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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause

Docket No. 140009-El
Submitted for Filing: June 20, 2014

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DUKE ENERGY FLORIDA, INC.'S FOURTH REQUEST FOR CONFIDENTIAL CLASSIFICATION

Duke Energy Florida, Inc. ("DEF" or the "Company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006(3), Florida Administrative Code, files this Request for Confidential Classification of the confidential portions of the information provided in response to Citizens' First Set of Interrogatories to Duke Energy Florida, Inc. (Nos. 1-33), specifically Nos. 2, 3, 4, 11, 13, and 14. DEF's response contains confidential contractual cost information, the disclosure of which would impair DEF's ability to contract for necessary goods and services, as well as other information the disclosure of which would harm the Company's competitive business interests. The information in DEF's response meet the definition of proprietary confidential business information per section 366.093(3), Florida Statutes. The unredacted response is being filed under seal with the Commission on a confidential basis to keep the competitive business and contractual information in the response confidential.

BASIS FOR CONFIDENTIAL CLASSIFICATION

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 Act]." § 366.093(1), Fla. Stat. Proprietary confidential business information means information that is (i) intended to be and is treated as private confidential

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information by the Company, (ii) because disclosure of the information would cause harm, (iii) either to the Company's customers 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, section 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.

Portions of the aforementioned response should be afforded confidential classification for the reasons set forth in the Affidavit of Christopher M. Fallon filed in support of DEF's Fourth Request for Confidential Classification, and for the following reasons.

DEF's Response to Citizen's First Set of Interrogatories (Nos. 1-33), specifically Nos. 2, 3, 4, 11, 13, and 14, contain sensitive proprietary and confidential cost information, related to obtaining the LNP COL. DEF considers this information to be confidential and proprietary in nature, and continues to take steps to protect against its public disclosure, including limiting the personnel who have access to this information. Affidavit of Fallon, ¶ 4. Public release of this information would harm the Company's competitive business interests including its ability to contract for necessary goods and services by signaling to the parties with whom DEF attempts to contract that the Company will not be able to maintain the confidentiality of the parties' contractual agreements, and,

in many instances, the disclosure of this information would violate contractual confidentiality provisions. See id. at ¶ 4.

Further, the Company has established and follows strict procedures 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 Affidavit of Fallon, ¶ 5.

At no time has the Company publicly disclosed the confidential information at issue; DEF has treated and continues to treat the information at issue as confidential. See Affidavit of Fallon, ¶ 5.

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 Request for 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 Duke Energy Florida, Inc.'s Response to Citizen's First Set of Interrogatories (Nos. 1-33), specifically Nos. 2, 3, 4, 11, 13, and 14, be classified as confidential for the reasons set forth above.

Respectfully submitted,

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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 U.S. Mail this 20th day of June, 2014.

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DUKE ENERGY FLORIDA
In re: Nuclear Cost Recovery Clause
Docket 140009-EI
Fourth Request for Confidential Classification

Exhibit B

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Cost Recovery)
Clause.)
_____)

Docket No. 140009-EI
SERVED: May 30, 2014

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**DUKE ENERGY FLORIDA, INC.'S RESPONSE TO
CITIZENS' FIRST SET OF INTERROGATORIES
TO DUKE ENERGY FLORIDA, INC. (Nos. 1-33)**

Duke Energy Florida, Inc. ("DEF") responds to Citizens' First Set of Interrogatories (Nos. 1-33) as follows:

GENERAL AND SPECIFIC OBJECTIONS

DEF incorporates and restates its General and Specific Objections to Citizens' First Set of Interrogatories (Nos. 1-33), filed on May 19, 2014, as if those responses and objections were fully set forth herein.

INTERROGATORIES

1. With respect to Fallon (March 3, 2014 Direct Testimony), page 8, lines 5-10, is it DEF's position that there are "wind down" costs that it seeks to recover that are authorized for recovery solely through the 2013 Settlement Agreement (i.e. costs which would not be authorized by Section 366.93(6), and Rule 25-6.0423(7), F.A.C.)? If the answer is yes, identify the type and dollar amount of such costs and any independent basis, if any, of authorization in the 2013 Settlement.

