



Matthew R. Bernier
SENIOR COUNSEL
Duke Energy Florida, LLC

November 19, 2015

VIA ELECTRONIC DELIVERY

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

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

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 Staff's 2010 Audit workpapers, *Audit Control No. 10-006-2-2* (document no. 04930-10) filed in Docket No. 100009-EI on June 14, 2010.

Portions of the documents submitted with the original June 14, 2010 Request for Confidential Classification are no longer confidential. Therefore, revised exhibits are provided as noted below.

This filing includes:

- Revised Exhibit A (confidential slipsheet only)
- Revised Exhibit B (two copies of redacted information)
- Revised Exhibit C (justification matrix)
- Revised Exhibit D (Affidavit of Raymond Phillips)

DEF's confidential Revised Exhibit A that accompanies 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,

A handwritten signature in blue ink that reads "Matthew R. Bernier" followed by a stylized initial "at".

Matthew R. Bernier

MRB:at
Attachments

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Cost Recovery Clause

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

**DUKE ENERGY FLORIDA'S
FIRST REQUEST FOR EXTENSION OF 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.”), hereby submits this First Request for Extension of Confidential Classification (“Request”) concerning portions of the documents and information provided to the Florida Public Service Commission Staff’s (“Staff”) auditors in response to Staff’s review, *Audit Control No. 10-006-2-2* submitted in Docket No. 100009-EI on June 14, 2010. In support of this Request, DEF¹ states as follows:

1. On June 14, 2010, DEF filed its Seventh Request for Confidential Classification concerning certain information contained in portions of the documents and information provided to Staff in response to Staff’s review, *Audit Control No. 10-006-2-2* (document number 04930-10), which contains sensitive business information as it contains confidential proprietary business information.

2. The Commission granted DEF’s Seventh Request for Confidential Classification concerning the Audit work papers in Order No. PSC-14-0258-CFO-EI, dated May 23, 2014. The period of confidential treatment granted by that order will expire on November 23, 2015. The information continues to warrant treatment as “proprietary confidential business information”

¹ The confidential information at issue was provided to the Commission by DEF’s predecessor, Progress Energy Florida, Inc. (“PEF”).

within the meaning of Section 366.093(3), F.S. Accordingly, DEF is filing its First Request for Extension of Confidential Classification.

3. DEF submits that the certain information contained in portions of the documents and information provided in response to Staff's review of *Audit Control No. 10-006-2-2*, submitted as Exhibit A to the June 14, 2010 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* Affidavit of Raymond Phillips at ¶¶ 3-4, 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* Affidavit of Raymond Phillips ¶ 5.

4. Some of the documents originally submitted in DEF's Seventh Request for Confidential Classification are no longer confidential and therefore, DEF submits revised exhibits along with this Request. Otherwise, nothing has changed since the issuance of Order No. PSC-14-0258-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 19th day of November, 2015,

/s/ Matthew R. Bernier

DIANNE M. TRIPLETT
Associate General Counsel
DUKE ENERGY FLORIDA, LLC
Post Office Box 14042
St. Petersburg, Florida 33733-4042
Telephone: (727) 820-4692
Facsimile: (727) 820-5041
Email: dianne.triplett@duke-energy.com

MATTHEW R. BERNIER
Senior Counsel
DUKE ENERGY FLORIDA, LLC
106 East College Avenue, Suite 800
Tallahassee, Florida 32301
Telephone: (850) 521-1428
Facsimile: (727) 820-5041
Email: matthew.bernier@duke-energy.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished via electronic mail to the following this 19th day of November, 2015.

/s/ Matthew R. Bernier

Attorney

Martha Barrera, Esq.
Keino Young, Esq.
Kyesha Mapp, Esq.
Office of General Counsel
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
mbarrera@psc.state.fl.us
kyoung@psc.state.fl.us
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

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

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

Victoria Mendez
City of Miami
444 SW 2nd Avenue, Suite 945
Miami, FL 33130-1910
vmendez@miamigov.com

J.R.Kelly
Charles J. Rehwinkel
Erik L. Saylor
Patty Christensen
Office of Public Counsel
111 West Madison Street, Room 812
Tallahassee, FL 32399
kelly.jr@leg.state.fl.us
rehwinkel.charles@leg.state.fl.us
saylor.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

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

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

**Revised
Exhibit A**

“CONFIDENTIAL”

**Revised
Exhibit B
(copy #1)**



REDACTED

Audit Services Department

CR3 EPU and SGR Projects

July 2, 2009

Submitted To:

Joe Donahue
Vice President-Nuclear Engineering Services

- COM _____
- APA _____
- ECR 1 _____
- GCL _____
- RAD _____
- SSC _____
- ADM _____
- OPC _____
- CLK _____

COPY



DOCUMENT NUMBER-DATE

20013334 A906 & A907

SOURCE

DR# CR-10-093 | JUN 14 2009

FPSC-007-2009-001

9-2p1

Executive Summary

An audit of Crystal River 3 (CR3) Extended Power Uprate (EPU) and Steam Generator Replacement (SGR) Projects was recently completed. This audit report summarizes the audit scope, objective, focus areas, and significant findings. Where necessary this report includes management's planned actions to improve internal control.

Background

Progress Energy is currently in the process of implementing improvements at the CR3 nuclear plant. The first improvement is a major project for SGR that is necessary to realize the benefits of extending the licensed life of the plant. Planning began in 2002 for the replacement of the two existing steam generators with new and improved models. The project will incorporate design and material changes to reduce the susceptibility of corrosion. The proposed total project cost submitted in Revision 1 of the Integrated Project Plan (IPP) for SGR is estimated to be [REDACTED] with [REDACTED] expended through 2008. The proposed 2009 project budget is [REDACTED]. Phase I, the planning phase, of SGR is complete. Phase II, the implementation phase, will take place during the 2009 R16 refueling outage.

The second improvement is a major project for an EPU that will increase the electrical power output of the plant, reduce overall costs to customers, and enhance shareholder value. The EPU Project is expected to save customers more than \$2.6 billion in gross fuel costs through 2036. The total project cost submitted in Revision 1 of the IPP for EPU is estimated to be [REDACTED] capital and [REDACTED] O&M with [REDACTED] capital expended through 2008. The 2009 project budget is [REDACTED]. Phase I, Measurement Uncertainty Recapture (MUR) power uprate, was completed in 2008. Phase II, implementation phase, includes replacement of several components including: low pressure turbines, electrical generator and exciter, condensate heat exchangers, and turbine cycle steam moisture separators. Phase II of EPU is scheduled for implementation during the 2009 R16 refueling outage and Phase III is planned for 2011.

The two major projects will be implemented simultaneously during the 2009 R16 refueling outage. The volume of work and resultant logistics of construction initiation of the two projects at the same time is a challenge that must be managed carefully through project management.

Objective and Scope

This audit focused on overall project funding, in addition to project and cost management practices. The primary objective was evaluation of project management, contract administration, financial controls, and communications associated with the CR3 SGR and EPU major projects. The scope included assessing CR3 EPU and SGR major projects activity in 2009. Assistance was provided by Nuclear Oversight for fieldwork activities.

Key Focus Areas

[REDACTED]

4-24-2

Conclusion

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Submitted by:

Ruth Bartholomew (EPU)
Senior Auditor
Melanie Shipley (SGR)
Senior Auditor

Raymond Phillips
Audit Manager

Audit Team:
Ron Velat, Senior Auditor
Thomas Lewis, Senior Assessor NP-NOS
Clift Pompee, Senior Assessor NP-NOS

Copies Provided To:
Edward Avella
Stephen Z. Barkofski
Bob Bazemore
Robert Bell
Bonnie Bischoff
Melinda Burrows
Bruce Cosgrove
Gene A. Flavors
Jon Franke

4-24 3

July 2, 2009

CR3 EPU and SGR Projects

Deborah A. Hanna
Terry Hobbs
Bill Johnson
Ernie Kapopoulos
Dan Krysalika
Jon Kerin
Mark Mulhern
William J. Nielsen
Jim Scarola
Frank Schiller
James H. Terry Jr.
Tom Walt
Ivy Wong
Deloitte & Touche LLP

9-29-4

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9-2, 6

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9-29-7

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9-21-9

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
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[REDACTED]

