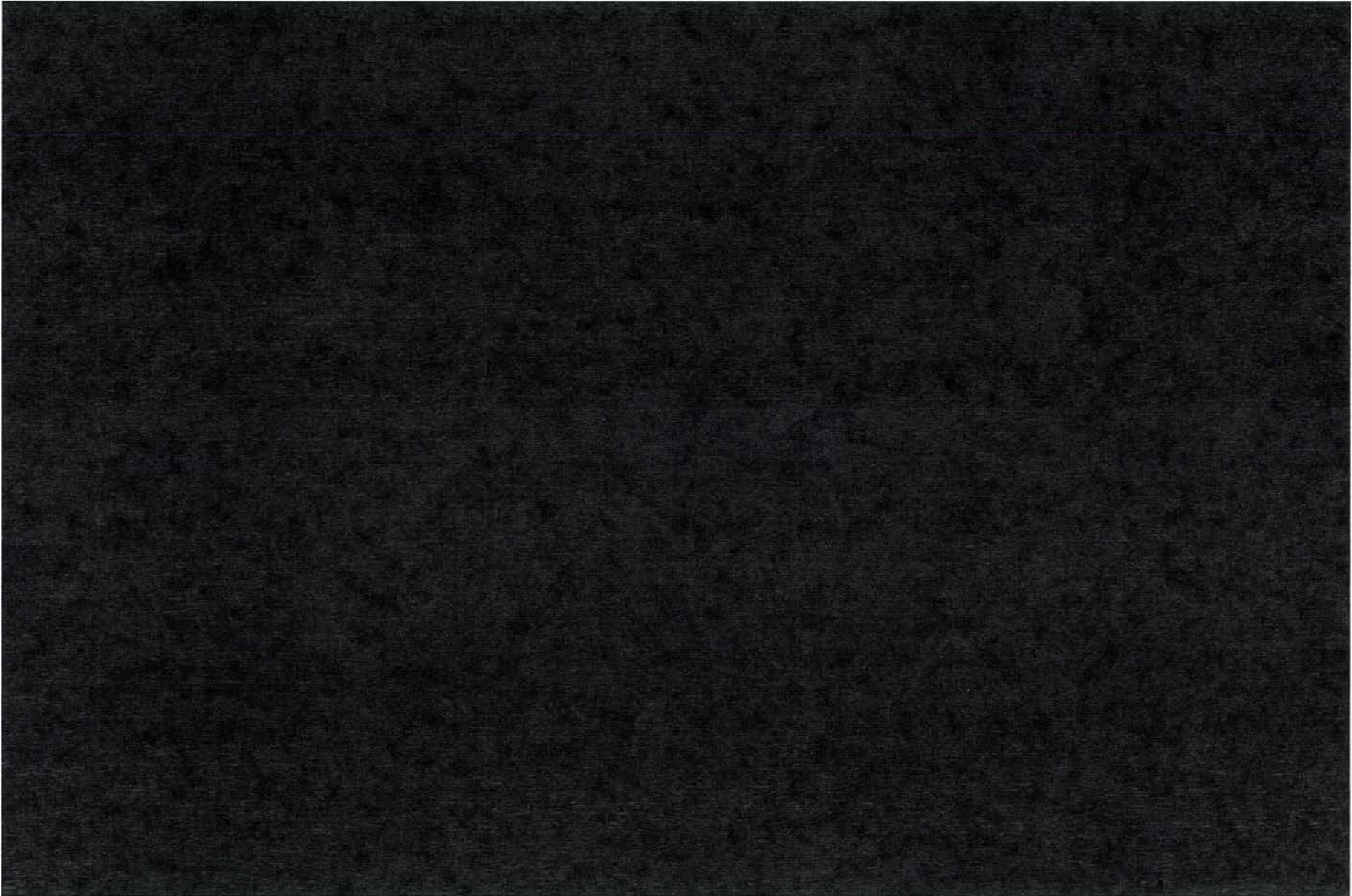
DUKE ENERGY FLORIDA
In re: Petition for Determination of Cost
Effective Generation Alternative to Meet Need
Prior to 2018 for Duke Energy Florida, Inc.
Docket 140111-EI

