



Matthew R. Bernier
Senior Counsel
Duke Energy Florida, Inc.

July 25, 2014

VIA OVERNIGHT MAIL

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

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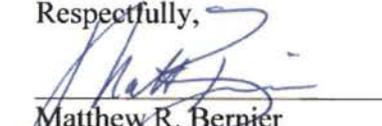
Re: *Environmental Cost Recovery Clause; Docket No. 140007-EI*

Dear Ms. Stauffer:

On behalf of Duke Energy Florida, Inc. ("DEF"), please find enclosed for filing an original and (7) copies of DEF's Request for Confidential Classification for certain information contained in Exhibit No. ___(TGF-3) and Exhibit No. ___(TGF- 4) of the testimony of Thomas G. Foster. The original includes Attachments A, B, C and D

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Respectfully,


Matthew R. Bernier
Senior Counsel
Matthew.Bernier@duke-energy.com

MRB/mw
Enclosures

- COM _____
- AFD 1 _____
- APA _____
- ECO 1 _____
- ENG 4+EXB _____
- GCL 1 _____
- IDM _____
- TEL _____
- CLK _____

Duke Energy Florida, Inc.

Docket No.: 140007

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 25th day of July, 2014.

Attorney

<p>Charles Murphy, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 cmurphy@psc.state.fl.us</p> <p>James D. Beasley, Esq. Jeffry Wahlen, Esq. Ausley & McMullen Law Firm P.O. Box 391 Tallahassee, FL 32302 jbeasley@ausley.com jwahlen@ausley.com adaniels@ausley.com</p> <p>John T. Butler, Esq. Florida Power & Light Co. 700 Universe Boulevard Juno Beach, FL 33408 John.butler@fpl.com jessica.cano@FPL.com</p> <p>Kenneth Hoffman Florida Power & Light 215 S. Monroe Street, Ste. 810 Tallahassee, FL 32301-1859 Ken.hoffman@fpl.com</p> <p>Ms. Paula K. Brown Tampa Electric Company P.O. Box 111 Tampa, FL 33601 regdept@tecoenergy.com</p>	<p>J.R.Kelly/Charles Rehwinkel Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, #812 Tallahassee, FL 32399 Kelly.jr@leg.state.fl.us Rehwinkel.charles@leg.state.fl.us</p> <p>James W. Brew, Esq. c/o Brickfield Law Firm 1025 Thomas Jefferson St., NW 8th Floor, West Tower Washington, DC 20007 jbrew@bbrslaw.com ataylor@bbrslaw.com</p> <p>Jon C. Moyle, Jr. Moyle Law Firm, PA 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com kputnal@moylelaw.com</p> <p>George Cavros Southern Alliance for Clean Energy 120 E. Oakland Park Blvd., Suite 105 Ft. Lauderdale, FL 33334 george@cavros-law.com</p>	<p>Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steven R. Griffin Beggs & Lane Law Firm P.O. Box 12950 Pensacola, FL 32591 jas@beggslane.com rab@beggslane.com srg@beggslane.com</p> <p>Gary V. Perko Hopping Green & Sams P.O. Box 6526 Tallahassee, FL 32314 gperko@hgslaw.com</p> <p>Mr. Robert L. McGee Gulf Power Company One Energy Place Pensacola, FL 32520-0780 rlmcgee@southernco.com</p> <p>Robert Scheffel Wright c/o Gardner Law Firm 1300 Thomaswood Drive Tallahassee, FL 32308 schef@gbwlegal.com</p>
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental cost recovery clause.

Docket No. 140007-EI

Dated: July 25, 2014

**DUKE ENERGY FLORIDA INC.'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Duke Energy Florida, Inc. ("DEF" or "Company"), pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), submits this Request for Confidential Classification for certain information provided in Exhibit No. __ (TGF-3), Form 42 8e specifically, page 21 of 27 and Exhibit No. __ (TGF-4), CR Thermal Discharge-2012, specifically page 16 of 17 to the direct testimony of Thomas G. Foster filed July 25, 2014. In support of this Request, DEF states:

1. Exhibit No. __ (TGF-3), Form 42 8e, specifically, page 21 of 27 and Exhibit No. __ (TGF-4), CR Thermal Discharge-2012, page 16 of 17, contain information that is "proprietary confidential business information" under Section 366.093(3), Florida Statutes.

2. The following exhibits are included with this request:

(a) Sealed Composite Exhibit A is a package containing unredacted copies of all the documents for which DEF seeks confidential treatment. Composite Exhibit A is being submitted separately in a sealed envelope labeled "CONFIDENTIAL." In the unredacted versions, the information asserted to be confidential is highlighted in yellow.

