

Matthew R. Bernier
SENIOR COUNSEL
Duke Energy Florida, LLC

October 2, 2015

#### **VIA ELECTRONIC DELIVERY**

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

Re: Docket 150171-EI

Duke Energy Florida, LLC's Tenth Request for Confidential Classification

Dear Ms. Stauffer:

Attached is Duke Energy Florida, LLC's ("DEF") Tenth Request for Confidential Classification of certain information provided in DEF's Supplemental Responses to Staff's Fourth Request to Produce (Nos. 13-16) in the above-referenced matter. This filing includes:

- o Exhibit A (confidential slipsheet only)
- o Exhibit B (2 sets of redacted information slipsheets only)
- o Exhibit C (justification matrix)
- o Exhibit D (Affidavit of Bryan Buckler)

DEF's confidential Exhibit A that accompany the above-referenced filing, has been submitted under separate cover.

Thank you for your assistance in this matter. If you have any questions, please feel free to contact me at (850) 521-1428.

Sincerely,

/s/ Matthew R. Bernier

Matthew R. Bernier

MRB:at Attachments

#### 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

In re: Petition of Duke Energy Florida, Inc.

For Issuance of a Nuclear Asset Recovery

Financing Order

Docket No. 150171-EI

Docket No. 150148-EI

Submitted for Filing

October 2, 2015

#### DUKE ENERGY FLORIDA, LLC'S TENTH 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 Tenth Request for Confidential Classification concerning portions of DEF's Supplemental Responses to Staff's Fourth Request for Production of Documents filed in this docket on September 29, 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, portions of DEF's Supplemental Response to Staff's Fourth Request for Production of Documents, Question No. 13, contains "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 in question 13 relates to specific engagement agreements with law firms retained by DEF to work on the securitization, the disclosure of which would violate the terms of contractual agreements with third parties and impair the efforts of the Company to contract for goods and services on favorable terms. *See* § 366.093(3)(d), F.S.; Affidavit of Bryan Buckler at ¶ 5. The disclosure of that information to the public would also adversely impact the competitive business interest of parties contracting with DEF. *See* § 366.093(3)(e), F.S.; Affidavit of Bryan Buckler at ¶ 6. 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 Bryan Buckler at ¶ 5. The information has not

been disclosed to the public, and the Company has treated and continues to treat the information

at issue as confidential. See Affidavit of Bryan Buckler 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 Tenth

Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 2<sup>nd</sup> day of October, 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  $2^{nd}$  day of October, 2015.

#### /s/ Matthew R. Bernier

#### Attorney

Rosanne Gervasi	Charles Rehwinkel
Keino Young	J. R. Kelly
Kelley Corbari	Office of Public Counsel
Leslie Ames	c/o The Florida Legislature
Theresa Tan	111 West Madison Street, Room 812
Office of the General Counsel	Tallahassee, Florida 32399-1400
Florida Public Service Commission	kelly.jr@leg.state.fl.us
2540 Shumard Oak Blvd.	rehwinkel.charles@leg.state.fl.us
Tallahassee, FL 32399-0850	woods.monica@leg.state.fl.us
kyoung@psc.state.fl.us	
kcorbari@psc.state.fl.us	
lames@psc.state.fl.us	
ltan@psc.state.fl.us	
rgervasi@psc.state.fl.us	
Florida Industrial Power Users Group	PSC Phosphate – White Springs
c/o Moyle Law Firm, P.A.	c/o James W. Brew
Jon C. Moyle, Jr.	Owen J. Kopon
Karen A. Putnal	Stone Mattheis Xenopoulos & Brew, PC
118 North Gadsden Street	1025 Thomas Jefferson Street, NW
Tallahassee, Florida 32301	Eighth Floor, West Tower
jmoyle@moylelaw.com	Washington, DC 20007-5201
kputnal@moylelaw.com	jbrew@smxblaw.com
	ojk@smxblaw.com
Joseph Fichera	Dean E. Criddle
Saber Partners, LLC	Orrick, Herrington & Sutcliffe
44 Wall Street	405 Howard Street, #11
New York, NY 10005	San Francisco, CA 94105
jfichera@saberpartners.com	dcriddle@orrick.com
Robert Scheffel Wright	
John T. LaVia, III	
Gardner, Bist, Bush, Dee, LaVia & Wright, P.A.	
1300 Thomaswood Drive	
Tallahassee, FL 32308	
schef@gbwlegal.com	
jlavia@gbwlegal.com	

## Exhibit A

# CONFIDENTIAL FILED UNDER SEPARATE COVER

# Exhibit B

# **REDACTED**

#### SHUTTS & BOWEN ENGAGEMENT AGREEMENT

(entirely redacted)

BATES NUMBERS 150148-STAFFPOD4-13-000044 THROUGH 150148-STAFFPOD4-13-000061

#### **HUNTON & WILLIAMS ENGAGEMENT AGREEMENT**

(entirely redacted)