First Request for Confidential Classification

Exhibit B

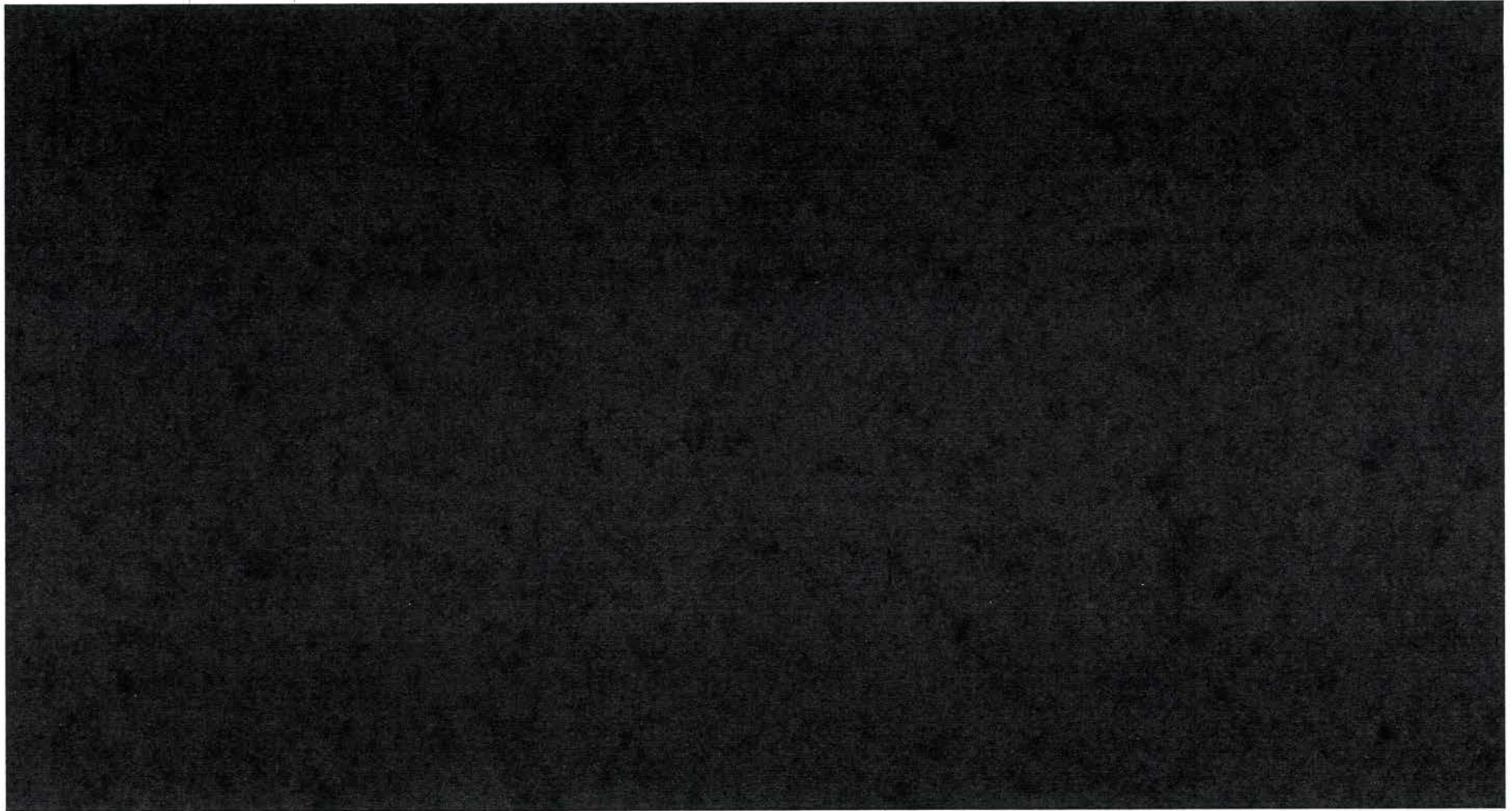
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Duke Energy Florida
Exhibit No. ____ (BMHB-7)
Page 1 of 1