9-2p

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9-2-11

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

4-29-12

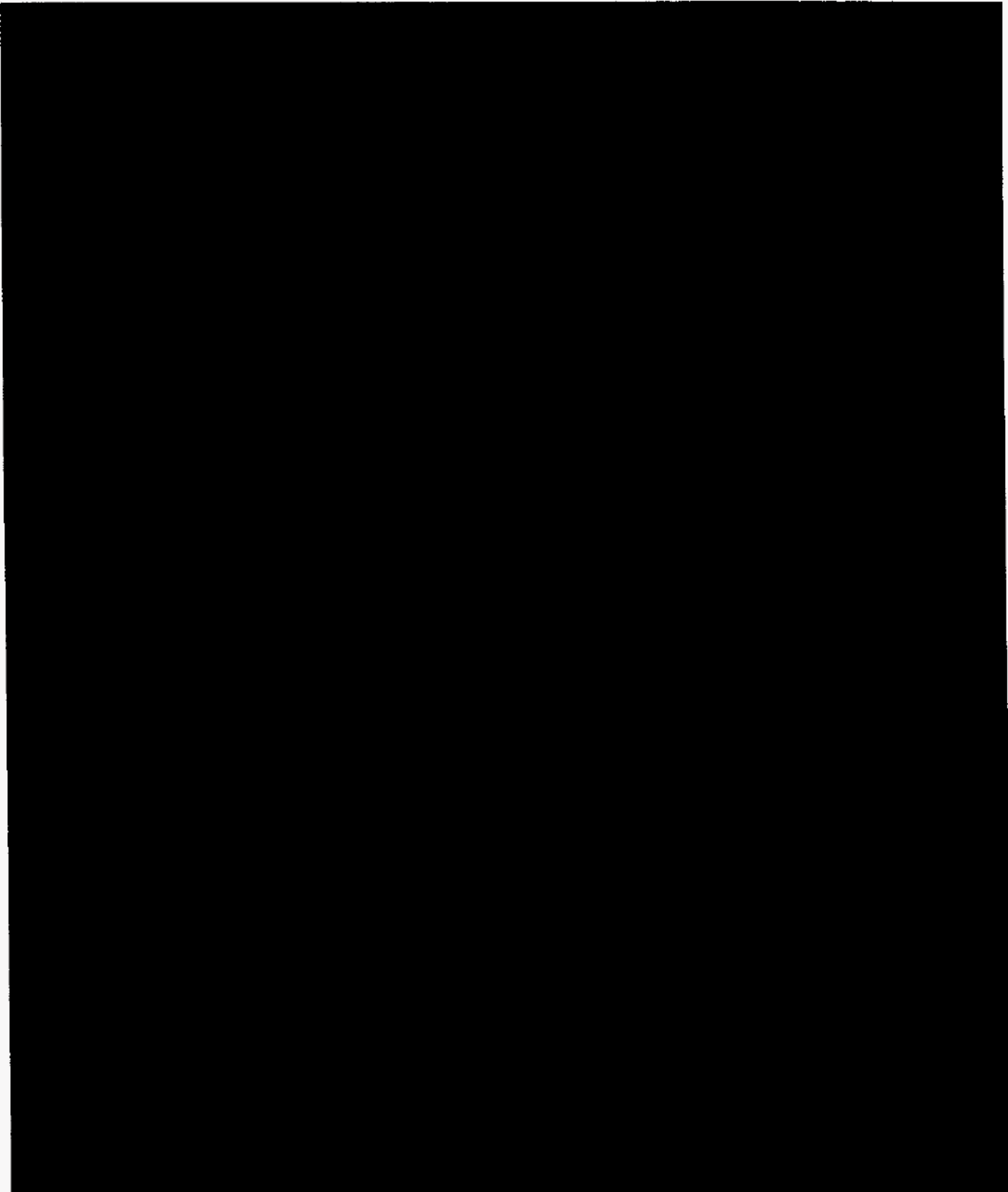
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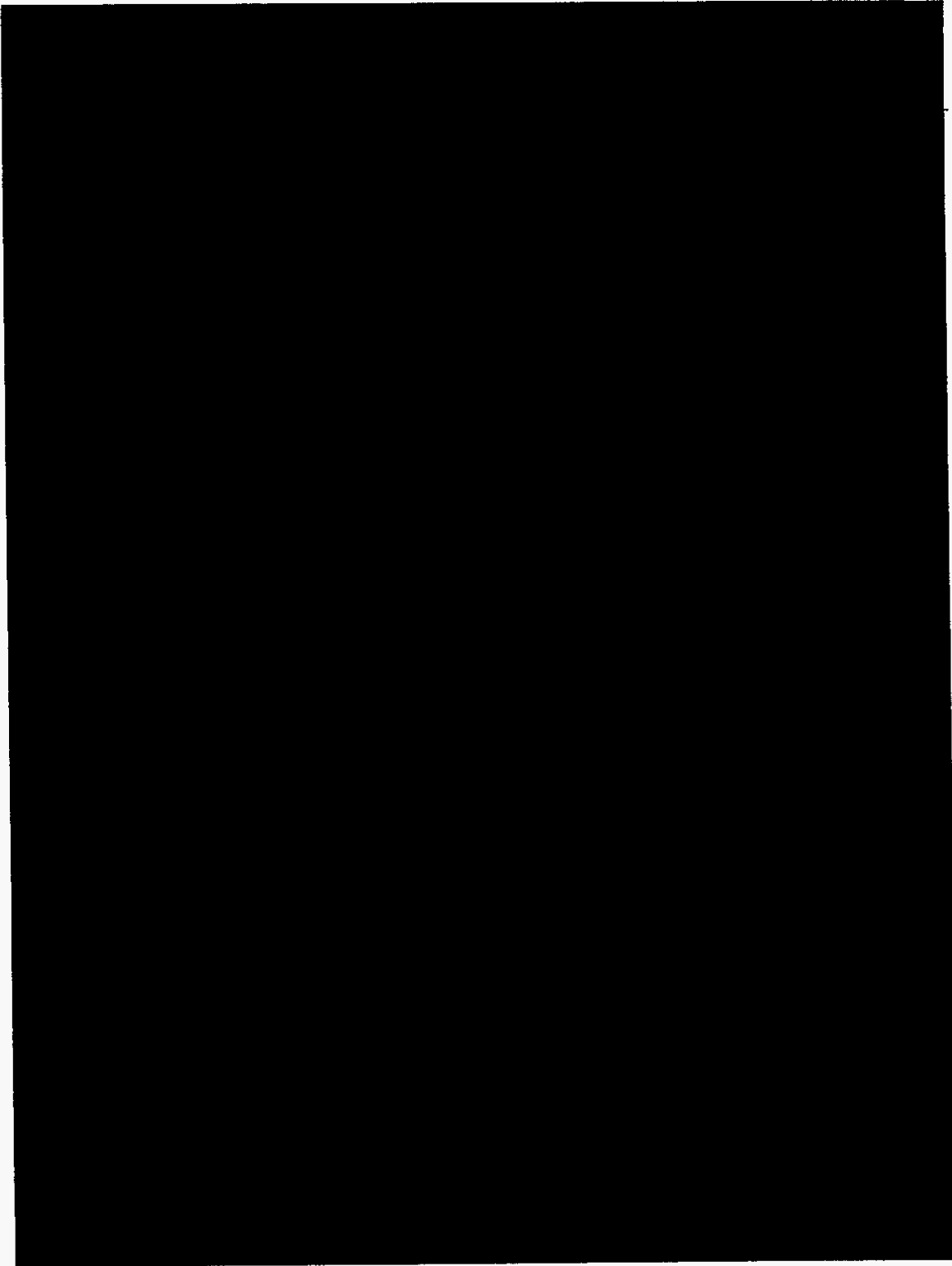
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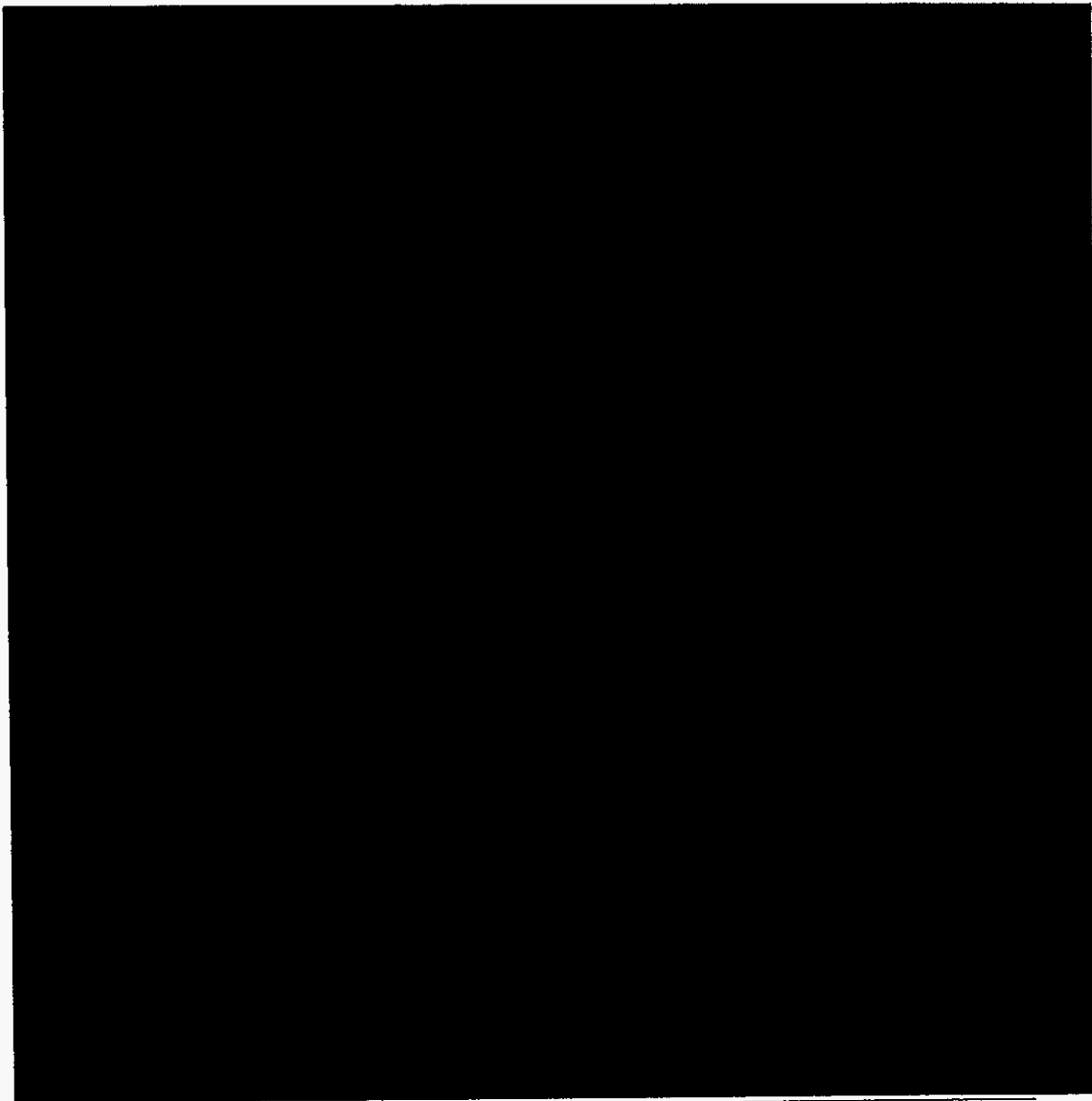
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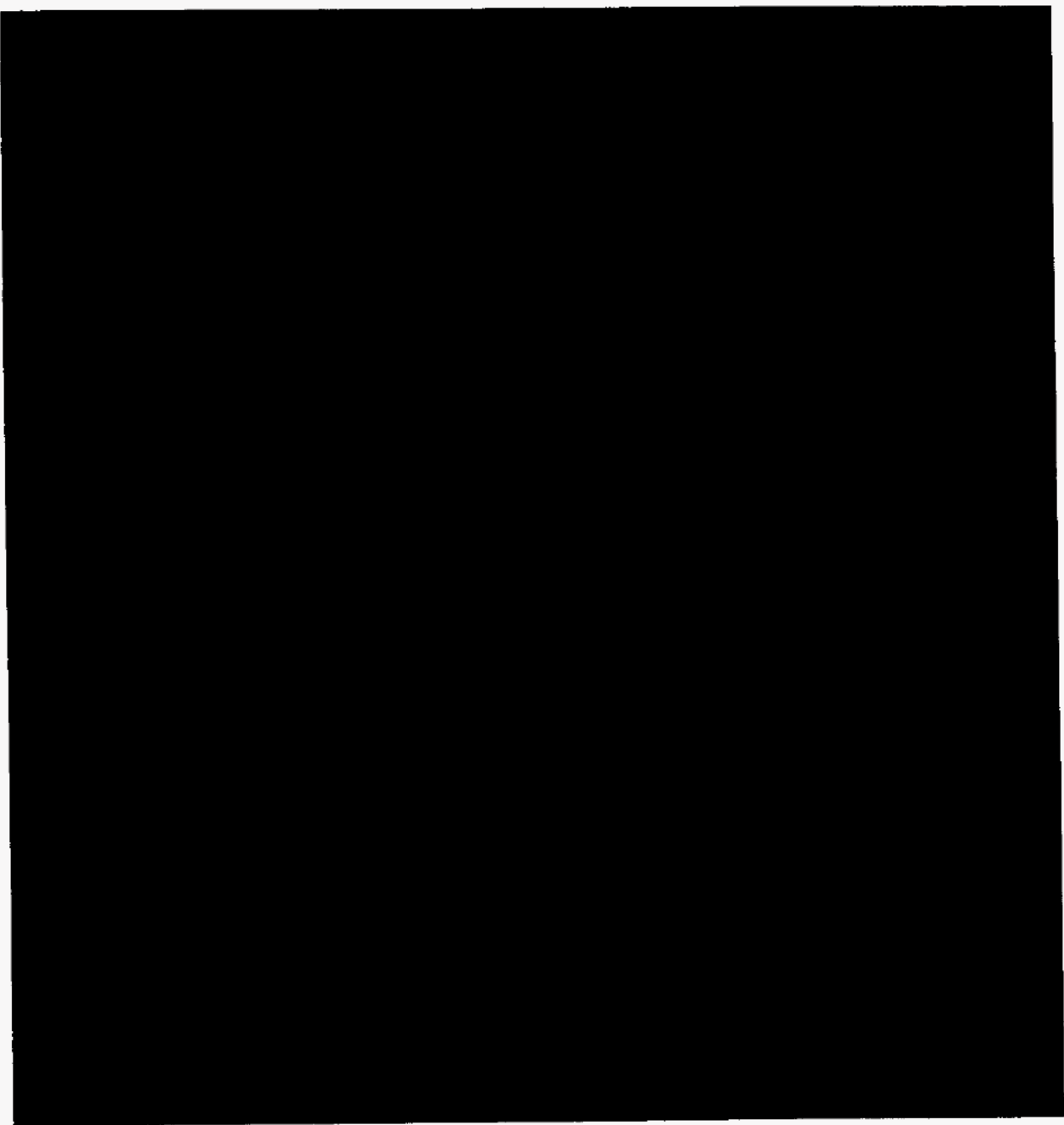


