

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
August 12, 2015

**DUKE ENERGY FLORIDA, LLC'S FIFTH REQUEST
FOR CONFIDENTIAL CLASSIFICATION**

Duke Energy Florida, LLC (“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 Fifth Request for Confidential Classification concerning portions of DEF’s Responses to OPC’s Second Set of Interrogatories and OPC’s Second Request for Production of Documents filed in this docket on July 22, 2015 concurrently with DEF’s Notice of Intent to request confidential classification. This request is timely. *See* Rule 25-22.006(3)(a)1., F.A.C. In support of this request, DEF states:

1. As further explained below, DEF’s Answer to OPC’s Second Set of Interrogatories Question No. 32f and attachments provided in DEF’s Response to OPC’s Second Request for Production of Documents, Question No. 21, 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 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 bases for seeking confidential treatment.

(d) Exhibit D is two affidavits 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 in Interrogatory 32f relates to a calculation in DEF’s detailed transaction listing for all debits and credits to the CR3 regulatory assets, specifically, the line item titled “Move termination fee payment t,” the disclosure of which would impair the efforts of the Company to contract for goods and services on favorable terms. *See* § 366.093(3)(d), F.S.; Affidavit of Mark Teague at ¶ 5. The disclosure of that information to the public would also adversely impact the competitive business interest of parties contracting with DEF.

4. Furthermore, the information at issue in Request to Produce question 21 relates to DEF’s labor expenses and contractual agreements with employees, the disclosure of which would impair DEF’s competitive business interests and violate the terms of those contractual agreements. § 366.093(3)(e), F.S.; Affidavit of Terry Hobbs at ¶ 5. Specifically, this confidential Retention Award Agreement contains sensitive business information concerning employee compensation.

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* Affidavit of Mark Teague at ¶ 6 and Affidavit of Terry Hobbs at ¶ 6. The information has not been disclosed to the public, and the Company has treated and continues to treat the contract at issue as confidential. *See* Affidavit of Mark Teague at ¶ 7 Affidavit of Terry Hobbs at ¶ 7.

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 Fifth Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 12th day of August, 2015.

/s/ Matthew R. Bernier

MATTHEW R. BERNIER
Senior Counsel
Duke Energy Florida, LLC
106 East College Avenue
Suite 800
Tallahassee, FL 32301
Telephone: (850) 521-1428

DIANNE M. TRIPLETT
Associate General Counsel
Duke Energy Florida, LLC
299 First Avenue North
St. Petersburg, FL 33701
Telephone: (727) 820-4692

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 12th day of August, 2015.

/s/ Matthew R. Bernier

Attorney

<p>Keino Young Kelley Corbari Leslie Ames Theresa Tan Office of the General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 kyoung@psc.state.fl.us kcorbari@psc.state.fl.us lames@psc.state.fl.us ltan@psc.state.fl.us</p>	<p>Charles Rehwinkel J. R. Kelly Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, Florida 32399-1400 kelly.jr@leg.state.fl.us rehwinkel.charles@leg.state.fl.us woods.monica@leg.state.fl.us</p>
<p>Florida Industrial Power Users Group c/o Moyle Law Firm, P.A. Jon C. Moyle, Jr. Karen A. Putnal 118 North Gadsden Street Tallahassee, Florida 32301 jmoyle@moylelaw.com kputnal@moylelaw.com</p>	<p>PSC Phosphate – White Springs c/o James W. Brew Owen J. Kopon Stone Mattheis Xenopoulos & Brew, PC 1025 Thomas Jefferson Street, NW Eighth Floor, West Tower Washington, DC 20007-5201 jbrew@smxblaw.com ojk@smxblaw.com</p>

Exhibit A

CONFIDENTIAL
FILED UNDER SEPARATE COVER

Exhibit B

REDACTED

f. 150148-OPCPOD1-2-000013, Move termination fee payment t, \$5,887,991.65;