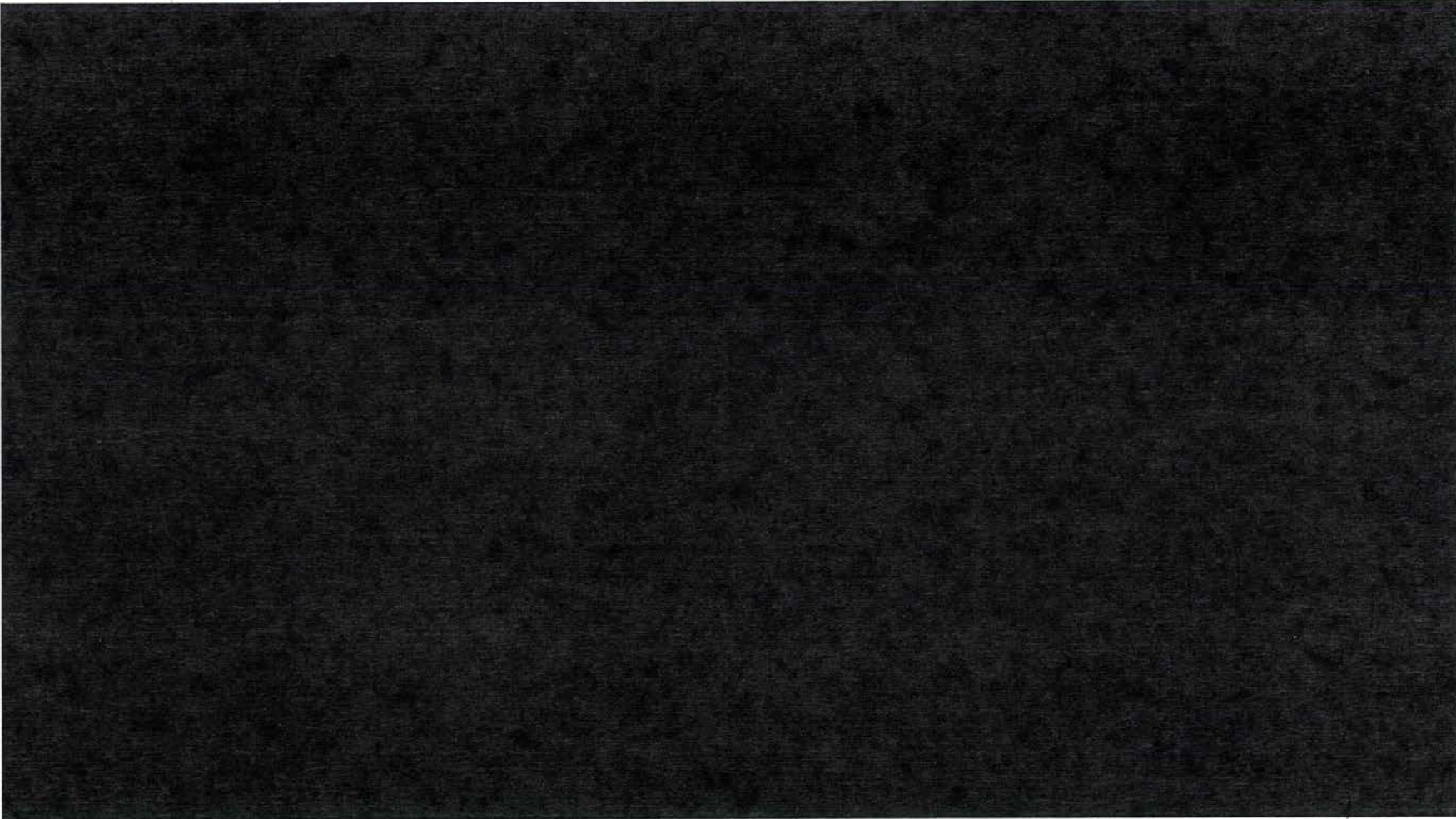
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Duke Energy Florida
Exhibit No. _____ (KD-1)
Page 1 of 1