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9-2p/6



9-8-17

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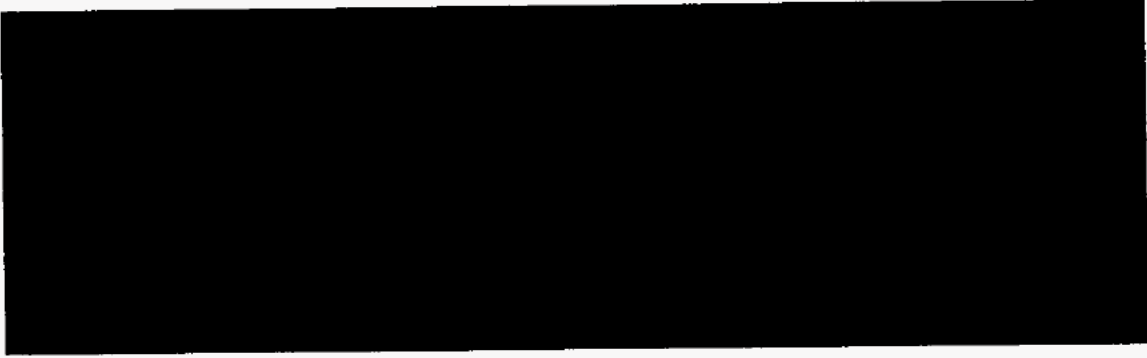
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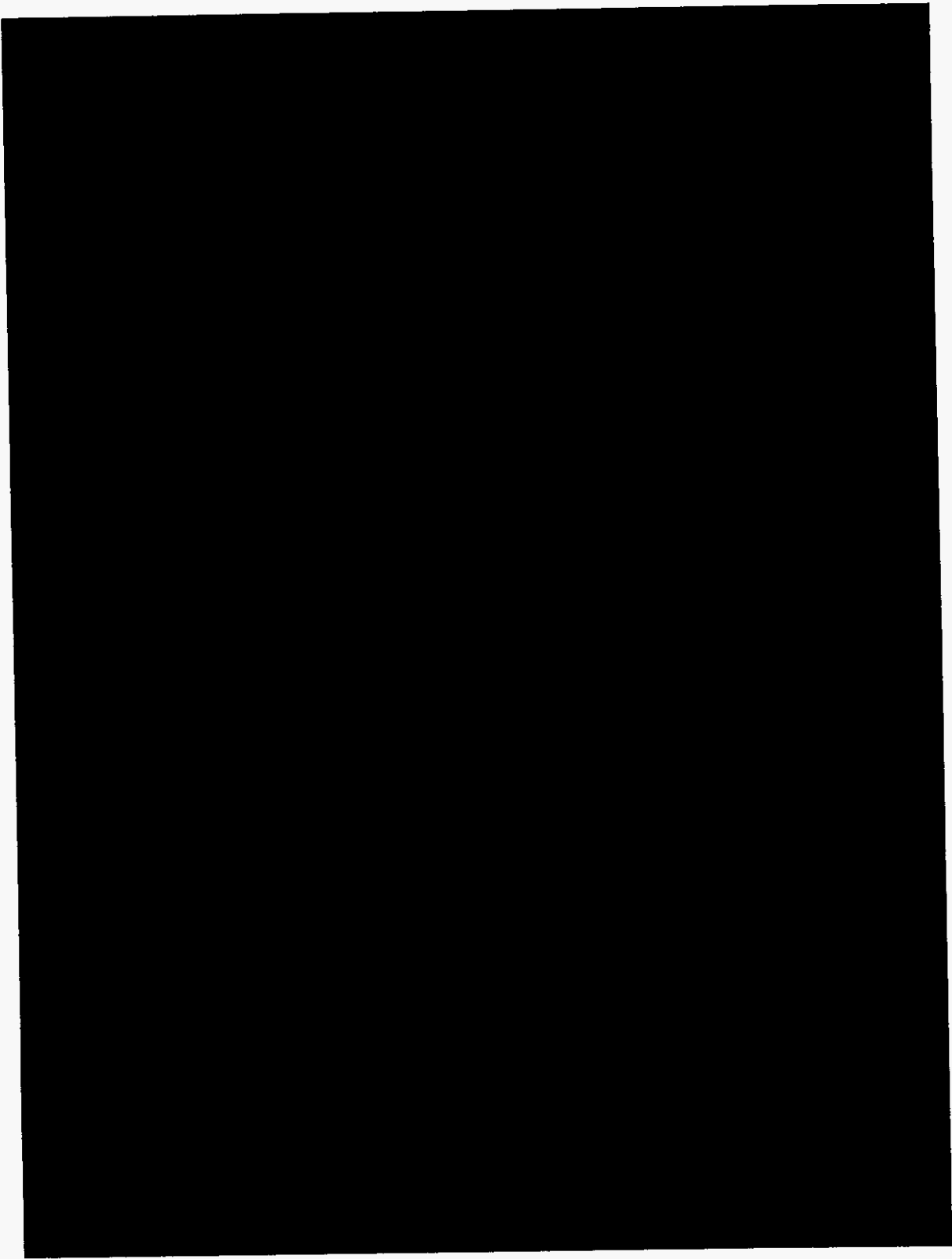
