

Matthew R. Bernier Senior Counsel Duke Energy Florida, LLC

November 13, 2015

VIA ELECTRONIC FILING

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

Re: Nuclear Cost Recovery Clause; Docket No. 150009-EI

Dear Ms. Stauffer:

Please find enclosed for electronic filing on behalf of Duke Energy Florida, LLC ("DEF"), DEF's First Request for Extension of Confidential Classification concerning portions of information contained in the direct Testimony of Christopher M. Fallon and Exhibit Nos. CMF-10, CMF-11, and CMF-12 and portions of the information contained in the direct Testimony of Thomas G. Foster and Exhibit Nos. TGF-4 and TGF-5 (document number 02015-14) filed on May 1, 2014 in docket no. 140009-EI and Revised Exhibit D, Affidavits of Christopher Fallon and Mark R. Teague in Support of DEF's First 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,

<u>s/Matthew R. Bernier</u> Matthew R. Bernier Senior Counsel

MRB/mw Enclosures cc: Certificate of Service

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause Docket No. 150009-EI Dated: November 13, 2015

DUKE ENERGY FLORIDA LLC'S FIRST REQUEST FOR EXTENSION OF CONFIDENTIAL CLASSIFICATION

Duke Energy Florida, LLC ("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 ("Request") for certain information contained in the direct testimony and exhibits of Christopher M. Fallon and the direct testimony and exhibits of Thomas G. Foster submitted in Docket No. 140009 on May 1, 2014. In support of the Request, DEF states as follows:

1. On May 1, 2014, DEF filed a request for confidential classification of certain information contained in the direct testimony of Christopher M. Fallon and Exhibit Nos. CMF-10, CMF-11 and CMF-12 and certain information contained in the direct testimony of Thomas G. Foster, Exhibit Nos. TGF-4 and TGF-5 (document no. 02015-14) includes sensitive business information as it contains confidential proprietary business information.

2. DEF's May 1, 2014 Request was granted by Order No. PSC-14-0232-CFO-EI on May 13, 2014. The period of confidential treatment granted by that order will expire on November 13, 2015. The information continues to warrant treatment as "proprietary confidential business information" within the meaning of Section 366.093(3), F.S. Accordingly, DEF is filing its First Request for Extension of Confidential Classification.

DEF submits that the information contained in the direct testimony of Christopher
M. Fallon and Exhibits, specifically Exhibit Nos. CMF-10, CMF-11 and CMF-12 and the direct

testimony of Thomas G. Foster and Exhibits, specifically Exhibit Nos. TGF-4 and TGF-5 contained in DEF's confidential Exhibit A to the May 1, 2014 Request continue to be "proprietary confidential business information" within the meaning of section 366.093(3), F.S. and continue to require confidential classification. *See* Affidavits of Christopher M. Fallon and Mark R. Teague at ¶¶ 4-5, attached as Revised Exhibit "D". 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* Affidavits of Christopher M. Fallon and Mark R. Teague ¶ 6.

4. Nothing has changed since the issuance of Order No. PSC-14-0232-CFO-EI to render the information stale or public such that continued confidential treatment would not be appropriate. Upon a 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 First Request for Extension of Confidential Classification be granted. Respectfully submitted this 13th day of November, 2015.

s/Matthew R. Bernier_

DIANNE M. TRIPLETT Associate General Counsel 299 First Avenue North St. Petersburg, FL 33701 T: (727)820-4692 F: (727)820-5041 Email: Dianne.Triplett@duke-energy.com MATTHEW R. BERNIER Senior Counsel 106 East College Avenue, Suite 800 Tallahassee, Florida 32301 T: (850)521-1428 F: (727)820-5041 Email: Matthew.Bernier@duke-energy.com

Attorneys for Duke Energy Florida, LLC

Exhibit A

"CONFIDENTIAL" (On file)

Exhibit B

(On file)

Exhibit C

DUKE ENERGY FLORIDA Confidentiality Justification Matrix

(On file)