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Docket No. _____
Duke Energy Florida
Exhibit No. _____ (KD-2)
Page 1 of 1



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**Potential Generation Facility Acquisitions Evaluated for Transmission Cost
Impacts to the DEF transmission system**

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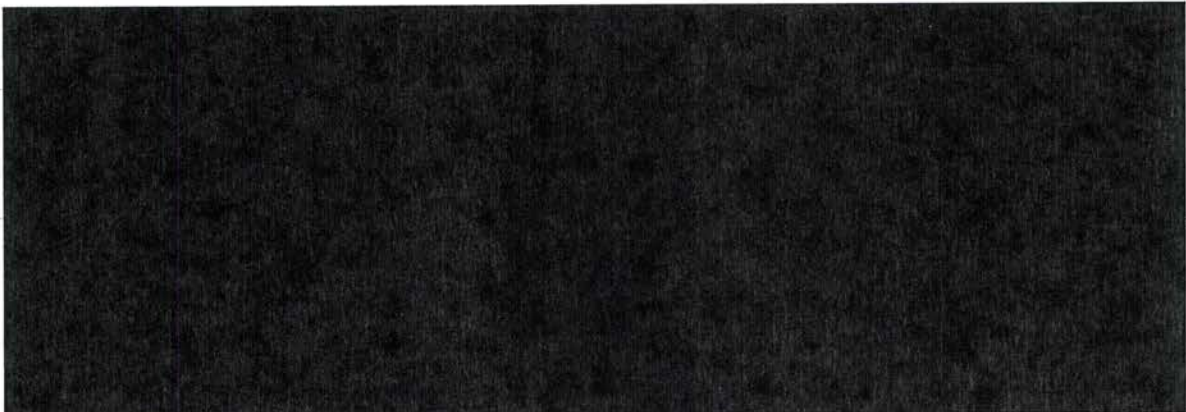
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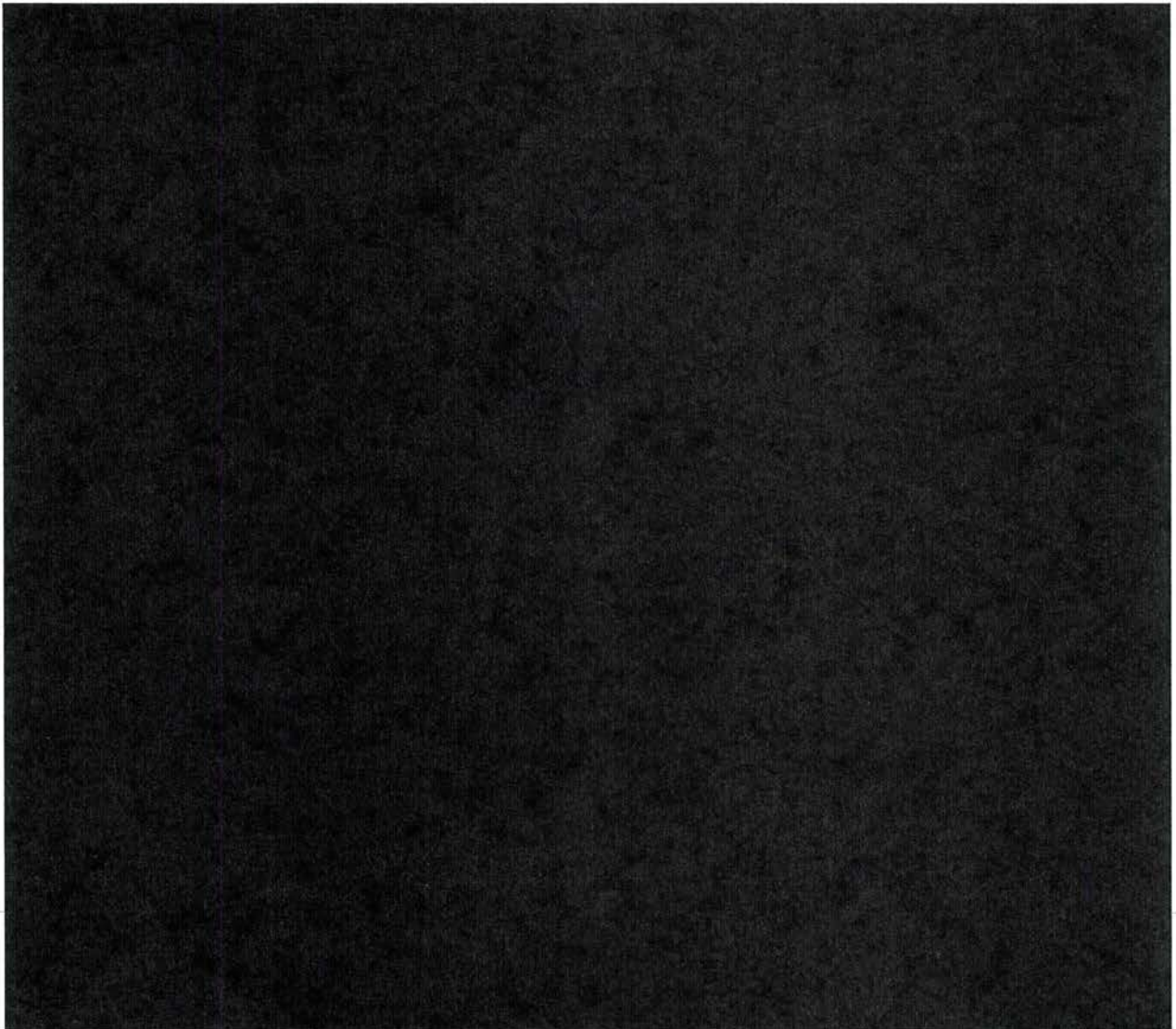