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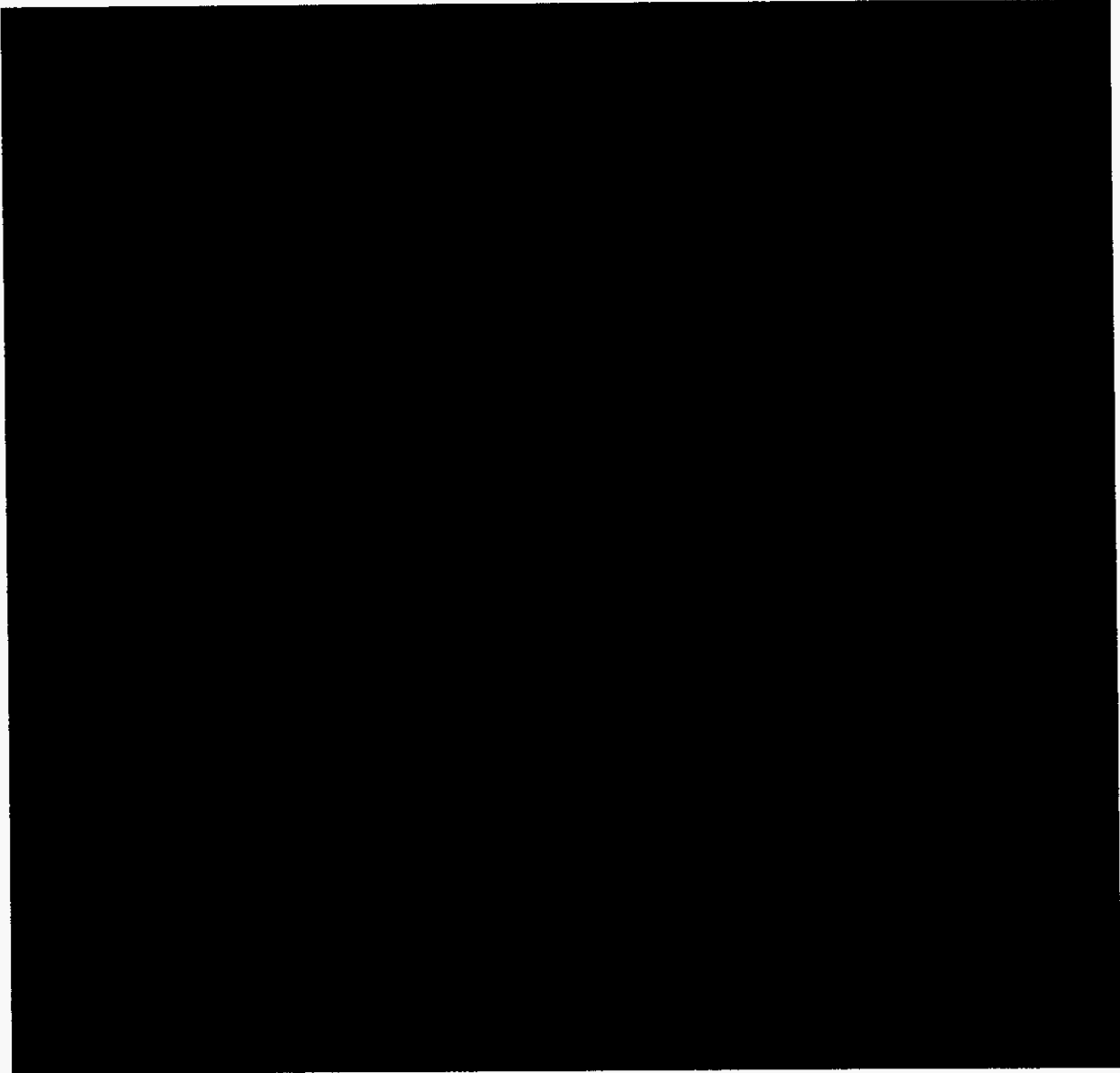
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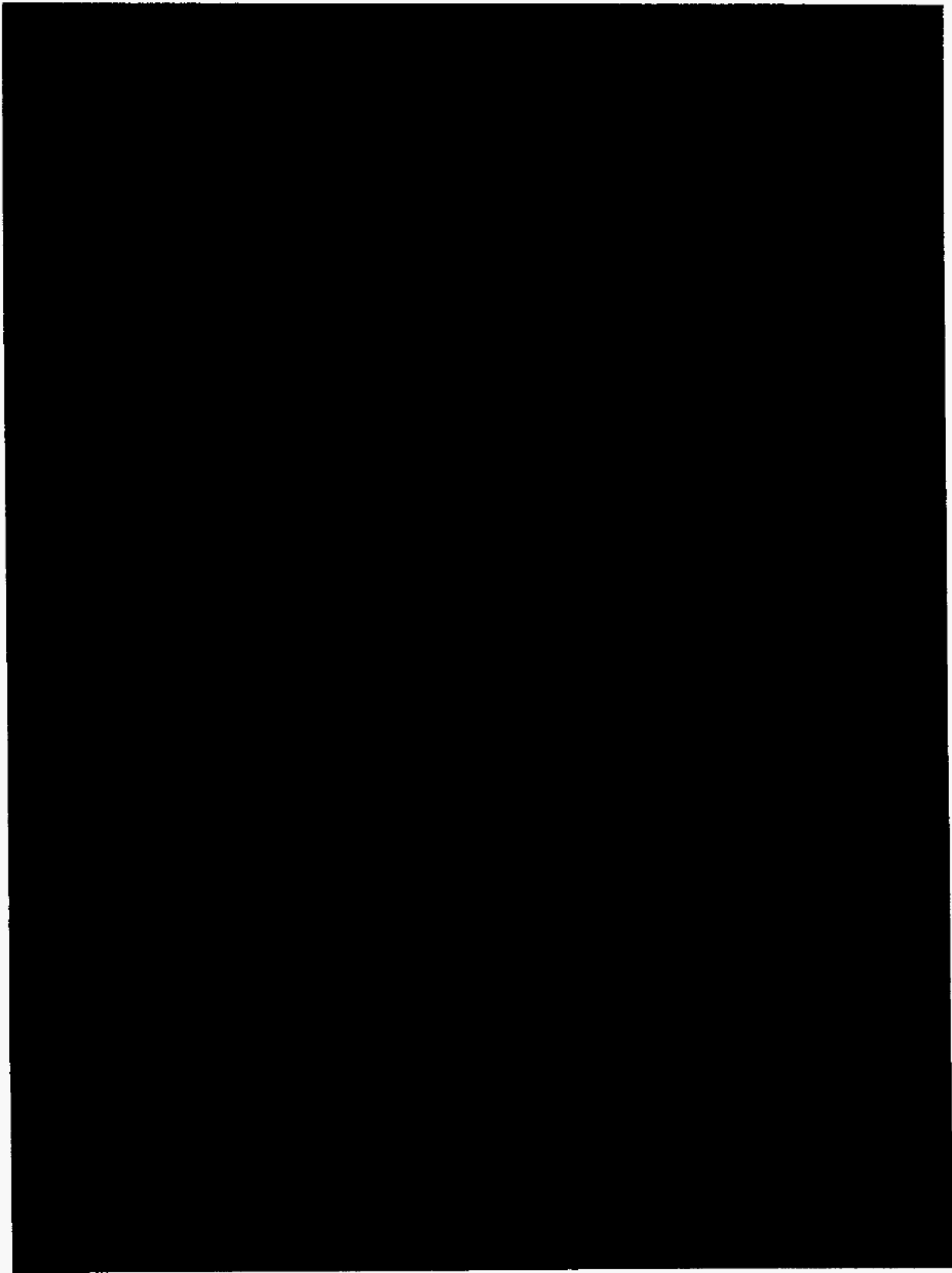
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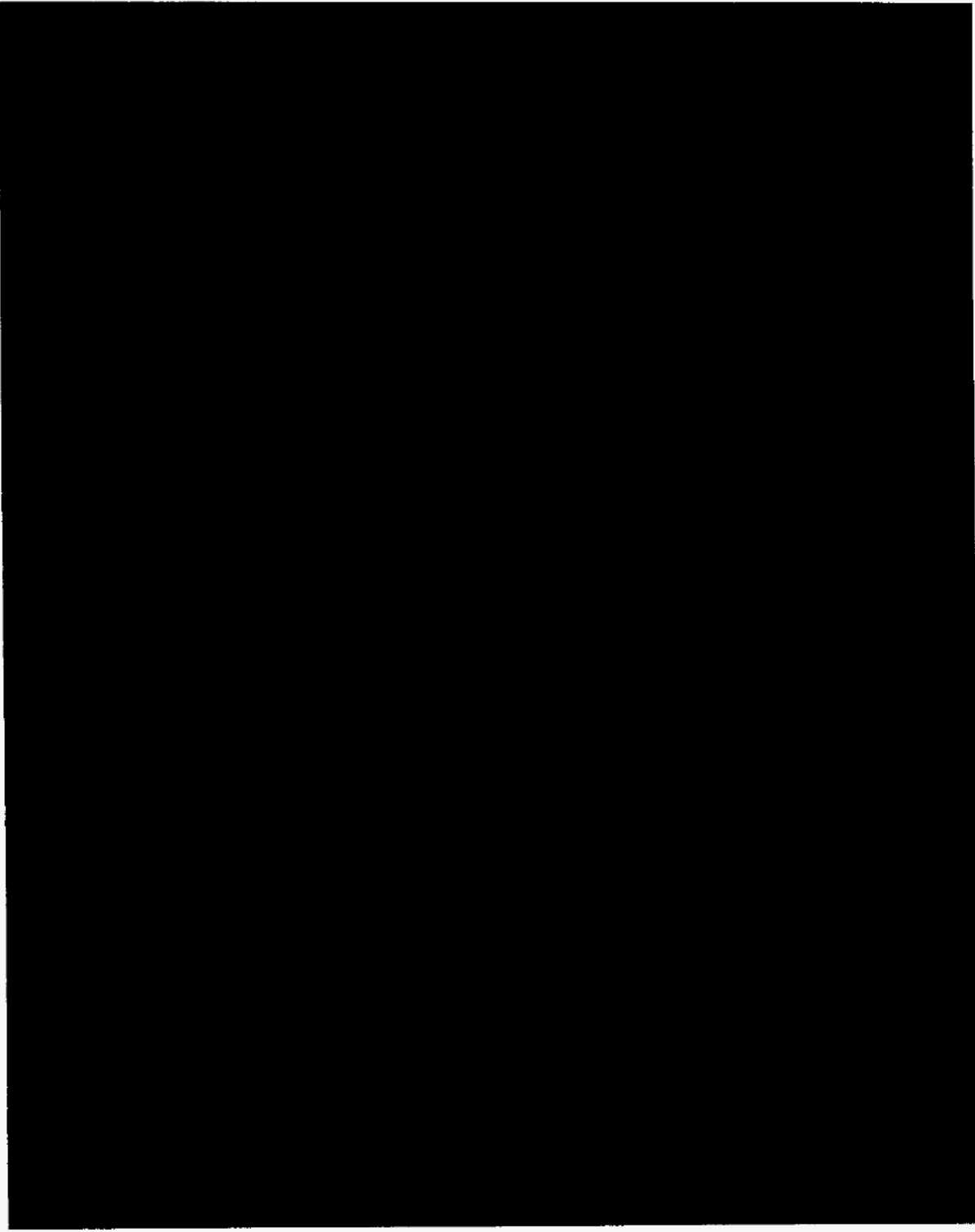
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