RESPONSE:

No, it is not. The LNP wind down costs DEF incurred were pursuant to Section 366.93(6), Rule 25-6.0423(7), and the 2013 Revised and Restated Stipulation and Settlement Agreement ("2013 Settlement Agreement") approved by the Commission in Order No. PSC-13-0598-FOF-EI.

2. Please identify (by type and amount) all costs related to obtaining the LNP COL from the NRC (“COL-pursuit costs”) that were incurred between August 1, 2013 and December 31, 2013.

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RESPONSE:

Costs incurred between August 1, 2013 and December 31, 2013 related to obtaining the LNP COL were as follows:

Category	Total August – December 2013
Labor	
Regulatory Fees	
Contracts	
Legal	
Other	
Total	

3. For any costs identified in your response to Interrogatory No. 2, please explain whether such COL-pursuit costs were included in projected or estimated costs in prior (pre-2014) filings in the NRC docket(s). As part of such explanation, please reconcile actual COL-Pursuit costs incurred with the corresponding costs estimated or projected in prior filings.

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RESPONSE:

Yes, the COL-pursuit costs presented in Interrogatory No. 2 above were included in projected costs in the May 2012 filing and in estimated costs in the May 2013 filing in the NCRC dockets. The table below reconciles the August through December 2013 costs as presented in those filings to the actual costs presented in Interrogatory No. 2 above.

Filing	Total August – December 2013
Actual Costs	
Estimated (Schedule AE-6) in May 2013 filing	
Projected (Schedule P-6) in May 2012 Filing	

4. Please identify all COL-pursuit costs that were incurred in 2013 but which would have been removed from the NCRC if the fourth sentence of paragraph 12.b. of the 2013 Settlement had applied to 2013 instead of 2014.

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RESPONSE:

Pursuant to the 2013 Settlement Agreement, DEF will account for the remaining COLA, environmental permitting, wetlands mitigation, conditions of certification, and other costs related or in any way connected to, directly or indirectly, obtaining or maintaining the COL that DEF incurs in 2014 and beyond as construction work in progress removed from recovery in the NCRC.

If paragraph 12.b of the 2013 Settlement Agreement had applied to 2013 instead of 2014, all costs on Line 1a [REDACTED] would have been removed from the NCRC. In addition, approximately [REDACTED] on Line 18b on TGF-2 would have also been removed because these costs were for transmission-related wetland mitigation expenses.

11. Please identify, by sub-category, all COL-Pursuit costs you expect to incur for the period January 1, 2014 through December 31, 2017. Please also identify any differences by year, type of expense and by total, when compared to amounts for the same period estimated and/or provided to the Commission through testimony or discovery responses. Please identify all documents that support your response.

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RESPONSE:

COLA-related costs projected to be incurred are shown below by sub-category for year 2014 and 2015. DEF expects to receive the LNP COL in 2015. COL maintenance costs in 2016 and 2017 are estimated to be on the order of approximately [REDACTED] per year as shown.

Estimated LNP COL-Pursuit Costs (in millions of dollars)				
Category	2014	2015	2016	2017
Labor*	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Legal	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Contracts	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Regulatory Fees	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

* Labor (includes DEF labor and staff augmentation)

In Exhibit No. __ (TGF)-5, Schedule TOR-6, to Mr. Thomas G. Foster's May 1, 2013 testimony in Docket No. 130009 the estimated 2014 costs were [REDACTED] for license application/COL pursuit costs. No COLA costs were included in DEF's 2014 filings based on the 2013 Settlement Agreement; however, in 2014 this estimate was revised upward to be [REDACTED]. After WEC missed several deadlines to submit Condensate Return information to the NRC it became evident that the COL receipt would be delayed until mid-2015 and additional reviews would be conducted. This meant that more Levy COLA work remained than anticipated when an earlier COL-receipt date was projected. The below table shows the estimates:

Estimate Prepared	COL Estimate	
	2013	2014
Feb 2013	[REDACTED]	[REDACTED]
Feb 2014	[REDACTED]	[REDACTED]

13. Please identify the percentage of project management costs related to DEF's pursuit of the COL in 2013. As a part of your answer, please state whether (and if so, by what percentage) such allocation or attribution was different after July 31, 2013 than before. Please also identify the project management costs related to COL-pursuit recorded between August 1 and December 31, 2013.

