



Dianne M. Triplett ASSOCIATE GENERAL COUNSEL Duke Energy Florida, inc.

June 11, 2015

VIA OVERNIGHT MAIL

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



Re:

Petition of Duke Energy Florida, Inc. for Approval to Include in Base Rates the Revenue Requirement for the CR3 Regulatory Asset; Docket No. 150148-EI

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 and exhibits of Marcia Olivier and Mark Teague in the above referenced docket. 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. Should have any questions, please feel free to contact me at (727) 820-4692.

Sincerely

DMT/mw Enclosures

cc: Certificate of Service

COM

AFD APA

ECO

ENG

GCL

IDM

TEL CLK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Duke Energy Florida, Inc. For Approval to Include In Base Rates the Revenue Requirement for the CR3 Regulatory Asset Docket No. 150148-EI

Submitted for Filing June 11, 2015

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

Duke Energy Florida, Inc. ("DEF" or the "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 of confidential portions of DEF's testimony and exhibits filed in this docket on May 22, 2015, filed subject to DEF's concurrently filed Notice of Intent to request confidential classification. In support of this request, DEF states:

- 1. As further explained below, portions of Mark Teague's testimony and Exhibit No. MT-4 and portions of Marcia Olivier's Exhibit Nos. MO-5 and MO-6 contain "proprietary confidential business information" under section 366.093(3), F.S.
 - 2. The following exhibits are included with this request:
- (a) Sealed Composite Exhibit A is a package containing an unreducted 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 unreducted 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 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 competitively negotiated contractual data, such as pricing and quantities of nuclear fuel, the disclosure of which would impair the efforts of the Company to negotiate the disposition of nuclear fuel assets on favorable terms. See § 366.093(3)(d), F.S.; Affidavits of Marcia Olivier and Mark Teague at ¶ 6. Other portions of the Mark Teague's testimony and Exhibit No. MT-4 contain confidential information relating to DEF's business evaluation and risk operational analyses, the disclosure of such sensitive business information to the public would adversely impact DEF's competitive business interest. See § 366.093(3)(d), F.S.; Affidavit of Mark Teague at ¶ 7.
- 4. Furthermore, the information at issue relates to the competitive interests of DEF and parties purchasing DEF's assets, the disclosure of which would impair their competitive businesses. § 366.093(3)(e), F.S.; Affidavits of Marcia Olivier and Mark Teague at ¶ 5. 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.

- 5. The information identified as Exhibit "A" is intended to be and is treated as confidential by the Company. See Affidavits of Marcia Olivier and Mark Teague at ¶ 5. The information has not been disclosed to the public, and the Company has treated and continues to treat the information and sale contracts at issue as confidential. See Affidavits of Marcia Olivier and Mark Teague at ¶ 5.
- 6. 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

_day of June, 2015.

Associate General Counsel MATTHEW R. BERNIER

Senior Counsel

Duke Energy Florida, Inc.

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(727) 820-5519

Attorneys for Duke Energy Florida, Inc.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail to the following this day of June, 2015.

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Exhibit A

CONFIDENTIAL

Exhibit B

REDACTED

DUKE ENERGY FLORIDA – EXHIBIT C - Docket 150148-EI Confidentiality Justification

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
DEF Exhibit No. MO-5, page 1 of 1	Table of Estimated Nuclear Fuel Proceeds Columns 3 – 7	§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.
DEF Exhibit No. MO-6, page I of I	Table of DEF CCR Nuclear Fuel Illustrative Impact; each line of both tables, Columns 2 – 14 except the carrying charge line and the Residential Rate (\$/mwh) line	§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.

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
DEF testimony of Mark Teague, page 12	Line 15, the number of nuclear fuel assemblies and the number of nuclear fuel rods	§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 services on favorable terms. §366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interest the disclosure of which would impair the competitive business of the provider/own of the information.
DEF testimony of Mark Teague, page 14	Lines 4-6, the types of nuclear fuel bids and information included in the proposals.	§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 services on favorable terms. §366.093(3)(e), F.S. The document in question contains confidential information relating to competitive business interest he disclosure of which wou impair the competitive business of the provider/own of the information.