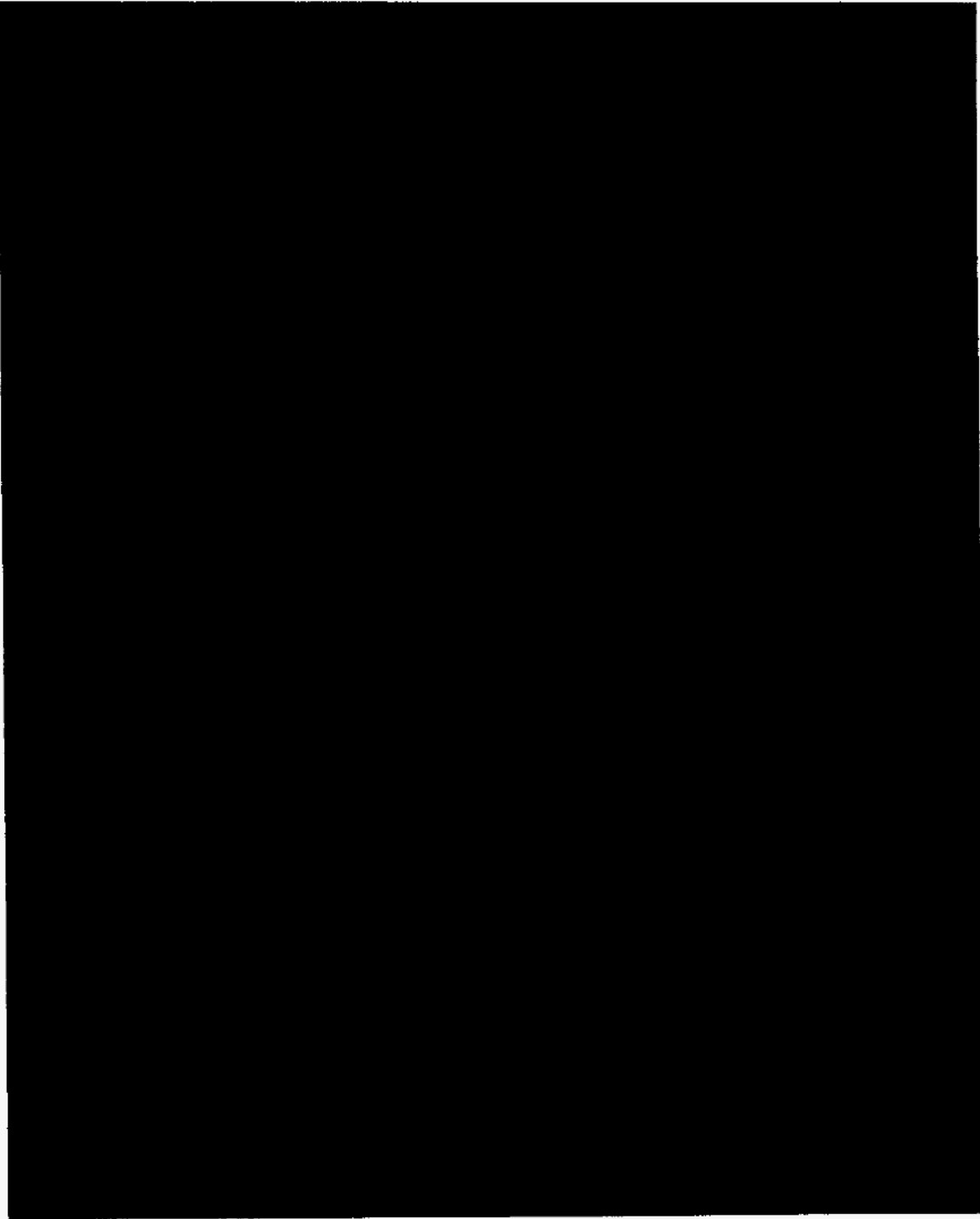
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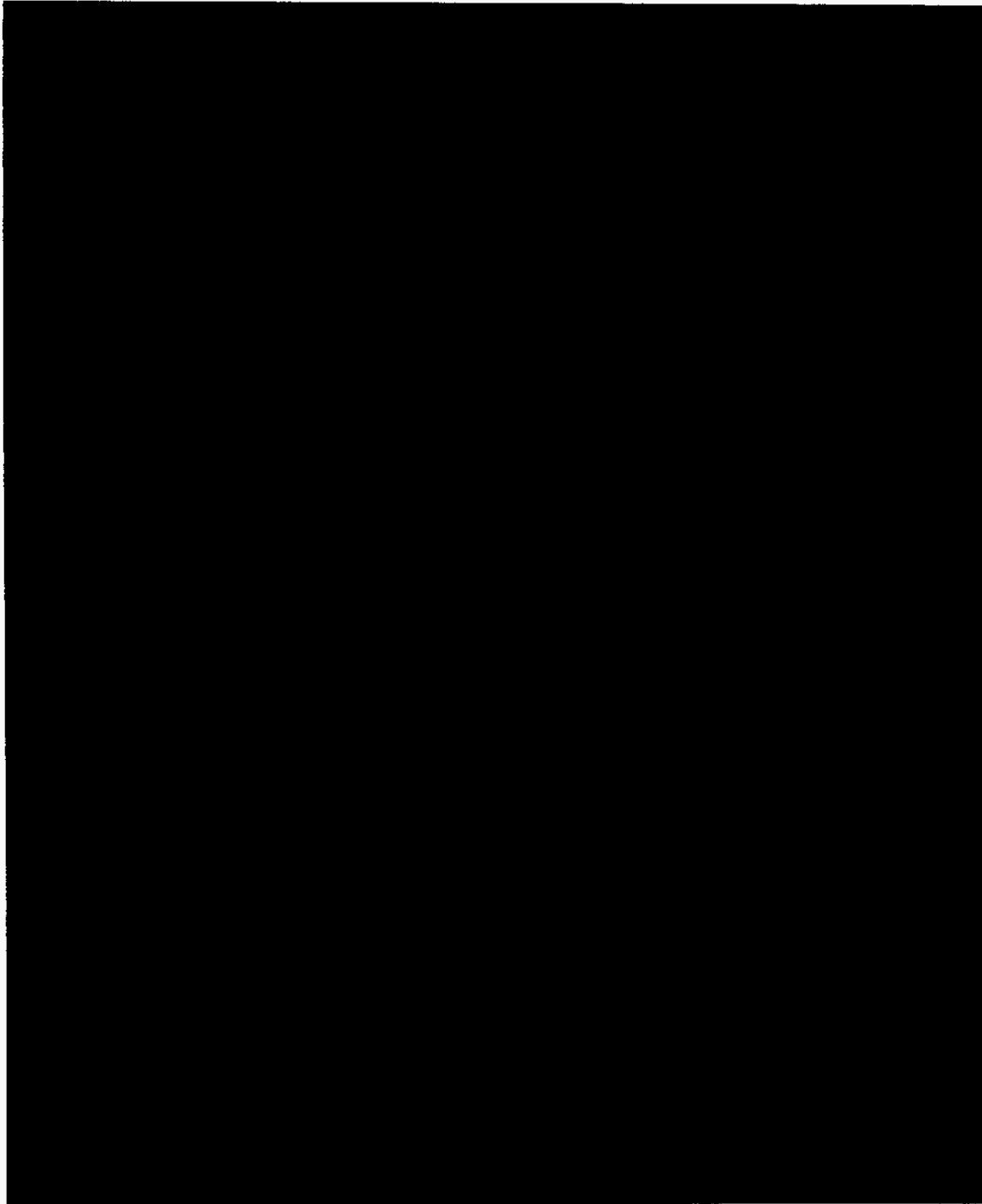
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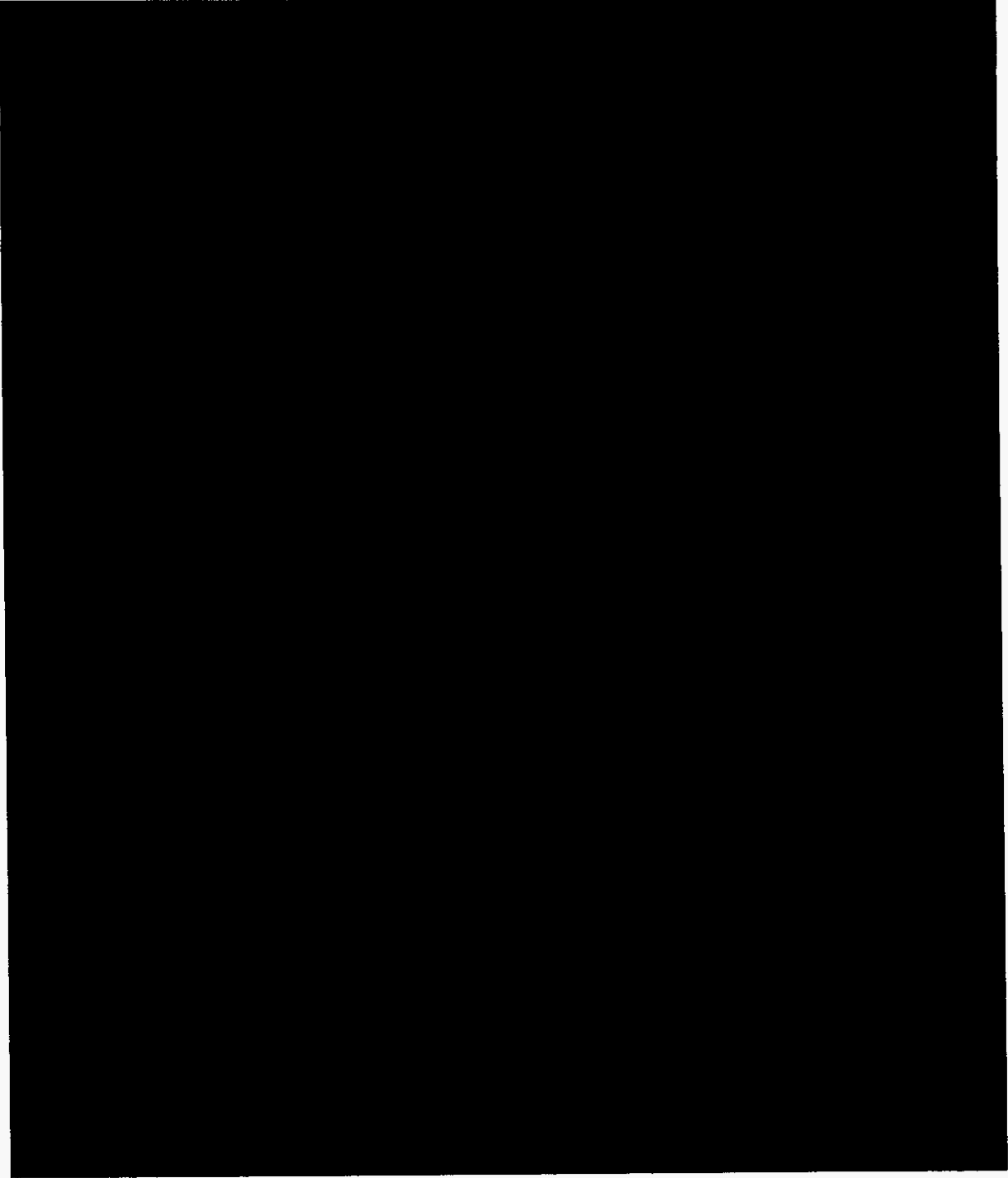
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8-24-26