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RESPONSE:

DEF does not capture COL project management costs separately from total COL project costs. The COL-related costs of [REDACTED] DEF incurred in 2013 included project management. Given the size of the Nuclear Development Project Management team applied to Levy, the project management costs are estimated to be in the range of 6%. There were no changes to the COL project management approach after July 31, 2013.

14. Please separately identify the amount of:
- a. "Environmental Permitting Work"; and
 - b. "Remaining Project Contingency Funds"

Referred to on lines 10-11 of Mr. Fallon's (March 3, 2014) Direct Testimony.

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RESPONSE:

This response assumes the question is referring to page 18 of Mr. Fallon's (March 3, 2014) Direct Testimony which describes the differences between the estimated costs for License Application included in the May 2013 filing [REDACTED] and the actual costs per the March 2014 filing [REDACTED]. This favorable variance was primarily due to the deferral of environmental permitting work [REDACTED] and remaining project contingency funds [REDACTED].

DUKE ENERGY FLORIDA
DOCKET NO. 140009-EI
Fourth Request for Confidential Classification
Confidentiality Justification Matrix

DOCUMENT	PAGE/LINE/ COLUMN	JUSTIFICATION
<p>Duke Energy Florida, Inc.'s Response to Citizens' First Set of Interrogatories to Duke Energy Florida, Inc. No. 2</p>	<p>Response Table, all information in 2nd Column exclusive of Header</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 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>
<p>Duke Energy Florida, Inc.'s Response to Citizens' First Set of Interrogatories to Duke Energy Florida, Inc. No. 3</p>	<p>Response Table, all information in 2nd Column exclusive of Header</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 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>

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		<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>Duke Energy Florida, Inc.'s Response to Citizens' First Set of Interrogatories to Duke Energy Florida, Inc. No. 4</p>	<p>Response 2nd paragraph, 2nd line, seventh word, 3rd line, second 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 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>
<p>Duke Energy Florida, Inc.'s Response to Citizens' First Set of Interrogatories to Duke Energy Florida, Inc. No. 11</p>	<p>Response 1st paragraph, 3rd line, fourth and fifth words from end, Estimated LNP COL-Pursuit Costs Table, all information in columns with Headers 2014, 2015, 2016, 2017; 2nd paragraph, 2nd line, third and fourth</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>

DUKE ENERGY FLORIDA
DOCKET NO. 140009-EI
Fourth Request for Confidential Classification
Confidentiality Justification Matrix

DOCUMENT	PAGE/LINE/ COLUMN	JUSTIFICATION
	words from end, 5 th line, second and third words; Table at bottom of page, all information in columns 2013 and 2014 exclusive of headers	<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>
Duke Energy Florida, Inc.'s Response to Citizens' First Set of Interrogatories to Duke Energy Florida, Inc. No. 13	Response paragraph, 2 nd line, eight and ninth words	<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 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>

DUKE ENERGY FLORIDA
DOCKET NO. 140009-EI
Fourth Request for Confidential Classification
Confidentiality Justification Matrix

DOCUMENT	PAGE/LINE/ COLUMN	JUSTIFICATION
<p>Duke Energy Florida, Inc.'s Response to Citizens' First Set of Interrogatories to Duke Energy Florida, Inc. No. 14</p>	<p>Response Paragraph, 3rd line, ninth word, 4th line, fourth word, 5th line, fourth word, 6th line, all 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 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>