

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause

Docket No. 150009-EI
Submitted for Filing: June 19, 2015

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DUKE ENERGY FLORIDA, INC.'S NOTICE OF FILING

Duke Energy Florida, Inc. ("DEF" or the "Company"), hereby gives notice of filing the Affidavits of Christopher M. Fallon (unverified) and Mark R. Teague (verified) in Support of Duke Energy Florida, Inc.'s Fifth Request for Confidential Classification.

Respectfully submitted,

/s/ Blaise N. Gamba

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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 electronic and U.S. Mail this 19th day of June, 2015.

/s/ Blaise N. Gamba
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery
Clause

Docket No. 150009-EI
Submitted for Filing: June 19, 2015

**AFFIDAVIT OF CHRISTOPHER M. FALLON IN SUPPORT OF DUKE ENERGY
FLORIDA, INC.'S FIFTH REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

1. My name is Christopher M. Fallon. I am employed by Duke Energy Corporation ("Duke Energy") in the capacity of Vice President of Nuclear Development. I am over the age of 18 years old and I have been authorized to give this affidavit in the above-styled proceeding on Duke Energy Florida's ("DEF" or the "Company") behalf and in support of DEF's Fifth Request for Confidential Classification regarding portions of the final audit report of the Florida Public Service Commission Staff ("Staff") Auditors -- the Review of Duke Energy Florida, Inc.'s Project Management Internal Controls for Nuclear Plant Uprate and Construction Project Audit Report No. PA-15-01-001 (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. As Vice President of Nuclear Development, I am responsible for the Levy Nuclear Project ("LNP" or "Levy").

3. The Company is requesting confidential classification of portions of the information contained in the Levy related sections of the Audit Report because it contains proprietary and confidential business information.

4. Specifically, the sections of the Audit Report covering the LNP contain confidential contractual data, including original cost amounts under DEF's Engineering, Procurement and Construction ("EPC") Agreement, long lead equipment disposition and settlement terms, and other confidential and competitively sensitive contractual information.

5. The Audit Report also contains information which reflects the Company's internal strategies and decisions points for evaluating long lead equipment disposition options. The public disclosure of such information would impair DEF's competitive business interests, and would further be a violation of the confidentiality provisions in the EPC Agreement.

6. If such information was disclosed to DEF's competitors or to other potential suppliers and vendors, DEF's efforts to disposition items currently or to obtain competitive nuclear equipment and service options that provide economic value to both the Company and its customers in the future could be compromised by these third parties changing their offers or negotiating strategies.

7. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and these nuclear contractors, the Company's efforts to obtain competitive contracts for the LNP would be undermined. Absent such measures, DEF would run the risk that sensitive business information regarding what the Company is willing to pay for (or sell) necessary equipment, goods, supplies and real property would be made available to the public and, as a result, other potential sellers or buyers of similar materials and services could change their position in their negotiations to the detriment of DEF.

8. Upon receipt of all this confidential information, 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. At no time has the Company publicly

disclosed the information at issue. The Company has treated and continues to treat the information at issue as confidential.

9. This concludes my affidavit.

Further affiant sayeth not.

(Signature) Christopher M. Fallon

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this ___ day of June, 2015, by Christopher M. Fallon. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.

(Signature)

(Printed Name)
NOTARY PUBLIC, STATE OF _____

(AFFIX NOTARIAL SEAL)

(Commission Expiration Date)

(Serial Number, If Any)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery
Clause

Docket No. 150009-EI
Submitted for Filing: June 19, 2015

**AFFIDAVIT OF MARK R. TEAGUE IN SUPPORT OF DUKE ENERGY FLORIDA, INC.'S
FIFTH REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF NORTH CAROLINA

COUNTY OF MECKELLENBURG

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared Marcus ("Mark") R. Teague, who being first duly sworn, on oath deposes and says that:

1. My name is Mark R. Teague. I am employed by Duke Energy Business Services, LLC ("DEF" or the "Company") and serve as its Managing Director of Major Projects Sourcing in the Supply Chain department. I am over the age of 18 years old and I have been authorized by DEF to give this affidavit in the above-styled proceeding on DEF's behalf and in support of DEF's Fifth Request for Confidential Classification regarding portions of the final audit report of the Florida Public Service Commission Staff ("Staff") Auditors -- the Review of Duke Energy Florida, Inc.'s Project Management Internal Controls for Nuclear Plant Uprate and Construction Project Audit Report No. PA-15-01-001 (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. As Managing Director of Major Projects, my role includes providing management oversight in the disposition of the Crystal River Unit 3 ("CR3") Extended Power Uprate ("EPU") assets by ensuring that Supply Chain employees at CR3 follow Duke Energy Florida Inc.'s ("DEF" or the "Company") processes and procedures. I also have responsibility for the Supply

Chain functions for Duke Energy International and with most Duke Energy Corporation ("Duke Energy") Major Projects, both regulated and non-regulated.

3. DEF is requesting confidential classification of the EPU portions of the Staff Audit Report because it contains confidential contractual information and numbers concerning the EPU Project asset disposition, the disclosure of which would impair DEF's competitive business interests and violate DEF's confidentiality agreements with third parties and vendors and potential buyers of EPU assets and other information the disclosure of which would impair the Company's competitive business interests. Specifically, it contains confidential original price and sales cost numbers regarding EPU assets, the disclosure of which would impair DEF's competitive business interests and violate DEF's confidentiality agreements with third parties and vendors. The Audit Report also contains summaries of ongoing disposition strategy and negotiations that would impair DEF's competitive business interests if publicly disclosed.

4. If such information was disclosed to DEF's competitors or to other potential suppliers and vendors, DEF's efforts to disposition items currently or to obtain competitive nuclear equipment and service options that provide economic value to both the Company and its customers in the future could be compromised by these third parties changing their offers or negotiating strategies.

5. Without the Company's measures to maintain the confidentiality of sensitive terms in contracts or negotiated sales with third parties, the Company's efforts to obtain competitive contracts in the future and current asset disposition negotiations could be undermined to the detriment of DEF and its ratepayers.

6. Upon receipt of this confidential information, as with all confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided therein. Such procedures include, but are not limited to, restricting access to the documents and information to only those persons who require it to assist

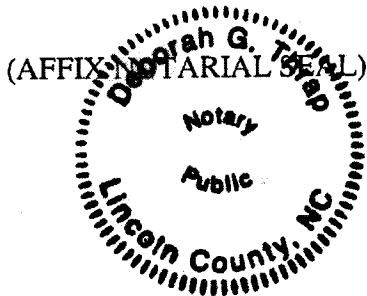
the Company. At no time since developing or entering the contracts in question has DEF publicly disclosed the contracts' confidential terms; DEF has treated and continues to treat the information contained in the subject contracts and other documents as confidential.

7. This concludes my affidavit.

Dated this 18th day of JUNE, 2015.

Mark R. Teague
(Signature)
Mark R. Teague

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 18 day of June, 2015 by Marcus ("Mark") R. Teague. He is personally known to me or has produced his _____ driver's license, or his _____ as identification.



Deborah G. Thrap
(Signature)

Deborah G. Thrap
(Printed Name)

NOTARY PUBLIC, STATE OF _____

4/25/2017
(Commission Expiration Date)

19970910128
(Serial Number, If Any)