REDACTED



9-2p 27



Audit Services Department

Crystal River 3 Uprate

December 12, 2008

Submitted To:

Daniel Roderick
Vice President – Nuclear Projects & Construction

COPY

20010456 A816



SOURCE

DK# CR-10-09

148

Executive Summary

A Crystal River 3 Uprate audit was recently completed. This audit report summarizes the audit scope, objective, focus areas, and significant findings. Where necessary this report includes management's planned actions to improve internal control.

Background

Progress Energy is currently in the process of implementing improvements at the Crystal River 3 (CR3) nuclear plant to increase the electrical power output to reduce overall costs to customers and enhance shareholder value. The CR3 Uprate project is expected to save customers more than \$2.6 billion in gross fuel costs through 2036, while the total cost for the project is estimated to be [REDACTED]. CR3 will implement these improvements in three phases. Phase I - the Measurement Uncertainty Recapture was completed in 2007. Phase II - the Balance of Plant Efficiency is scheduled for implementation during the RFO 16 refueling and steam generator replacement in the 4th quarter 2009. Phase III - the Extended Power Uprate is planned for 2011. CR3 is currently operating at a licensed core power level of 2,609 megawatts thermal (MWt) and electrical output of 903 megawatts electrical (MWe) and will achieve a power uprate of 17.4 percent to operate safely at 3014 MWt and 1080 MWe. Audit Services (ASD) completed an audit of the CR3 uprate project in 2007.

Objective and Scope

This audit focused on the overall project funding, project and cost management practices, and Phase II implementation. The primary objective was to evaluate the project management, contract administration, financial controls and communications, associated with the CR3 Uprate project. The scope of the audit included assessing the overall project, construction and cost management process effectiveness; contract administration and payments; and financial and management reporting.

Key Focus Areas

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

9-102

December 12, 2008

Crystal River 3 Uprate

[REDACTED]

Submitted by:

Ron Velat
Senior Auditor

Raymond Phillips
Audit Manager

Audit Team:
Melanie Shipley
Ruth Bartholomew

Copies Provided To:
Bob Bazemore
Penny Broussard
Cheryl Brown
Phyllis Dixon
Joe Donahue
Gene Flavors
Claudia Guthrie
Terry Hobbs
Steve Huntington
Bill Johnson
Jon Kerin

Garry Miller
John McArthur
Robert Pellegrin
Jim Scarola
James Terry
David Varner
Ted Williams
Ivy Wong
Donna Wood
Dale Young
Deloitte & Touche LLP

9-1-3

Observations, Recommendations, and Action Plans

[REDACTED]

[REDACTED]

[REDACTED]

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9-1p 4

[REDACTED]

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9/10/16

Progress Energy Florida
CR3 UpRate NCRC
Docket# 100009-ED AP# 10-006-3-2
12-Month Period Ending December 31, 2009

4/10



Audit Services Department

2009 Florida Nuclear Plant Cost Recovery Rule Compliance Monitoring Review

May 26, 2009

Submitted To:

Will Garrett
Controller-Progress Energy Florida

Mark Myers
Vice President-Corporate Planning

Peter Toomey
Vice President-Finance-Progress Energy Florida

COPY

20013334 A916

SOURCE



PR CR-16-09

10-16 p 2

**Revised
Exhibit B
(copy #2)**



REDACTED

Audit Services Department

CR3 EPU and SGR Projects

July 2, 2009

Submitted To:

Joe Donahue
Vice President-Nuclear Engineering Services

- COM _____
- APA _____
- ECR 1 _____
- GCL _____
- RAD _____
- SSC _____
- ADM _____
- OPC _____
- CLK _____

COPY



DOCUMENT NUMBER-DATE

20013334 A906 & A907

SOURCE

DR# CR-10-093 | JUN 14 2009

FPSC-007-2009-001

9-2p1

Executive Summary

An audit of Crystal River 3 (CR3) Extended Power Uprate (EPU) and Steam Generator Replacement (SGR) Projects was recently completed. This audit report summarizes the audit scope, objective, focus areas, and significant findings. Where necessary this report includes management's planned actions to improve internal control.