(b) Composite Exhibit B is a package containing two copies of redacted versions of the documents for which the Company requests confidential classification. The specific

information for which confidential treatment is requested has been blocked out by opaque marker or other means.

(c) Exhibit C is a table which identifies by page and line the information for which DEF seeks confidential classification and the specific statutory bases for seeking confidential treatment.

(d) Exhibit D is an affidavit attesting to the confidential nature of information identified in this request.

3. As indicated in Exhibit C, the information for which DEF requests confidential classification is “proprietary confidential business information” within the meaning of Section 366.093(3), F.S. Specifically, the information at issue relates to contractual data, such as the MW purchased and contract terms, the disclosure of which would impair the efforts of the Company to negotiate power supply contracts on favorable terms. *See* § 366.093(3)(d), F.S.; Affidavit of Thomas G. Foster at ¶ 5. Furthermore, the information at issue relates to the competitive interests of DEF and its power suppliers, the disclosure of which would impair their competitive businesses. *See* § 366.093(3)(e), F.S.; Affidavit of Thomas G. Foster at ¶ 6. Accordingly, such information constitutes “proprietary confidential business information” which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), F.S.

4. The information identified as Exhibit “A” is intended to be and is treated as confidential by the Company. *See* Affidavit of Thomas G. Foster at ¶ 7. The information has not been disclosed to the public, and the Company has treated and continues to treat the information and contracts at issue as confidential. *See* Affidavit of Thomas G. Foster at ¶ 7.

5. DEF requests that the information identified in Exhibit A be classified as “proprietary confidential business information” within the meaning of section 366.093(3), F.S., that the information remain confidential for a period of at least 18 months as provided in section 366.093(4)

F.S., and that the information be returned as soon as it is no longer necessary for the Commission to conduct its business.

WHEREFORE, for the foregoing reasons, DEF respectfully requests that this Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 25th day of July, 2014.



DIANNE M. TRIPLETT
Associate General Counsel
MATTHEW R. BERNIER
Senior Counsel
Duke Energy Florida, Inc.
299 First Avenue North
St. Petersburg, FL 33701

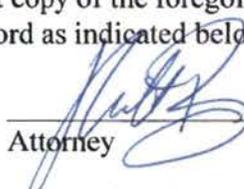
Attorneys for
Duke Energy Florida, Inc.

Duke Energy Florida, Inc.

Docket No.: 140007

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via email this 25th day of July, 2014 to all parties of record as indicated below.



Attorney

<p>Charles Murphy, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 cmurphy@psc.state.fl.us</p> <p>James D. Beasley, Esq./J. Wahlen, Esq. /A. Daniels, Esq. Ausley & McMullen Law Firm P.O. Box 391 Tallahassee, FL 32302 jbeasley@ausley.com jwahlen@ausley.com adaniels@ausley.com</p> <p>Jon C. Moyle, Esq. Moyle Law Firm 118 N. Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com kputnal@moylelaw.com</p> <p>Kenneth Hoffman 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301 Ken.hoffman@fpl.com</p> <p>John T. Butler, Esq. Florida Power & Light Co. 700 Universe Boulevard Juno Beach, FL 33408 John.butler@fpl.com jessica.cano@FPL.com</p>	<p>Ms. Paula K. Brown Tampa Electric Company P.O. Box 111 Tampa, FL 33601 regdept@tecoenergy.com</p> <p>Robert Scheffel Wright John T. LaVia, III c/o Gardner Law Firm 1300 Thomaswood Drive Tallahassee, FL 32308 Schef@gbwlegal.com jlvia@gbwlegal.com</p> <p>J.R. Kelly/P. Christensen /J. McGlothlin Office of Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32393 Kelly.Jr@leg.state.fl.us Rehwinkel.charles@leg.state.fl.us Mcglotmlin.joseph@leg.state.fl.us</p> <p>Robert L. McGee, Jr. One Energy Place Pensacola, FL 32520 rlmcgee@southernco.com</p>	<p>James W. Brew/F. Alvin Taylor Brickfield Law Firm 1025 Thomas Jefferson Street NW, 8th Floor Washington, DC 20007 jbrew@bbrslaw.com ataylor@bbrslaw.com</p> <p>Gary V. Perko P O Box 6526 Tallahassee, FL 32314 gperko@hgslaw.com</p> <p>Jeffrey A. Stone, Esq. Russell A. Badders, Esq. Steven R. Griffin Beggs & Lane Law Firm P.O. Box 12950 Pensacola, FL 32591 srg@beggslane.com jas@beggslane.com rab@beggslane.com</p> <p>George Cavros Southern Alliance for Clean Energy 120 E. Oakland Park Blvd., Suite 105 Ft. Lauderdale, FL 33334 george@cavros-law.com</p>
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Exhibit B