Revised Exhibit D Affidavit of Christopher M. Fallon

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause Docket No. 150009-EI Dated: November 13, 2015

AFFIDAVIT OF CHRISTOPHER M. FALLON IN SUPPORT OF DUKE ENERGY FLORIDA'S 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 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 Request for Extension of Confidential Classification (the "Request") regarding portions of my direct testimony and Exhibits CMF-10, CMF-11, and CMF-12 and portions of the direct testimony of Thomas G. Foster and Exhibits TGF-4 and TGF-5, filed on May 1, 2014 in Docket No. 140009-EI (document no.02015-14). 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 licensing and engineering design for the Levy Nuclear Power Plant Project ("LNP" or "Levy"), including the direct management of the Engineering, Procurement, and Construction ("EPC") Agreement with Westinghouse Electric Company, LLC ("WEC") and Stone & Webster, Inc. ("S&W") (collectively, the "Consortium").

3. DEF is seeking an extension of confidential classification for certain information contained in my May 1, 2014 Testimony and Exhibits, specifically Exhibit Nos. CMF-10, CMF-11, and CMF-12 filed in docket no. 140009. 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.

4. DEF negotiates with vendors to obtain competitive contracts for the disposition of long lead time equipment ("LLE") for the Levy Nuclear Project ("LNP") that provide economic value to DEF and its customers. In order to negotiate and obtain such contracts at competitive prices, however, DEF must be able to assure its vendors that sensitive business information such as capital costs numbers, settlement information, and other financial terms will be kept confidential. The contracts at issue in this Request contain confidentiality provisions that prohibit the disclosure of the terms of the contract to third parties; DEF has kept confidential and has not publicly disclosed the confidential information pertaining to the disposition of the LLE for the LNP. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and vendors, the Company's efforts to obtain competitive terms for the LNP would be undermined.

5. Additionally, revealing LLE disposition terms to third parties may compromise DEF's ability to negotiate additional LLE dispositions on a favorable basis. The disclosure of confidential information between DEF and its vendors could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors, DEF's efforts to negotiate and obtain favorable contractual terms that provide economic value to both DEF and its customers could be compromised. If other third parties were made aware of confidential contractual terms that DEF has with other parties, they may offer less competitive contractual terms in future contractual negotiations.

6. 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 since negotiating and receiving the contracts has the Company publicly disclosed the information or the terms of the contracts at issue. The Company has treated and continues to treat the information at issue as confidential.

7. This concludes my affidavit.

Further affiant sayeth not.

Dated this $\underline{q^{th}}$ day of November, 2015.

Christopha M. Fall

Christopher M. Fallon

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this $\underline{\mathcal{P}}_{day}^{\mu}$ of November, 2015 by Christopher M. Fallon. He is personally known to me, or has produced his ______ driver's license, or his ______ as identification.



	as identification.
Simmie (2. Strand
(Signature) Timmie (Printed Name)	
NOTARY PUBLIC,	STATE OF North Carolina
(Commission Expiration Date)	2018

(Serial Number, If Any)

Revised Exhibit D Affidavit of Mark R. Teague

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Nuclear Cost Recovery Clause Docket No. 150009-EI Dated: November 13, 2015

AFFIDAVIT OF MARK R. TEAGUE IN SUPPORT OF DUKE ENERGY FLORIDA'S 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 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 ("Duke Energy") 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 Duke Energy Florida ("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 Extension of Confidential Classification (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 DEF's processes and procedures. I also have responsibility for the Supply Chain functions for Duke Energy International and with most Duke Energy Major Projects.

3. DEF is seeking an extension of confidential classification for certain information contained in portions of Thomas G. Foster's direct testimony and Exhibits, specifically Exhibit

Nos. TGF-4 and TGF-5 and the direct testimony of Christopher M. Fallon and Exhibits, specifically Exhibit Nos. CMF-10, CMF-11 and CMF-12, filed on May 1, 2014 in Docket No. 140009-EI (document no. 02015-14). 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 seeking 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.