BATES NUMBERS 150148-STAFFPOD4-13-000062 THROUGH 150148-STAFFPOD4-13-000082

# Exhibit B REDACTED (2<sup>nd</sup> copy)

#### SHUTTS & BOWEN ENGAGEMENT AGREEMENT

(entirely redacted)

BATES NUMBERS 150148-STAFFPOD4-13-000044 THROUGH 150148-STAFFPOD4-13-000061

#### **HUNTON & WILLIAMS ENGAGEMENT AGREEMENT**

(entirely redacted)

BATES NUMBERS 150148-STAFFPOD4-13-000062 THROUGH 150148-STAFFPOD4-13-000082

#### DUKE ENERGY FLORIDA – EXHIBIT C - Docket 150171-EI Confidentiality Justification

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
DEF Supplemental Response to Staff's 4 <sup>th</sup> Request to Produce Question #13	Bates number 150148- STAFFPOD4-13-000044 through STAFFPOD4-13- 000061, entire engagement agreement with Shutts & Bowen, LLP.	§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 Supplemental Response to Staff's 4 <sup>th</sup> Request to Produce Question #13	Bates number 150148- STAFFPOD4-13-000062 through STAFFPOD4-13- 000082, entire engagement agreement with Hunton & Williams, LLP.	§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 BRYAN BUCKLER

#### 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

In re: Petition of Duke Energy Florida, Inc. For Issuance of a Nuclear Asset Recovery Financing Order

Docket No. 150171-EI

Submitted for Filing October \_\_\_, 2015

#### AFFIDAVIT OF BRYAN BUCKLER IN SUPPORT OF DUKE ENERGY FLORIDA'S TENTH REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

- 1. My name is Bryan Buckler. 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 Tenth Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.
- 2. I am the Director of Regulated Accounting for Duke Energy Business Services, LLC, a service company affiliate of DEF.

- 3. Effective August 15, 2015, I became the Director of Regulated Accounting for Duke Energy Corporation ("Duke Energy"). In this role I am responsible for accounting and financial reporting for all of Duke Energy's regulated subsidiaries, including Duke Energy Florida. However, I will still serve as DEF's Treasury witness in this proceeding, and will continue to report to Stephen De May, Senior Vice President and Treasurer of Duke Energy and DEF, for purposes of the nuclear asset-recovery bond transaction.
- 4. DEF is seeking confidential classification for DEF's documents produced in DEF's Supplemental Response to Staff's Fourth Request for Production of Documents (specifically question #13). 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 Tenth 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. Attachments to DEF's Supplemental Response to Staff's 4<sup>th</sup> Request for Production of Documents, Question #13 (specifically Bates numbers 150148-STAFFPOD-13-000044 through 150148-STAFFPOD4-13-000082), contains sensitive business information including engagement agreements with two law firms retained by DEF to work on the securitization project. These engagement letters contain competitive contractual information regarding contractual agreements between DEF and third parties that would adversely impact DEF's competitive business interests if disclosed to the public. In order to obtain competitive legal assistance, however, DEF must be able to

assure these competing firms that sensitive business information, such as the terms of the agreement and attorney billing rates, will be kept confidential. With respect to the information at issue in this request, DEF has kept confidential and has not publicly disclosed confidential engagement agreements and similar competitive information. Absent such measures, law firms who otherwise would contract with DEF might decide not to do so if DEF did not keep the terms of their engagement letters confidential. If other third parties are made aware of confidential contractual terms that DEF has with other parties, they may offer DEF less competitive contractual terms in the future. Without DEF's measures to maintain the confidentiality of sensitive terms in these legal agreements between DEF and third parties, the Company's efforts to obtain competitive prices for its legal needs could be compromised by competitors changing their position or behavior in future contractual negotiations.

6. Additionally, the above referenced documents contain sensitive business information which could adversely impact competitive business interests of the law firms providing legal advice to DEF for the proposed securitization. DEF has a contractual obligation with these third parties to not disclose the proprietary business information contained in their agreements. Absent such confidentiality measures, third party law firms would run the risk that sensitive business information that they provided in their agreements with DEF would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, law firm efforts to competitively negotiate engagement agreements with companies such as DEF could be undermined.



- 7. Upon receipt of confidential information from law firms working with DEF, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality 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 engagement agreements in question has the Company publicly disclosed this information. The Company has treated and continues to treat the engagement agreements at issue as confidential.
  - 8. This concludes my affidavit.

Further affiant sayeth not.

Dated the \_\_\_\_\_ day of October, 2015.

(Signature)

Bryan Buckler

Director of Regula

Director of Regulated Accounting Duke Energy Business Services, LLC 550 South Tryon Street

(Serial Number, If Any)

yaar Buckle

Charlotte, NC

	BUCKLER. He is personally known to me, or has
produced his North Carolina d	
as identification.	
	Sheila Lemoine
	(Signature)
	Sheila Lemoine
	(Printed Name)
(AFFIX NOTARIAL SEAL)	NOTARY PUBLIC, STATE OF
gradual Lorentes	(Commission Expiration Date)
Notary Public  Mecidenburg County	