REDACTED

DUKE ENERGY FLORIDA
Environmental Cost Recovery Clause
Calculation of Estimated / Actual Amount
January 2014 - December 2014

Return on Capital Investments, Depreciation and Taxes
For Project: CRYSTAL RIVER THERMAL DISCHARGE COMPLIANCE PROJECT - AFUDC - Base (Project 11.1) - 2012 and Prior Year Spend
(in Dollars)

Line	Description	Beginning of Period Amount	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Estimated Jul-14	Estimated Aug-14	Estimated Sep-14	Estimated Oct-14	Estimated Nov-14	Estimated Dec-14	End of Period Total
1	Investments														
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d. Other (A)		0	0	0	0	(512,000)	0	0	0	0	0	0	(64,000)	0
2	Regulatory Asset Balance	\$12,063,056	12,063,056	11,560,428	11,057,800	10,555,172	9,540,544	9,063,516	8,586,488	8,109,460	7,632,432	7,155,404	6,678,376	6,137,348	
3	Less: Amortization (D)	0	(502,628)	(502,628)	(502,628)	(502,628)	(477,028)	(477,028)	(477,028)	(477,028)	(477,028)	(477,028)	(477,028)	(472,104)	
4	CWIP - AFUDC Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	\$12,063,056	\$11,560,428	\$11,057,800	\$10,555,172	\$10,052,544	\$9,063,516	\$8,586,488	\$8,109,460	\$7,632,432	\$7,155,404	\$6,678,376	\$6,201,348	\$5,665,244	
6	Average Net Investment		\$11,811,742	\$11,309,114	\$10,806,486	\$10,303,858	\$9,558,030	\$8,825,002	\$8,347,974	\$7,870,946	\$7,393,918	\$6,916,890	\$6,439,862	\$5,933,296	
7	Return on Average Net Investment (B)														
	a. Debt Component		22,147	21,205	20,262	19,320	17,921	16,547	13,913	13,118	12,324	11,528	10,733	9,889	188,907
	b. Equity Component Grossed Up For Taxes		80,123	76,714	73,304	69,894	64,836	59,863	57,533	54,246	50,958	47,670	44,383	40,892	720,416
	c. Other (C)		(20,443)	0	0	0	0	0	0	0	0	0	0	0	(20,443)
8	Investment Expenses														
	a. Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Amortization (D)		502,628	502,628	502,628	502,628	477,028	477,028	477,028	477,028	477,028	477,028	477,028	472,104	5,821,812
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (E)		52	52	52	52	52	52	52	52	52	52	52	52	624
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$584,507	\$600,599	\$596,246	\$591,894	\$559,837	\$553,490	\$548,526	\$544,444	\$540,362	\$536,278	\$532,196	\$522,937	6,711,316
	a. Recoverable Costs Allocated to Demand (2012)		584,507	600,599	596,246	591,894	559,837	553,490	548,526	544,444	540,362	536,278	532,196	522,937	6,711,316
	b. Recoverable Costs Allocated to Demand (2013)		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Demand Jurisdictional Factor - Production (Base) (2012) (F)		0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	0.91683	
11	Demand Jurisdictional Factor - Production (Base) (2013) (F)		0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	0.92885	
12	Retail Demand-Related Recoverable Costs (2012) (G)		\$535,894	\$550,647	\$546,656	\$542,666	\$513,275	\$507,456	\$502,905	\$499,163	\$495,420	\$491,676	\$487,933	\$479,444	\$6,153,135
13	Retail Demand-Related Recoverable Costs (2013) (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		\$535,894	\$550,647	\$546,656	\$542,666	\$513,275	\$507,456	\$502,905	\$499,163	\$495,420	\$491,676	\$487,933	\$479,444	\$6,153,135

Notes:

- (A) [REDACTED]
- (B) Jan - Jun 2014 Line 7 x 10.39% x 1/12. Jul - Dec 2014 Line 7 x 10.27% x 1/12. Based on ROE of 10.5%, weighted cost of equity component of capital structure of 5.00% (Jan-Jun) or 5.08% (Jul-Dec), and statutory income tax rate of 38.575% (inc tax multiplier = 1.628002). See Stipulation & Settlement Agreement in Order No. PSC-12-0425-PAA-EU Docket No. 120007-EI.
- (C) Credit to adjust POD return and property taxes to reflect 2012 separation factor. See (F) below
- (D) Investment amortized over three years in accordance with Order No. PSC-13-0381-PAA-EI
- (E) Property taxes calculated in CR Thermal Discharge Project section of Capital Program Detail file only on assets in-service. Calculated on that schedule as original asset value x rate x 1/12. Based on 2013 Effective Tax Rate on original cos
- (F) The POD project spend and revenue requirements associated with 2012 and prior activities are jurisdictionalized using the 2012 Production Base Demand separation factor. The revenue requirements associated with the 2013 period and after are jurisdictionalized using the 2013 Production Base Demand separation factor
- (G) Line 9a x Line 10
- (H) Line 9b x Line 11

For Project: Crystal River Thermal Discharge Compliance Project AFUDC - Point of Discharge (POD) Cooling Tower (Project 11.1a)
 (in Dollars)
 (Activity Prior to 1/1/13)

Line	Description	Beginning of Period Amount	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Estimated Jul-14	Estimated Aug-14	Estimated Sep-14	Estimated Oct-14	Estimated Nov-14	Estimated Dec-14	End of Period Total
1	Investments														\$0
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other (A)		0	0	0	0	(512,000)	0	0	0	0	0	0	(64,000)	
2	Regulatory Asset Balance	\$11,835,738	11,835,738	11,342,582	10,849,426	10,356,270	9,351,114	8,883,558	8,416,002	7,948,446	7,480,890	7,013,334	6,545,778	6,014,222	
3	Less: Amortization (C)	0	(493,156)	(493,156)	(493,156)	(493,156)	(467,556)	(467,556)	(467,556)	(467,556)	(467,556)	(467,556)	(467,556)	(462,632)	
4	CWIP - AFUDC Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3)	\$11,835,738	\$11,342,582	\$10,849,426	\$10,356,270	\$9,863,114	\$8,883,558	\$8,416,002	\$7,948,446	\$7,480,890	\$7,013,334	\$6,545,778	\$6,078,222	\$5,551,589	
6	Average Net Investment		11,589,160	11,096,004	10,602,848	10,109,692	9,373,336	8,649,780	8,182,224	7,714,668	7,247,112	6,779,556	6,312,000	5,814,906	
7	Return on Average Net Investment (B)														
	a. Debt Component		2.25%	2.00%											
	b. Equity Component Grossed Up For Taxes		8.14%	8.27%											
	c. Other														
8	Investment Expenses														
	a. Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Amortization (C)	33.3333%	493,156	493,156	493,156	493,156	467,556	467,556	467,556	467,556	467,556	467,556	467,556	462,632	5,708,148
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
	e. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$573,056	\$589,229	\$584,959	\$580,689	\$548,714	\$542,448	\$537,584	\$533,583	\$529,581	\$525,579	\$521,578	\$512,400	6,579,400
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		\$573,056	\$589,229	\$584,959	\$580,689	\$548,714	\$542,448	\$537,584	\$533,583	\$529,581	\$525,579	\$521,578	\$512,400	6,579,400

For Project: Crystal River Thermal Discharge Compliance Project AFUDC - MET Tower (Project 11.1b)
 (in Dollars)
 (Activity Prior to 1/1/13)

Line	Description	Beginning of Period Amount	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Estimated Jul-14	Estimated Aug-14	Estimated Sep-14	Estimated Oct-14	Estimated Nov-14	Estimated Dec-14	End of Period Total
1	Investments														\$0
	a. Expenditures/Additions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
	b. Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
	c. Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
	d. Other		0	0	0	0	0	0	0	0	0	0	0	0	
2	Regulatory Asset Balance	\$227,318	227,318	217,846	208,374	198,902	189,430	179,958	170,486	161,014	151,542	142,070	132,598	123,126	
3	Less: Amortization (C)	0	(9,472)	(9,472)	(9,472)	(9,472)	(9,472)	(9,472)	(9,472)	(9,472)	(9,472)	(9,472)	(9,472)	(9,472)	
4	CWIP - Non-Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	\$227,318	\$217,846	\$208,374	\$198,902	\$189,430	\$179,958	\$170,486	\$161,014	\$151,542	\$142,070	\$132,598	\$123,126	\$113,654	
6	Average Net Investment		222,582	213,110	203,638	194,166	184,694	175,222	165,750	156,278	146,806	137,334	127,862	118,390	
7	Return on Average Net Investment (B)														
	a. Debt Component		2.25%	2.00%											
	b. Equity Component Grossed Up For Taxes		8.14%	8.27%											
	c. Other														
8	Investment Expenses														
	a. Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Amortization (C)	33.3333%	9,472	9,472	9,472	9,472	9,472	9,472	9,472	9,472	9,472	9,472	9,472	9,472	113,664
	c. Dismantlement		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	d. Property Taxes (D)	0.001728	52	52	52	52	52	52	52	52	52	52	52	52	624
	e. Property Insurance		0	0	0	0	0	0	0	0	0	0	0	0	0
	f. Other		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		\$11,451	\$11,370	\$11,287	\$11,205	\$11,123	\$11,042	\$10,942	\$10,861	\$10,781	\$10,699	\$10,618	\$10,537	\$131,916
	a. Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b. Recoverable Costs Allocated to Demand		\$11,451	\$11,370	\$11,287	\$11,205	\$11,123	\$11,042	\$10,942	\$10,861	\$10,781	\$10,699	\$10,618	\$10,537	\$131,916