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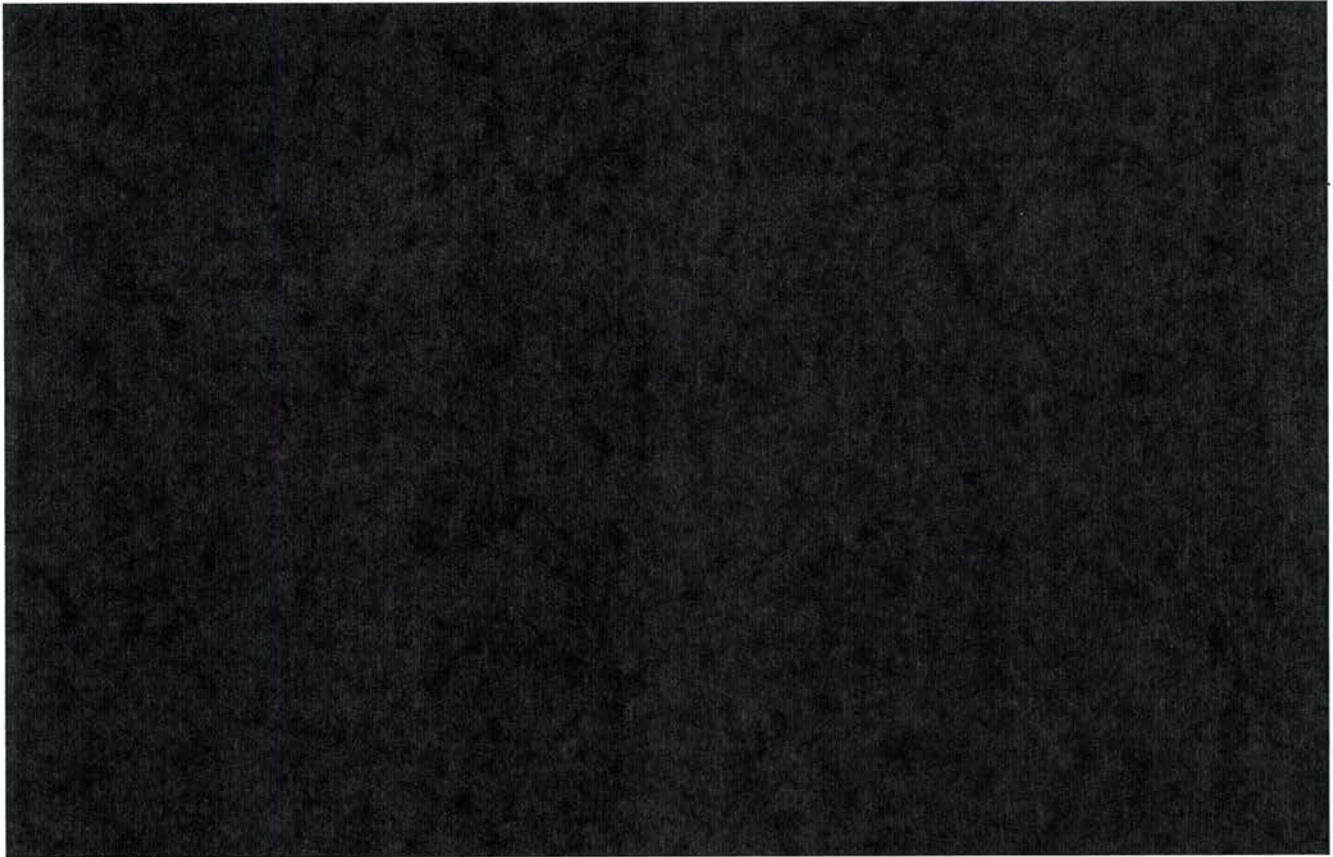