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
DEF testimony of Mark Teague, pages 14 and 15	Page 14, lines 12-24, and page 15, lines 1-3, contractual details, including price and terms, for the sale of DEF's nuclear fuel assemblies	§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 of 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.
DEF testimony of Mark Teague, page 18	Lines 12-13, specific terms of the Ux Consulting nuclear fuel sales contract	§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 of 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.

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
DEF testimony of Mark Teague, page 19	Lines 1-14, DEF's nuclear fuel sales approach & terms of the management agreement	§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.
DEF testimony of Mark Teague, page 19	Lines 19-23, Ux Consulting sales strategy for the sale of DEF nuclear fuel	§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.

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
DEF testimony of Mark Teague, page 20	Lines 5-8, Ux Consulting sales strategy & bids received for the purchase of DEF nuclear fuel	§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.
DEF testimony of Mark Teague, page 20	Lines 11-15, DEF decision & strategy concerning bids received for the purchase of DEF nuclear fuel along with expected gross proceeds	§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.

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
DEF testimony of Mark Tengue, page 20	Lines 18, 19, 22, 24, DEF decision & strategy concerning bids received for the purchase of DEF nuclear fuel along with expected gross proceeds	§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.
DEF Exhibit No. MT-4, Integrated Change Form (ICF), pages 1 through 7	Entirely confidential; describes DEF's internal strategy to disposition assets of CR3 Investment Recovery Project	§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

AFFIDAVITS OF MARCIA OLIVIER AND MARK TEAGUE

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Duke Energy Florida, Inc.
For Approval to Include In Base Rates the Revenue
Requirement for the CR3 Regulatory Asset

Docket No. 150148-EI

Submitted for Filing June 11 th, 2015

AFFIDAVIT OF MARCIA OLIVIER 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 Marcia Olivier, who being first duly sworn, on oath deposes and says that:

- 1. My name is Marcia Olivier. 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 for Florida. This section is responsible for overseeing rate cases, reporting actual and projected earnings surveillance results, and supporting state regulatory initiatives for DEF.

- 3. As the Director of Rates and Regulatory Planning, I am responsible, along with the other members of the section, for calculating and itemizing the DEF's total CR3 regulatory asset value consistent with the Revised and Restated Stipulation and Settlement Agreement ("RRSSA").
- 4. DEF is seeking confidential classification for portions of my Testimony Exhibit Nos. MO-5 and MO-6. The confidential information at issue is contained in confidential Exhibit A to DEF's Request 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 and services on favorable terms.
- 5. Portions of my testimony Exhibits MO-5 and MO-6 in this docket contain competitive confidential business information of both DEF and third-party companies that contractually purchased nuclear fuel. DEF negotiates with potential nuclear fuel buyers to obtain competitive contracts to sell the CR3 nuclear fuel that in turn, provides economic value to DEF and its customers. In order to obtain such contracts, however, DEF must be able to assure companies purchasing nuclear fuel that sensitive business information, such as the pricing terms of their contracts, 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 pricing and similar competitive information. Absent such measures, purchasing companies 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. Faced with that risk, persons or companies who otherwise would contract with DEF might decide not to do so if DEF did not keep those terms of their contracts confidential. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and purchasers of nuclear fuel, the Company's efforts to obtain a competitive nuclear fuel contracts could be undermined.

- 6. Additionally, the disclosure of confidential information in DEF's nuclear fuel contracts, proposals, and other such documents could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors or prospective buyers in the marketplace, DEF's efforts to obtain competitive nuclear fuel sales contracts that provide economic value to both DEF and its customers could be compromised by DEF's competitors and/or potential buyers changing their position or purchasing behavior within the relevant markets.
- 7. Upon receipt of confidential information from companies purchasing nuclear fuel from DEF, 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.
 - 8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 5th day of June, 2015.

Expires 3/23/2018

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of June, 2015 by Marcia Olivier. She is personally known to me or has produced her ______ driver's license, or her _____ as identification.