(A) [REDACTED]
 (B) The allowable return is per the methodology approved in Order No. PSC-12-0425-PAA-EU.
 (C) Investment amortized over three years in accordance with Order No. PSC-13-0381-PAA-EI.
 (D) Property tax calculated on original asset basis of \$361,735.

Exhibit C

DUKE ENERGY FLORIDA Confidentiality Justification Matrix

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
Exhibit No. __ (TGF-3), Form 42 8e, page 21 of 27	Form 42 8e, page 21 of 27, Footer A: contains contractual information that is confidential.	<p>§366.093(3)(d), F.S. The document in question contains confidential 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), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
Exhibit No. __ (TGF-4), CR Thermal Discharge-2012, page 16 of 17	CR Thermal Discharge- 2012, page 16 of 17, Footer A: contains contractual information that is confidential.	<p>§366.093(3)(d), F.S. The document in question contains confidential 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), F.S. The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental cost recovery clause.

Docket No. 140007-EI

Dated: July 25, 2014

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

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Thomas G. Foster. I am 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 Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.

2. I am the Director of Rates and Regulatory Planning within the Rates and Regulatory Strategy Department of Florida. This department is responsible for regulatory planning and cost recovery for DEF.

3. As the Director of Rates and Regulatory Planning, I am responsible along with the other members of the section, for the production and review of the regulatory

financial reports of DEF and analysis of state, federal and local regulations and their impact on DEF.

4. DEF is seeking confidential classification for a portion of Exhibit No. __ (TGF-3), Form 42 8e, specifically page 21 of 27 and Exhibit No. __ (TGF-4), CR Thermal Discharge-2012, specifically Page 16 of 17, to the direct testimony of Thomas G. Foster filed on July 25, 2014. A detailed description of the confidential information at issue is contained in confidential Exhibit A to DEF's Request for Confidential Classification is outlined in DEF's Justification Matrix that is attached to DEF's Request for Confidential Classification as Exhibit C. DEF is requesting confidential classification of this information because it contains competitive confidential business information of a third party vendor DEF contracts with.

5. DEF negotiates with potential purchasers to obtain competitive contracts when DEF has that opportunity to sell assets that the Company no longer requires in order to provide safe and reliable electric service to its customers. In order to obtain such contracts, however, DEF must be able to assure potential and actual purchasers that sensitive business information, such as purchase price, will be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed the confidential information at issue. Absent such measures, purchasers would run the risk that sensitive business information that they provided in their contracts with DEF would be made available to the public and, as a result, end up in possession of potential competitors and other parties with whom those purchasers may seek to contract with. Faced with that risk, persons or companies who otherwise would contract with DEF might decide not to do so if DEF could not keep such information

confidential. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and third parties, the Company's efforts to obtain competitive contracts could be undermined.

6. Upon receipt of confidential information from a third party vendor, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided, including restricting access to those persons who need the information to assist the Company, and restricting the number of, and access to the information and contracts. At no time since receiving the contracts and information in question has the Company publicly disclosed that information or contracts. The Company has treated and continues to treat the information and contracts at issue as confidential.

7. This concludes my affidavit.

Further affiant sayeth not.

Dated the 23 day of July, 2014.



(Signature)

Thomas G. Foster
Director – Retail Rates & Regulatory Planning
Rates and Regulatory Strategy-Florida
Duke Energy Florida
Post Office Box 14042
St. Petersburg, FL 33733

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 23 day of July, 2014, by Thomas G. Foster. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.



(Signature)

Sarah Hirschman Libes

(Printed Name)

NOTARY PUBLIC, STATE OF FLORIDA

3/23/18

(Commission Expiration Date)

FF105231

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)



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