Answer: **REDACTED**

[REDACTED]

g. 150148-OPCPOD1-2-000018, BWB Settlement Reclass, \$1,872,377.79; and

Answer:

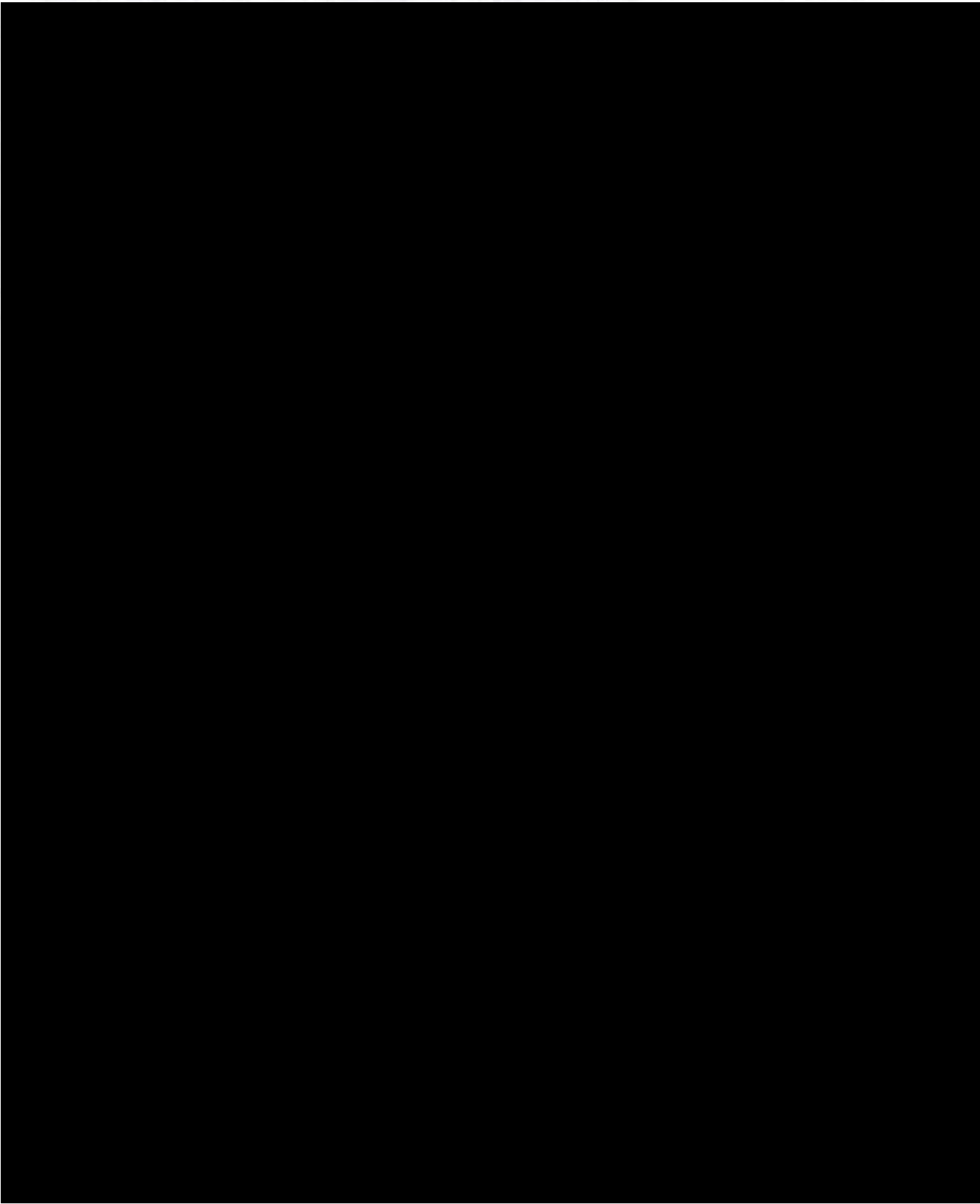
This journal was made to repost/reclass BWB Maintenance Services Company, LLC (“BWB”) invoice charges and credits which had originally been posted during 2014 and then inadvertently reversed by Corporate Accounts Payable in December 2014. The original expenses incurred impact lines 8 Delam Repair Project and 12 Building Stabilization Project on Exhibit No. (MO-2).