Arch Hischman Libes

(AFFIX NOTARIAL SEAL)

Serah Hirschman Libes

NOTARY PUBLIC, STATE OF ______ (Contrainssion Expiration Date)

Marcia Olivier

Duke Energy Florida, Inc. 299 First Avenue North

arcia Oliver

Director of Rates and Regulatory Planning Rates and Regulatory Strategy Department

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Duke Energy Florida, Inc. For Approval to Include In Base Rates the Revenue Requirement for the CR3 Regulatory Asset Docket No. 150148-EI

Submitted for Filing June 11, 2015

AFFIDAVIT OF MARK TEAGUE 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 Mark Teague, who being first duly sworn, on oath deposes and says that:

- 1. My name is Mark Teague. 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 Managing Director of Major Projects Sourcing in the Supply Chain Department. This section is responsible for Supply Chain functions for Duke

Energy International and with most Duke Energy Corporation Major Projects, both regulated and non-regulated.

- 3. As the Managing Director of Major Projects Sourcing, I am responsible, along with the other members of the section, for overseeing the disposition of the Crystal River Unit 3 ("CR3") assets by ensuring that Supply Chain employees at CR3 follow DEF's processes and procedures.
- 4. DEF is seeking confidential classification for portions of my Testimony (specifically pages 12, 14, 15, and 18-20) and Exhibit No. MT-4. The confidential information at issue is contained in confidential Exhibit A to DEF's Request 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 and services on favorable terms.
- 5. Pages 12, 14, and 15 of my testimony contain bids and other contractual data, such as the number of nuclear fuel assemblies and fuel rods, pricing and other contractual terms for the sale of nuclear fuel. DEF negotiates with potential nuclear fuel buyers to obtain competitive contracts to sell the CR3 nuclear fuel that in turn, provides economic value to DEF and its customers. In order to obtain such contracts, however, DEF must be able to assure companies purchasing nuclear fuel that sensitive business information, such as the pricing terms of their contracts, 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 pricing and

similar competitive information. Absent such measures, purchasing companies 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. Faced with that risk, persons or companies who otherwise would contract with DEF might decide not to do so if DEF did not keep those terms of their contracts confidential. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and purchasers of nuclear fuel, the Company's efforts to obtain a competitive nuclear fuel contracts could be undermined.

- 6. Additionally, the disclosure of confidential information in DEF's nuclear fuel contracts, proposals, and other such documents could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors, DEF's efforts to obtain competitive nuclear fuel options that provide economic value to both DEF and its customers could be compromised by DEF's competitors changing their position or purchasing behavior within the relevant markets.
- Pages 18, 19, and 20 of my testimony, as well as Exhibit MT-4, contain sensitive and confidential business information (such as business evaluation and risk operational analyses), the disclosure of which would compromise DEF's competitive business interests. Specifically, if DEF's competitors, and potential nuclear fuel buyers are aware of these business plans and analyses, they may adjust their behavior in the market place with respect to activity such as pricing and the acquisition of nuclear fuel. For example, if potential bidders gained knowledge of DEF's marketing approach in response to RFPs, they may adjust their bidding behavior or seek contractual terms unfavorable to DEF. Additionally, DEF's competitors who also have nuclear fuel and

inventory for sale, or are looking to purchase nuclear fuel, may adjust their behavior in the market by offering nuclear fuel on more favorable price terms, or negotiating nuclear fuel purchases on less favorable terms for DEF.

- 8. Upon receipt of confidential information from companies purchasing nuclear fuel from DEF, 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.
 - 8. This concludes my affidavit.

Further affiant sayeth not.

Dated the $9^{\frac{4}{5}}$ day of June, 2015.

	Supply Chain Department Duke Energy Business Services, LLC 400 South Tryon Street Charlotte, NC.
•	UMENT was sworn to and subscribed before me this gue. He is personally known to me, or has produced s license, or his as
	(Signature)
(AFFIX NOTARIAL SEAL)	(Printed Name) NOTARY PUBLIC, STATE OF <u>VC</u> 8/24/18 (Commission Expiration Date)
KATHERINE AUTRY Notary Public, North Carolina Union County My Commission Expires August 24, 2018	(Serial Number, if Any)

(Signatule)
Mark Teague

Managing Director of Major Projects Sourcing