



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

December 2, 2014

**VIA ELECTRONIC FILING**

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

Re: *Fuel and purchased power cost recovery clause and Generating Performance Incentive Factor; Docket No. 140001-EI.*

Dear Ms. Stauffer:

Please find enclosed for filing on behalf of Duke Energy Florida, Inc. ("DEF"), DEF's First Request for Extension of Confidential Classification concerning portions of the Staff audit's Workpapers pertaining to the 2012 Hedging Audit (document number 07019-12) filed in docket no. 120001-EI and Revised Exhibit D, Affidavit of James McClay in Support of DEF's Request for Extension of Confidential Classification. The original Request included Exhibits A, B and C.

There are no changes to the original Request's Exhibit A consisting of the confidential unredacted documents, Exhibit B containing two (2) redacted copies of the confidential document, or Exhibit C containing a justification table in support of DEF's original Request. The aforementioned exhibits remain on file with the Clerk.

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,

*s/Matthew R. Bernier*

Matthew R. Bernier

Senior Counsel

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MRB/mw

Enclosures

cc: Certificate of Service

**Duke Energy Florida, Inc.**

**CERTIFICATE OF SERVICE**

DOCKET NO.: 140001-EI

I HEREBY CERTIFY that a true copy of the foregoing document has been furnished to the following individuals via email on this 2<sup>nd</sup> day of December, 2014.

*s/Matthew R. Bernier*

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 140001-EI

Dated: December 2, 2014

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**DUKE ENERGY FLORIDA INC.'S  
FIRST REQUEST FOR EXTENSION OF 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 its First Request for Extension of Confidential Classification for certain information contained in Staff’s audit work papers pertaining to DEF’s<sup>1</sup> 2012 Hedging Activities Audit for Audit Control No. 12-130-2-1 in Docket No. 120001 on October 16, 2012. In support of this Request, DEF states:

1. On October 16, 2012, DEF filed a request for confidential classification of information contained in Staff’s audit work-papers pertaining to the 2012 Hedging Audit, Audit Control No. 12-130-2-1, (Document No. 07019-12) including sensitive business information such as internal hedging practices and procedures, hedging volumes and transactions, hedging forecasts, percentages and pricing information.

2. DEF’s October 16, 2012 Request was granted by Order No. PSC-13-0252-CFO-EI on June 5, 2013. The period of confidential treatment granted by that order will expire on December 5, 2014. The information continues to warrant treatment as “proprietary confidential

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<sup>1</sup> The confidential information at issue was provided by DEF’s predecessor, Progress Energy Florida (“PEF”).

business information” within the meaning of Section 366.093(3), F.S. Accordingly, DEF is filing its First Request for Extension of Confidential Classification.

3. DEF submits that the portions of Staff’s audit work-papers pertaining to the 2012 Hedging Audit identified in the Exhibit A to the October 16, 2012 request continue to be “proprietary confidential business information” within the meaning of section 366.093(3), F.S. and continues to require confidential classification. *See* Affidavit of James McClay at ¶ 7. This information is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public. Pursuant to section 366.093(1), F.S., such materials are entitled to confidential treatment and are exempt from the disclosure provisions of the Public Records Act. *See* Affidavit of James McClay ¶¶ 5-7, attached as Revised Exhibit “D”.

4. Nothing has changed since the issuance of Order No. PSC-13-0252-CFO-EI to render the information stale or public, such that continued confidential treatment would not be appropriate. Upon finding by the Commission that this information continues to be “proprietary confidential business information,” it should continue to be treated as such for an additional period of at least 18 months, and should be returned to DEF as soon as the information is no longer necessary for the Commission to conduct its business. *See* §366.093(4), F.S.

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

Respectfully submitted this 2<sup>nd</sup> day of December, 2014.

*s/Matthew R. Bernier*\_\_\_\_\_

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**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 2<sup>nd</sup> day of December, 2014 to all parties of record as indicated below.

*s/Matthew R. Bernier*

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# **Exhibit A**

**“CONFIDENTIAL”**

**(on file)**

# **Exhibit B**

**(on file)**

**Exhibit C**

**DUKE ENERGY FLORIDA  
Confidentiality Justification Matrix**

**(On file)**

**Revised Exhibit D  
AFFIDAVIT OF  
JAMES MCCLAY**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

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Docket No. 140001-EI

Dated: December 2, 2014

**AFFIDAVIT OF JAMES MCCLAY IN SUPPORT OF  
DUKE ENERGY FLORIDA'S  
FIRST REQUEST FOR EXTENSION OF 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  
First Request for Extension of 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 an extension of confidential classification for certain information contained in Staff's Hedging Audit Work-papers, Audit Control No. 12-130-2-1 (document no. 07019-12) filed October 16, 2012 in Docket No. 120001. There are no changes to the information contained in DEF's confidential Exhibit A, redacted Exhibit B, and justification matrix C. The referenced Exhibits are on file with the Clerk. DEF is requesting an extension of 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 24 day of November, 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 24 day of November, 2014 by James McClay. He is personally known to me, or has produced his \_\_\_\_\_ driver's license, or his \_\_\_\_\_ as identification.

Katie Jamieson

(Signature)  
Katie Jamieson  
(Printed Name)

(AFFIX NOTARIAL SEAL)

NOTARY PUBLIC, STATE OF NC  
June 14, 2016  
(Commission Expiration Date)

\_\_\_\_\_  
(Serial Number, If Any)