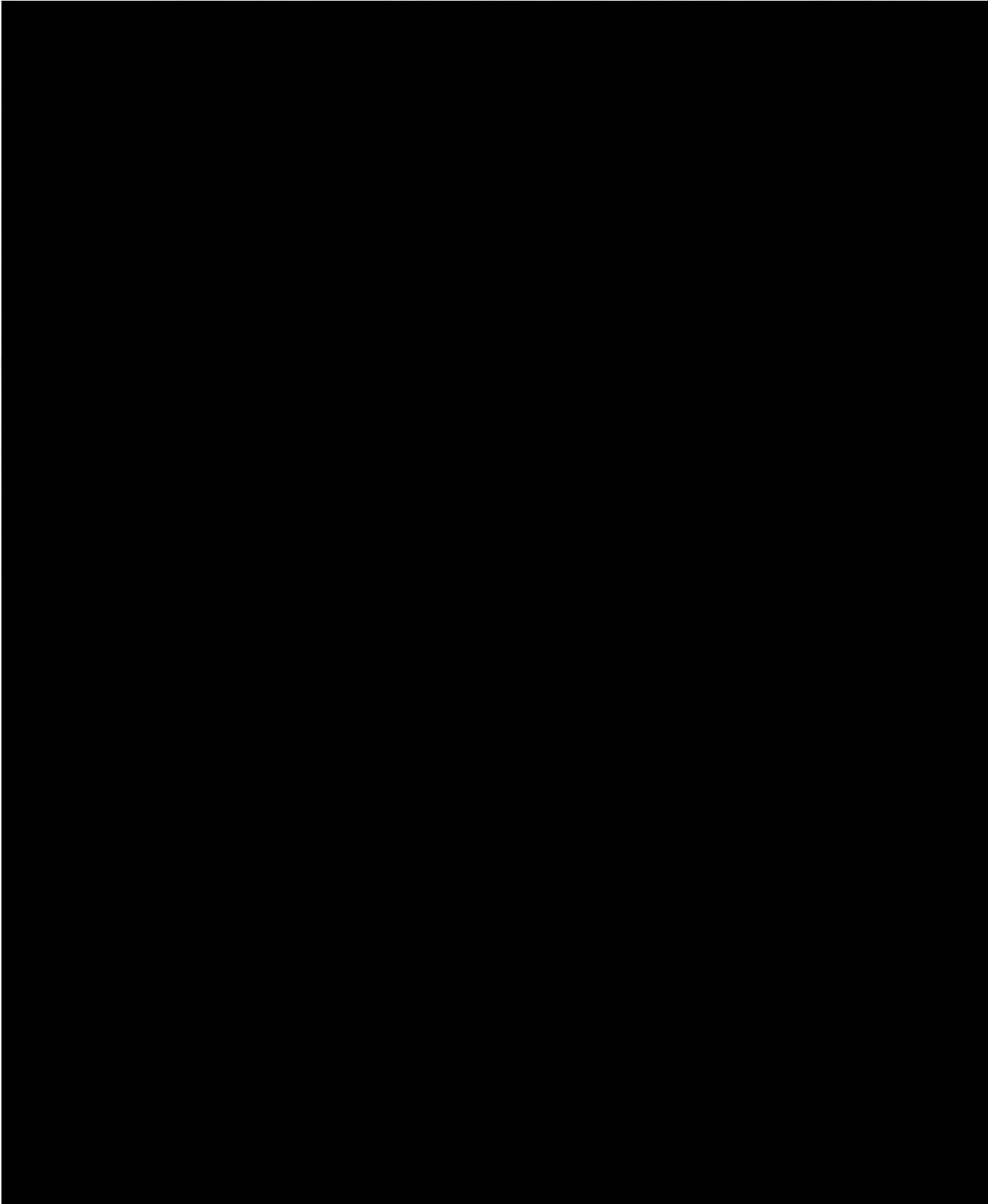
h. 150148-OPCPOD1-2-000022, Misc CR3 true-ups and adjustment, \$2,162,060.