Background

Progress Energy is currently in the process of implementing improvements at the CR3 nuclear plant. The first improvement is a major project for SGR that is necessary to realize the benefits of extending the licensed life of the plant. Planning began in 2002 for the replacement of the two existing steam generators with new and improved models. The project will incorporate design and material changes to reduce the susceptibility of corrosion. The proposed total project cost submitted in Revision 1 of the Integrated Project Plan (IPP) for SGR is estimated to be [REDACTED] with [REDACTED] expended through 2008. The proposed 2009 project budget is [REDACTED]. Phase I, the planning phase, of SGR is complete. Phase II, the implementation phase, will take place during the 2009 R16 refueling outage.

The second improvement is a major project for an EPU that will increase the electrical power output of the plant, reduce overall costs to customers, and enhance shareholder value. The EPU Project is expected to save customers more than \$2.6 billion in gross fuel costs through 2036. The total project cost submitted in Revision 1 of the IPP for EPU is estimated to be [REDACTED] capital and [REDACTED] O&M with [REDACTED] capital expended through 2008. The 2009 project budget is [REDACTED]. Phase I, Measurement Uncertainty Recapture (MUR) power uprate, was completed in 2008. Phase II, implementation phase, includes replacement of several components including: low pressure turbines, electrical generator and exciter, condensate heat exchangers, and turbine cycle steam moisture separators. Phase II of EPU is scheduled for implementation during the 2009 R16 refueling outage and Phase III is planned for 2011.

The two major projects will be implemented simultaneously during the 2009 R16 refueling outage. The volume of work and resultant logistics of construction initiation of the two projects at the same time is a challenge that must be managed carefully through project management.

Objective and Scope

This audit focused on overall project funding, in addition to project and cost management practices. The primary objective was evaluation of project management, contract administration, financial controls, and communications associated with the CR3 SGR and EPU major projects. The scope included assessing CR3 EPU and SGR major projects activity in 2009. Assistance was provided by Nuclear Oversight for fieldwork activities.

Key Focus Areas

[REDACTED]

4-24-2

Conclusion

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Submitted by:

Ruth Bartholomew (EPU)
Senior Auditor
Melanie Shipley (SGR)
Senior Auditor

Raymond Phillips
Audit Manager

Audit Team:
Ron Velat, Senior Auditor
Thomas Lewis, Senior Assessor NP-NOS
Clift Pompee, Senior Assessor NP-NOS

Copies Provided To:
Edward Avella
Stephen Z. Barkofski
Bob Bazemore
Robert Bell
Bonnie Bischoff
Melinda Burrows
Bruce Cosgrove
Gene A. Flavors
Jon Franke

4-24 3

July 2, 2009

CR3 EPU and SGR Projects

Deborah A. Hanna
Terry Hobbs
Bill Johnson
Ernie Kapopoulos
Dan Krysalika
Jon Kerin
Mark Mulhern
William J. Nielsen
Jim Scarola
Frank Schiller
James H. Terry Jr.
Tom Walt
Ivy Wong
Deloitte & Touche LLP

9-29-4

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9-2, 6

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9-29-7

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

1

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9-21-9

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

9-2p

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9-2-11

July 2, 2009

CR3 EPU and SGR Projects

[REDACTED]

[REDACTED]

