



August 22, 2014

VIA OVERNIGHT MAIL

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

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

COMMISSION
CLERK

14 AUG 22 AM 10:31

RECEIVED-FPSC

Re: *Fuel and Purchased Power Cost recovery clause and Generating Performance Incentive Factor; Docket No. 140001-EI*

REDACTED

Dear Ms. Stauffer:

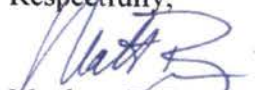
Please find enclosed for filing on behalf of Duke Energy Florida, Inc. ("DEF"), an original and (7) copies of DEF's Request for Confidential Classification filed in connection with the direct testimony of James McClay for the Fuel and Capacity Cost Recovery Final True-Up for the Period January through July 2014. The filing includes:

- DEF's Request for Confidential Classification
- Slipsheet for confidential Exhibit A
- Slipsheet for redacted Exhibit B
- Exhibit C (justification matrix), and
- Exhibit D (affidavit)

At your direction, Exhibits A and B are submitted under separate cover.

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

MRB/mw
Enclosures

cc: Certificate of Service

COM	_____
AFD	<u> a </u>
APA	_____
ECO	_____
ENG	_____
GCL	_____
IDM	_____
TEL	_____
CLK	_____

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost
Recovery clause with generating
performance incentive factor.

Docket No. 140001-EI

Dated: August 22, 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, submits this Request for Confidential Classification for certain information provided on Pages 3, 4, and 5 of the testimony of DEF witness James McClay dated August 22, 2014. In support of this Request, DEF states:

1. Pages 3, 4, and 5 of the testimony of James McClay 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 an unredacted copy 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 version, 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 basis 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, on pages 3, 4, and 5 of the testimony of James McClay, the highlighted information provides forecasted hedging percentages and hedging amounts, the disclosure of this information would enable fuel suppliers to have insight to DEF’s forecasted hedging percentages and to obtain competitive information, which could result in greater price convergence in future negotiations and would impair the efforts of the Company or its affiliates to negotiate fuel supply contracts on favorable terms. *See* § 366.093(3)(d), F.S.; Affidavit of James McClay at ¶ 5. Furthermore, the information at issue relates to the competitive interests of DEF and its fuel suppliers, the disclosure of which would impair their competitive businesses. § 366.093(3)(e), F.S.; Affidavit of James McClay at ¶ 6. Additionally, if the information at issue was disclosed, DEF’s efforts to obtain competitive energy supply that provides economic value to both DEF and its ratepayers could be compromised by DEF’s competitor’s changing their purchasing behavior within the relevant markets. 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 James McClay 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 James McClay 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 22nd day of August, 2014.



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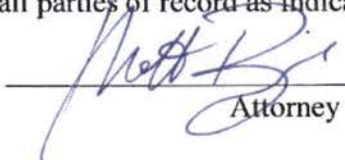
Attorneys for
DUKE ENERGY FLORIDA, INC.

Duke Energy Florida, Inc.

Docket No.: 140001

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail this 22nd day of August, 2014 to all parties of record as indicated below.



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Exhibit A

“CONFIDENTIAL”

Exhibit B

REDACTED

Exhibit C

DUKE ENERGY FLORIDA Confidentiality Justification Matrix

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
Testimony of James McClay	Page 3, Lines 20 & 21: target hedging percentages Page 4, Lines 1 & 4: target hedging percentages. Page 5, Line 1: actual hedging percentage. Page 5, Lines 10 & 13: hedging values.	§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. §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.

Exhibit D
AFFIDAVIT OF
JAMES MCCLAY

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost
recovery clause with generating
performance incentive factor.

Docket No. 140001-EI

Dated: August 22, 2014

**AFFIDAVIT OF JAMES MCCLAY IN SUPPORT OF
DUKE ENERGY FLORIDA'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

1. My name is James McClay. 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 Manager of Gas Trading in the Gas, Oil, and Power Department. This section is responsible for natural gas procurement and scheduling needed to support the gas generation needs for Duke Energy Indiana (DEI), Duke Energy Kentucky (DEK), Duke Energy Carolinas (DEC), Duke Energy Progress (DEP), and DEF Systems.

3. As the Manager of Gas Trading, I am responsible, along with the other members of the section, for natural gas and oil procurement, scheduling, hedging

activities in the Gas, Oil and Power Department for the Duke Energy regulation fleet for DEI, DEK, DEC, DEF and DEP.

4. DEF is seeking confidential classification for certain information contained on Pages 3, 4, and 5 of my testimony dated August 22, 2014. A detailed description of the confidential information at issue is contained in confidential Exhibit A to DEF's Request for Confidential Classification and 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 sensitive business information, the disclosure of which would impair the Company's efforts to contract for goods or services on favorable terms.

5. DEF negotiates with potential fuel suppliers to obtain competitive contracts for fuel options that provide economic value to DEF and its ratepayers. In order to obtain such contracts, however, DEF must be able to assure fuel suppliers that sensitive business information, such as volumes and hedging costs, will be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed confidential contract terms such as volumes, hedging costs and itemized hedging gains/losses. Absent such measures, suppliers would run the risk that sensitive business information that they provided in their bids/contracts with DEF would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, persons or companies who otherwise would contract with DEF might decide not to do so if DEF did not keep specific information confidential. Without DEF's measures to maintain the confidentiality of sensitive terms

in contracts between DEF and fuel suppliers, the Company's efforts to obtain competitive fuel supply contracts could be undermined.

6. Additionally, the disclosure of confidential information in the DEF's fuel supply contracts, could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors, DEF's efforts to obtain competitive fuel supply options that provide economic value to both DEF and its ratepayers could be compromised by DEF's competitors changing their consumption or purchasing behavior within the relevant markets.

7. Upon receipt of confidential information from fuel suppliers, 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. The Company has treated and continues to treat the information and contracts at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 21st day of August, 2014.

James McClay
(Signature)
James McClay
Manager – Gas, Oil and Power Department
Duke Energy
526 South Church
Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 21 day of August, 2014 by James McClay. He is personally known to me, or has produced his _____ driver's license, or his Duke Energy ID as identification.



Rita G Kale
(Signature)
Rita G Kale
(Printed Name)
NOTARY PUBLIC, STATE OF NC
6-17-2017
(Commission Expiration Date)

(Serial Number, If Any)