Answer:

This entry was to true-up equity and debt return that was not previously being calculated and recorded to the CR3 regulatory asset. The amount was calculated using the template for calculating CR3 return. This adjustment is included in Line 17. Cumulative AFUDC Return.

RETENTION AWARD AGREEMENT





f. 150148-OPCPOD1-2-000013, Move termination fee payment t, \$5,887,991.65;

Answer: REDACTED

[REDACTED]

g. 150148-OPCPOD1-2-000018, BWB Settlement Reclass, \$1,872,377.79; and

Answer:

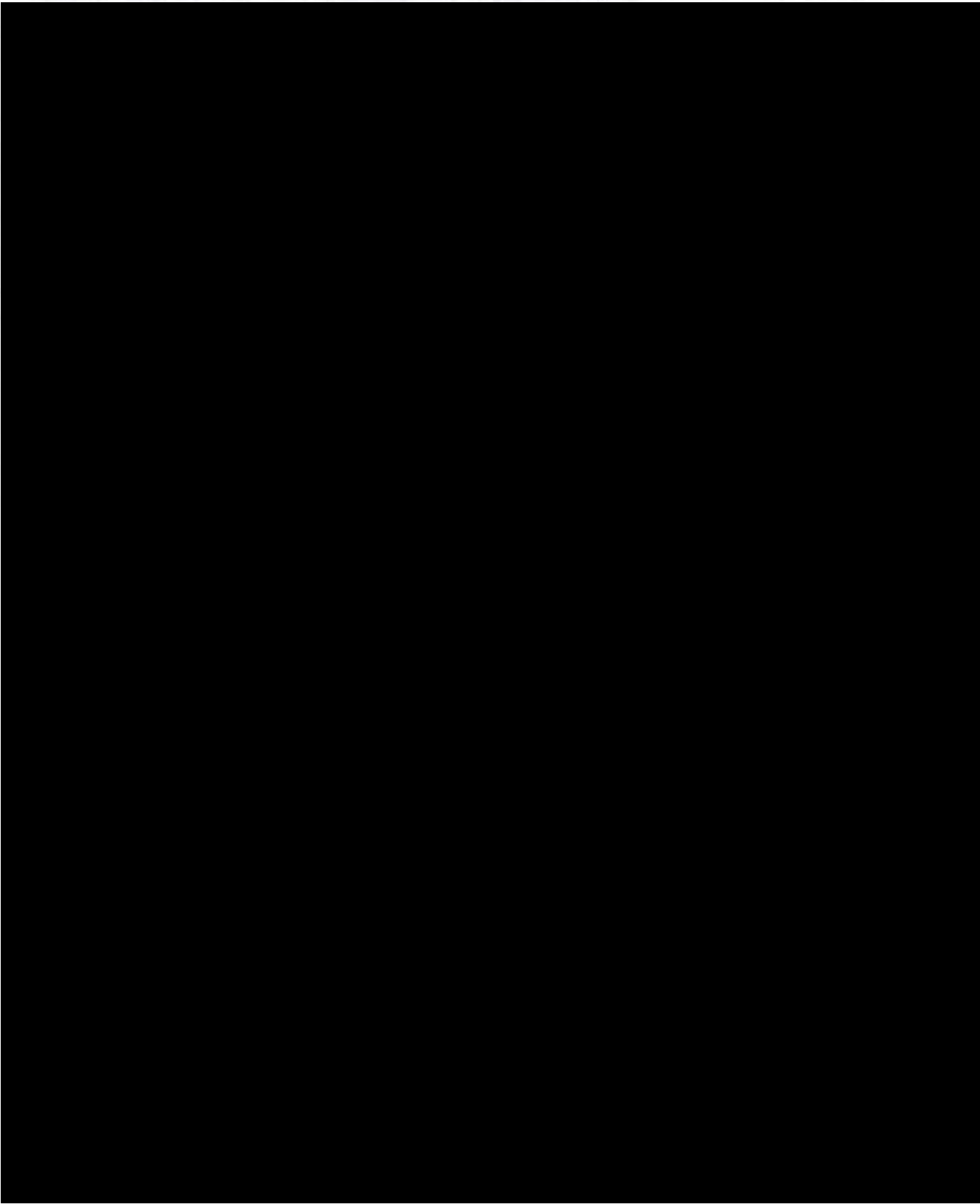
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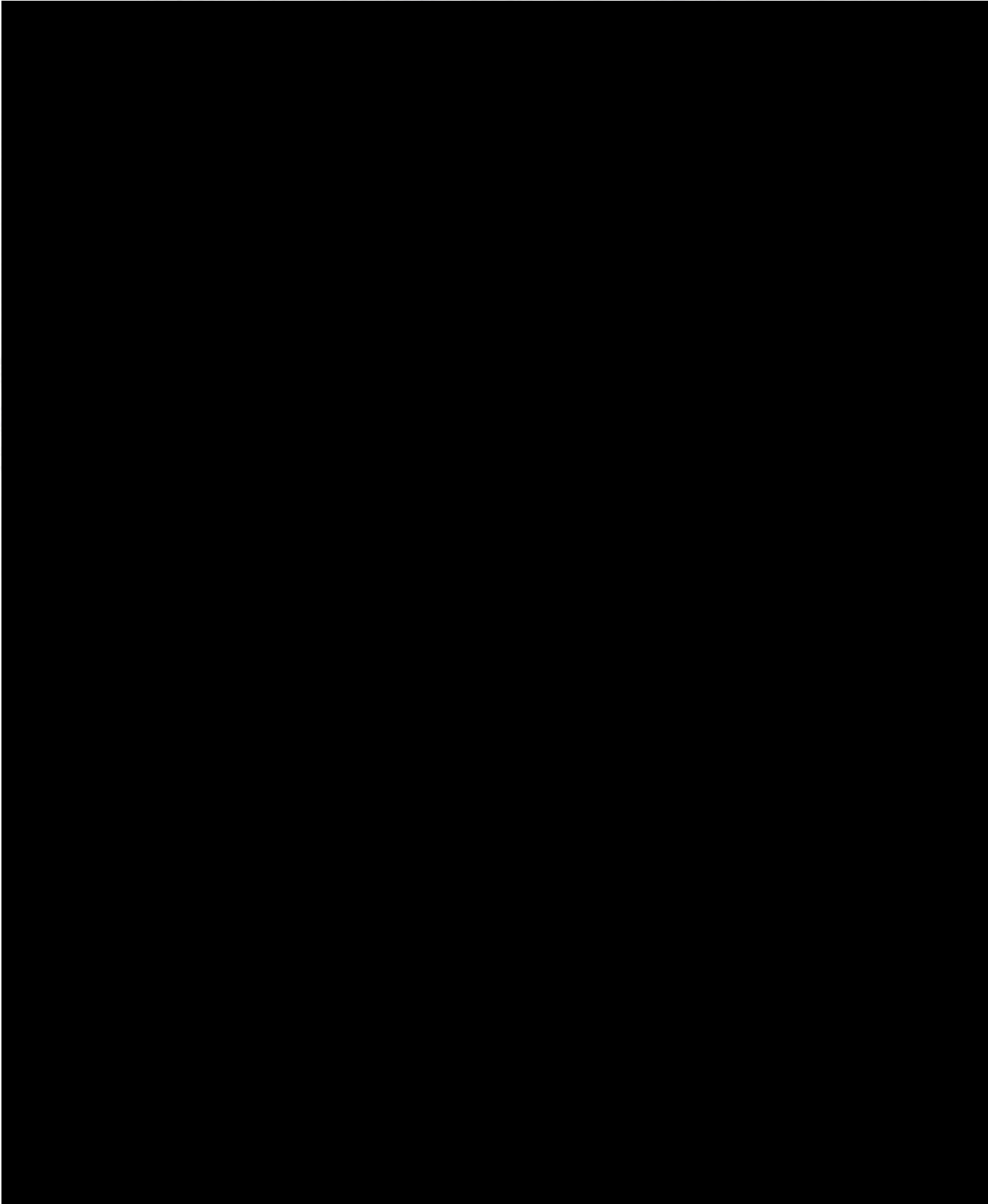
h. 150148-OPCPOD1-2-000022, Misc CR3 true-ups and adjustment, \$2,162,060.