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Duke Energy Florida
Exhibit No. _____ (ES-3)
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DUKE ENERGY FLORIDA
DOCKET NO. 140110-EI
First Request for Confidential Classification
Confidentiality Justification Matrix

DOCUMENT	PAGE/LINE/ COLUMN	JUSTIFICATION
Direct Testimony of Benjamin M.H. Borsch, (Exhibit No. BMHB-7)	Entire document	<p>§366.093(3)(d), Fla. Stat. The document portions in question contain confidential contractual information, the disclosure of which would impair DEF'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>
Direct Testimony of Kevin Delehanty (Exhibit No. KD-1)	Entire document	<p>§366.093(3)(d), Fla. Stat. The document portions in question contain confidential contractual information, the disclosure of which would impair DEF'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>
Direct Testimony of Kevin Delehanty(Exhibit No. KD-2)	Entire document	<p>§366.093(3)(d), Fla. Stat. The document portions in question contain confidential contractual information, the disclosure of which would impair DEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question</p>

**DUKE ENERGY FLORIDA
DOCKET NO. 140110-EI
First Request for Confidential Classification
Confidentiality Justification Matrix**

DOCUMENT	PAGE/LINE/ COLUMN	JUSTIFICATION
		<p>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>Direct Testimony of Ed Scott (Exhibit No. ES-3)</p>	<p>Pages 1 through 4 in their entirety</p>	<p>§366.093(3)(d), Fla. Stat. The document portions in question contain confidential contractual information, the disclosure of which would impair DEF'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>