4. DEF negotiates with vendors to obtain competitive contractual arrangements regarding the disposition of the EPU project assets, the disclosure of which would impair DEF's competitive business interests. Mr. Foster's testimony and exhibits contain or reflect contractual arrangements, including terms, prices, and conditions between DEF and providers of various equipment and services required for the close-out of the EPU project. DEF has kept confidential and has not publicly disclosed the confidential information regarding the close-out of the EPU project. The Company must be able to assure its vendors that sensitive business information such contractual terms and close-out agreements will be kept confidential. Additionally, the contracts at issue in this Request contain confidentiality provisions that prohibit the disclosure of the terms of the contract to third parties. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and nuclear contractors, the Company's efforts to obtain competitive contracts for the close-out of the EPU project would be undermined.

5. Additionally, revealing the terms of the EPU project terms to third parties may compromise DEF's ability to negotiate additional contracts on a favorable basis. The disclosure of confidential information between DEF and its vendors could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors, DEF's efforts to negotiate and obtain favorable contractual terms that provide economic value to both DEF and its customers could be compromised. If other third parties were made aware of confidential contractual terms that DEF has with other parties, they may offer less competitive contractual terms in future contractual negotiations.

6. 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 since negotiating and receiving the contracts has the Company publicly disclosed the information or the terms of the contracts at issue. The Company has treated and continues to treat the information at issue as confidential.

7. This concludes my affidavit.

Further affiant sayeth not.

Dated this 13^{4} day of November, 2015.

Mark R. Teague

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



Sharon C. Anowood	
(Signature)	
Sharon C. ARROWOOD	
(Printed Name)	
NOTARY PUBLIC, STATE OF <u><u><u></u></u></u>	
1/16/2019	
(Commission Expiration Date)	
NIA	
(Serial Number, If Any)	

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 13th day of November, 2015.

Martha Barrera, Esq. Kyesha Mapp, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 <u>mbarrera@psc.state.fl.us</u> kmapp@psc.state.fl.us

Kenneth Hoffman Florida Power & Light Company 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301-1859 ken.hoffman@fpl.com

J. Michael Walls, Esq. Blaise N. Gamba, Esq. Carlton Fields Jorden Burt P.O. Box 3239 Tampa, FL 33601-3239 <u>mwalls@cfjblaw.com</u> bgamba@cfjblaw.com

Bryan Anderson, Esq. Jessica Cano, Esq. Florida Power & Light Company 700 Universe Boulevard June Beach, FL 33408-0420 bryan.anderson@fpl.com jessica.cano@fpl.com

George Cavros, Esq. Southern Alliance for Clean Energy 120 E. Oakland Park Blvd., Suite 105 Fort Lauderdale, FL 33334 George@cavros-law.com

Victoria Mendez City of Miami 444 SW 2nd Avenue, Suite 945 Miami, FL 33130-1910 vmendez@miamigov.com <u>s/Matthew R. Bernier</u>_____ Attorney

J.R.Kelly Charles J. Rehwinkel Erik L. Sayler Patty Christensen Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399 kelly.jr@leg.state.fl.us rehwinkel.charles@leg.state.fl.us sayler.erik@leg.state.fl.us christensen.patty@leg.state.fl.us

James W. Brew, Esq. Owen J. Kopon, Esq. Laura A. Wynn, Esq. Stone Matheis Xenopoulos & Brew, PC 1025 Thomas Jefferson Street NW 8th Floor, West Tower Washington, DC 20007 jbrew@smxblaw.com ojk@smxblaw.com laura.wynn@smxblaw.com

Jon C. Moyle, Jr., Esq. Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com

Robert Scheffel Wright, Esq. John T. LaVia III, Esq. Gardner Law Firm 1300 Thomaswood Drive Tallahassee, FL 32308 <u>schef@gbwlegal.com</u> <u>jlavia@gbwlegal.com</u>