Answer:

This entry was to true-up equity and debt return that was not previously being calculated and recorded to the CR3 regulatory asset. The amount was calculated using the template for calculating CR3 return. This adjustment is included in Line 17. Cumulative AFUDC Return.

RETENTION AWARD AGREEMENT





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

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
<p>DEF Response to OPC’s 2nd Set of Interrogatories, Question #32f</p>	<p>DEF’s Answer to interrogatory question #32f is entirely confidential</p>	<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>
<p>DEF Response to OPC’s 2nd Request to Produce Question #21</p>	<p>Bates number 150148-OPCPOD2-21-000001 through 000002, both pages of the Retention Award Agreement are entirely confidential</p>	<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 D

AFFIDAVITS OF MARK TEAGUE AND TERRY HOBBS

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
August 12, 2015

**AFFIDAVIT OF MARK TEAGUE IN SUPPORT OF
DUKE ENERGY FLORIDA'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 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 Fifth 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. 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 DEF’s Response to OPC’s Second Set of Interrogatories, question #32. The confidential information at issue is contained in confidential Exhibit A to this Request and is outlined in DEF’s Justification Matrix that is attached to DEF’s Fifth 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. DEF’s Response to OPC’s Interrogatory #32f contains sensitive business information concerning the calculation of a line item in DEF’s detailed transaction listing for all debits and credits to the CR3 regulatory assets, specifically, the line item titled “Move termination fee payment t.” The calculation of this line item concerns contractual information and terms that DEF must not disclose. DEF negotiates with potential suppliers to obtain competitive contracts for provisions at the CR3 Nuclear Unit that in turn, provides economic value to DEF and its customers. In order to obtain such contracts, however, DEF must be able to assure contracting companies that sensitive business information contained in their contracts will be kept confidential.

6. With respect to the information at issue in this request, DEF has kept confidential and has not publicly disclosed confidential contract terms. Absent such measures, companies supplying materials to DEF 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 specific contracts between DEF and third parties, the Company's efforts to obtain a competitive contracts could be undermined.

7. Upon receipt of confidential information from companies contracting with 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 documents. At no time since receiving the contracts and information in question has the Company publicly disclosed that information or documents. The Company has treated and continues to treat the information and documents at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 10th day of August, 2015.

Mark Teague
(Signature)

Mark Teague
Managing Director of Major Projects Sourcing
Supply Chain Department
Duke Energy Business Services, LLC
400 South Tryon Street
Charlotte, NC.

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 10 day of August, 2015 by Mark Teague. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.

Deborah S. Thrap
(Signature)

Deborah G. Thrap
(Printed Name)

NOTARY PUBLIC, STATE OF _____

4/25/2017
(Commission Expiration Date)

19970910128
(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)

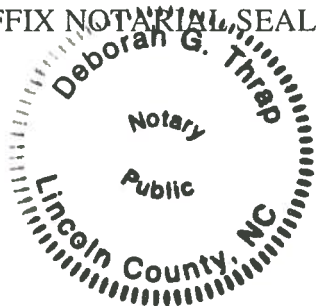


Exhibit D

AFFIDAVIT OF TERRY HOBBS (to be filed)