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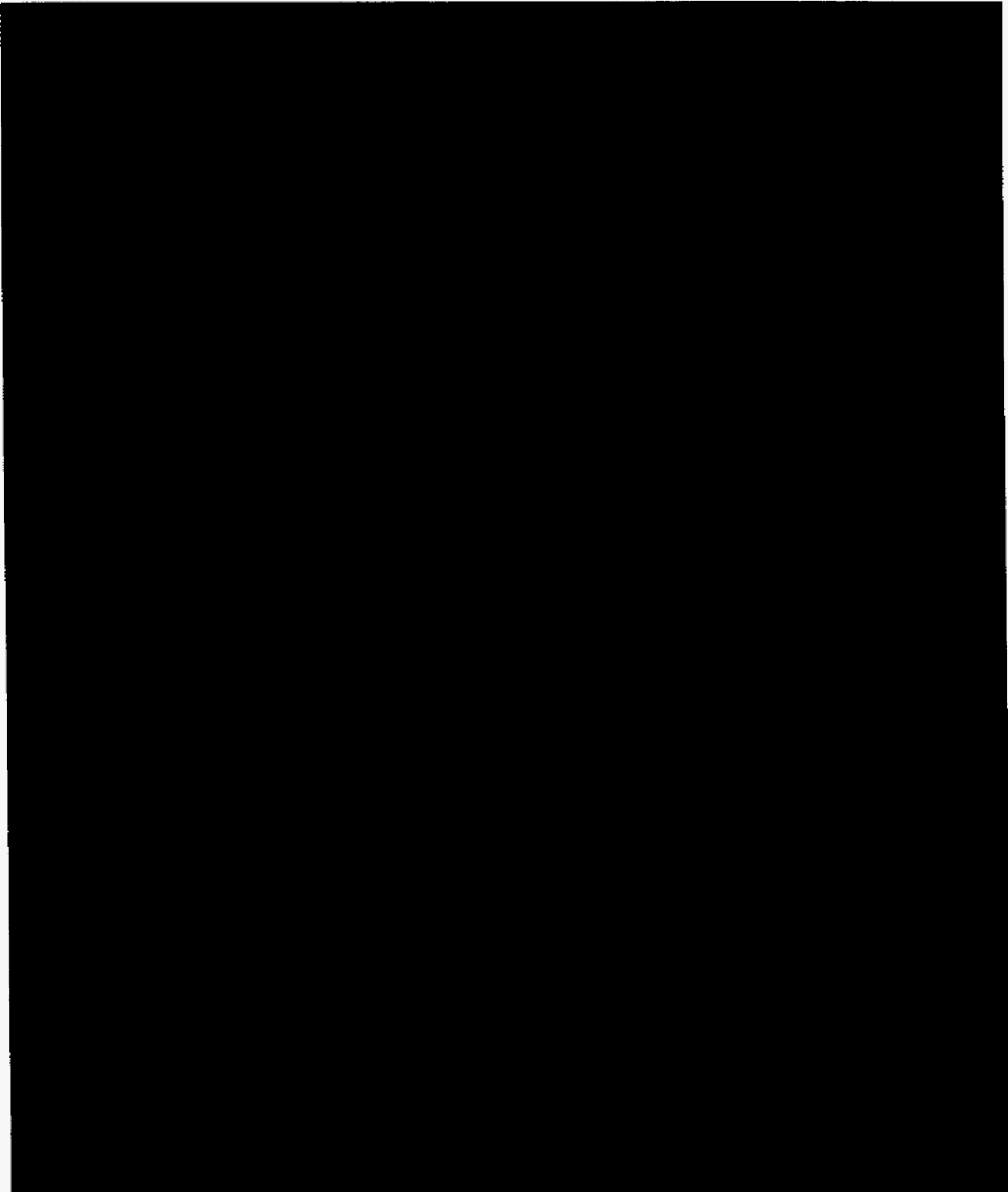
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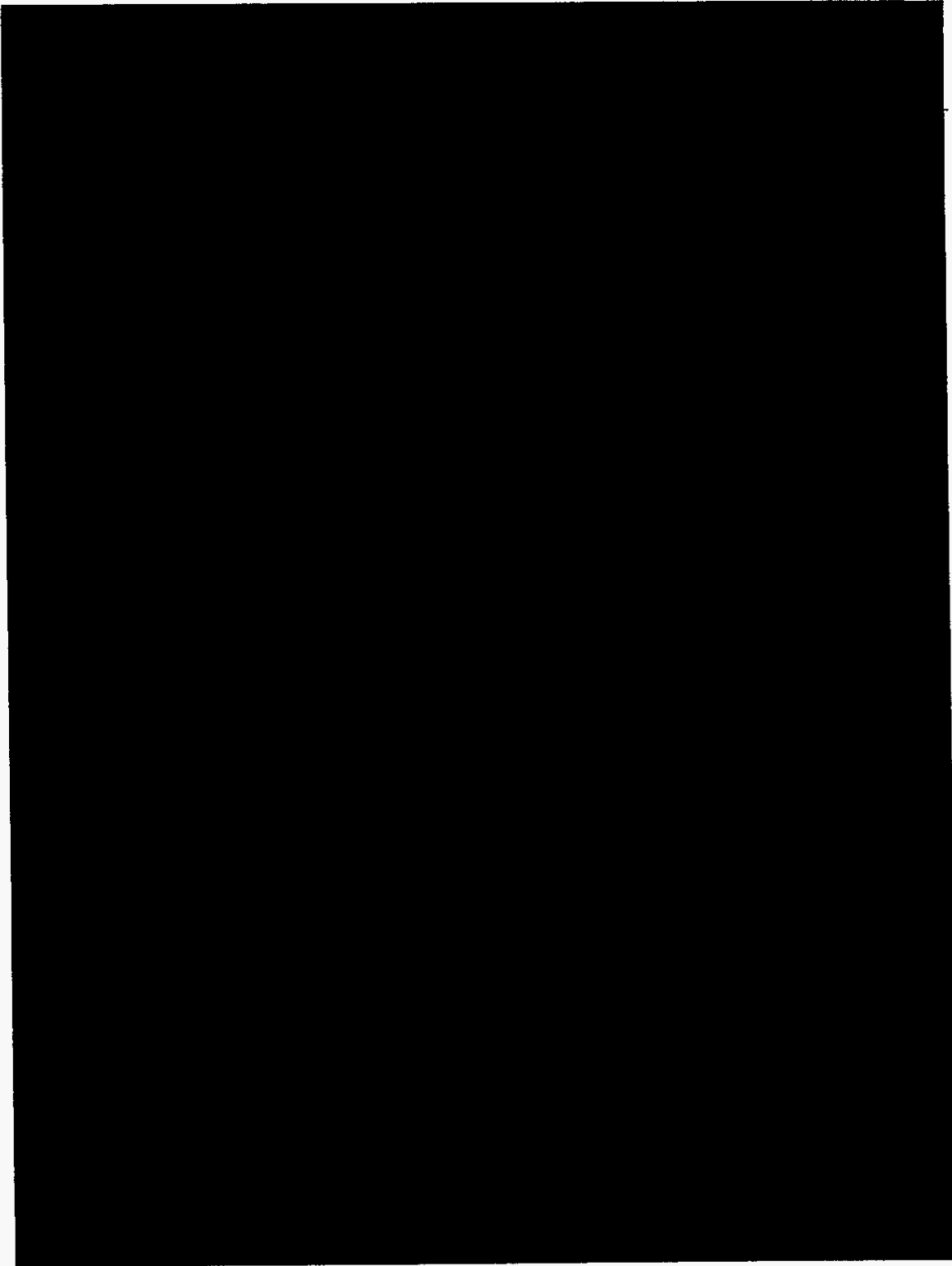
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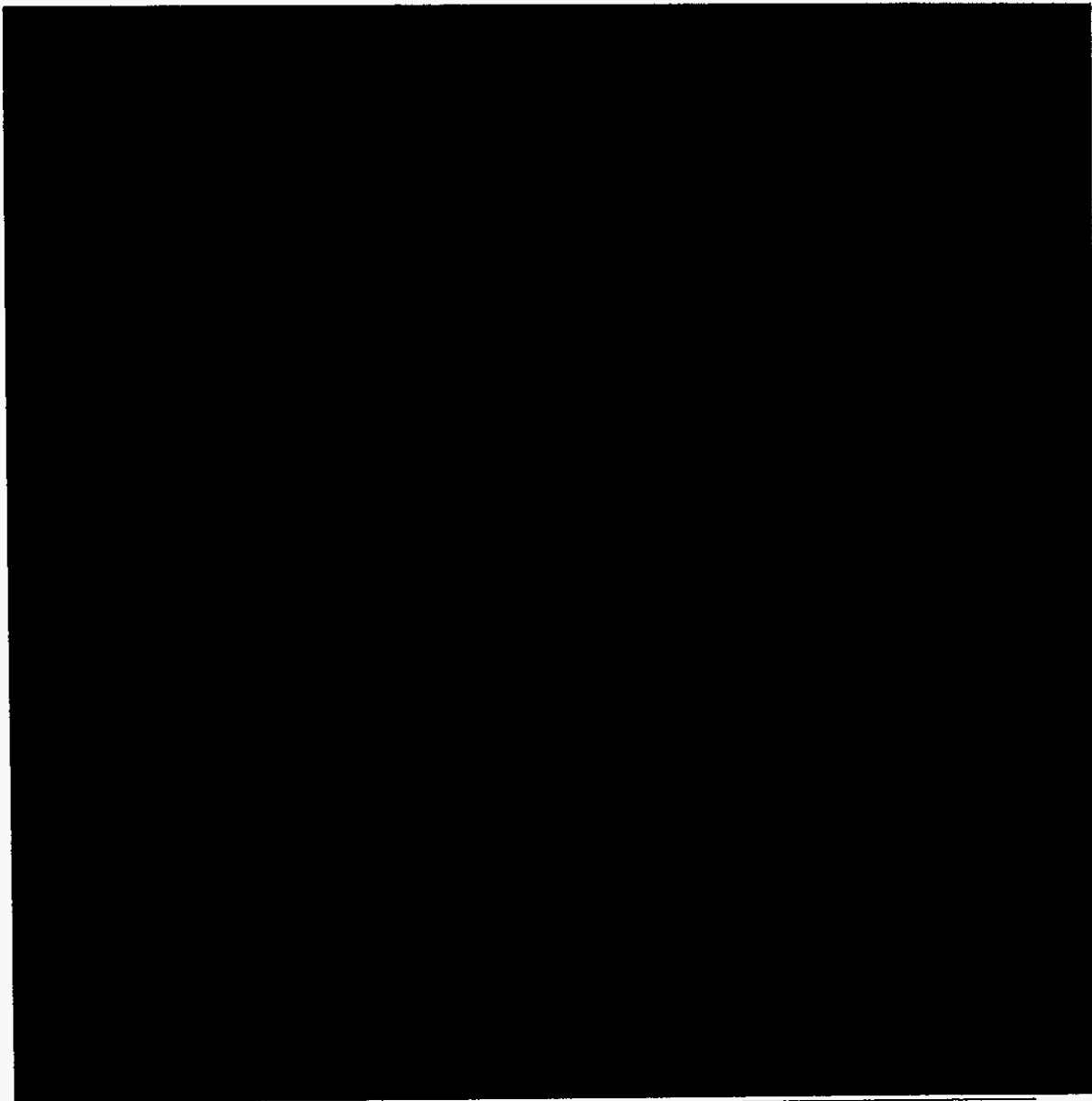
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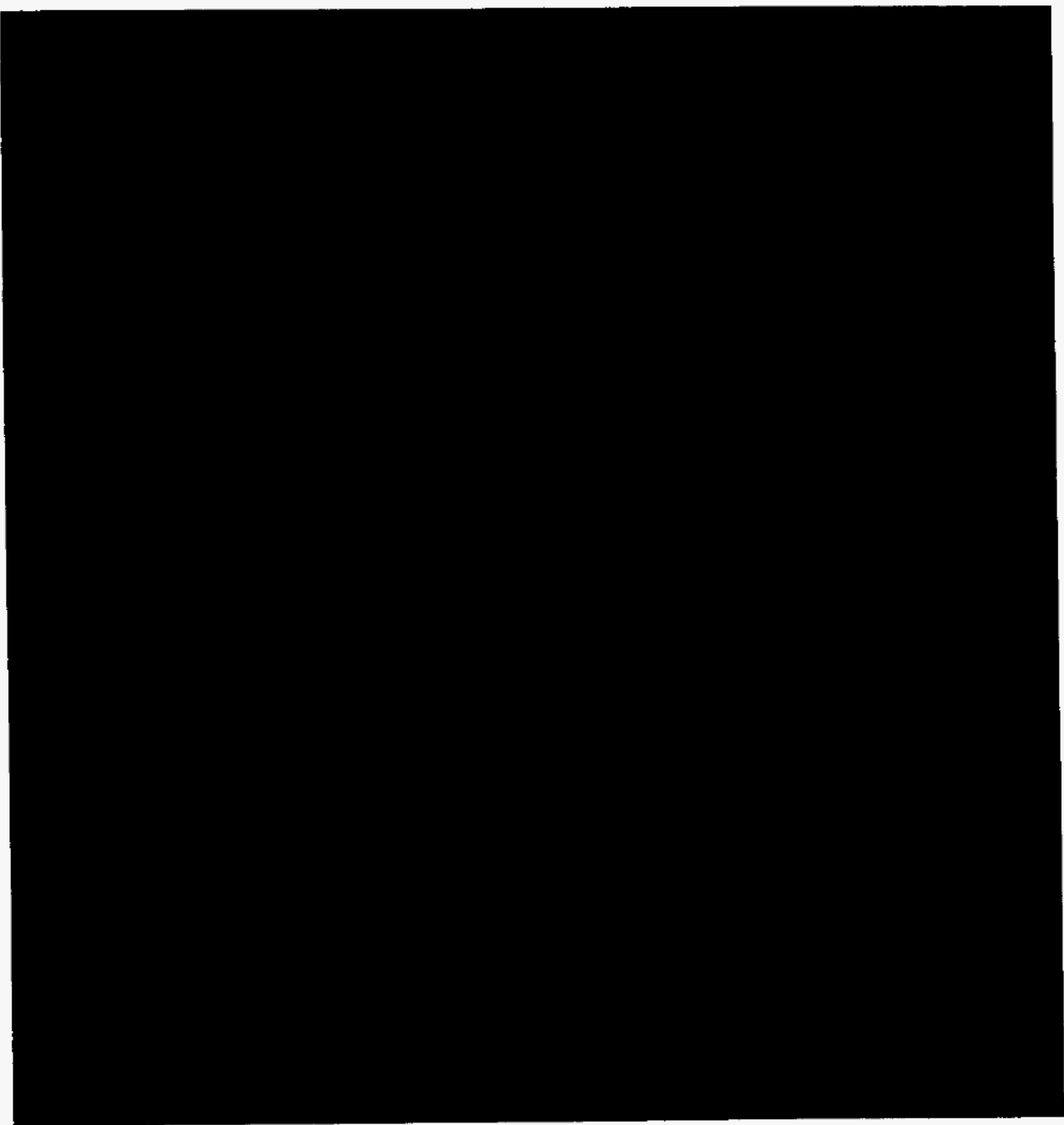


9-29-15

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9-2p/6



9-8-17

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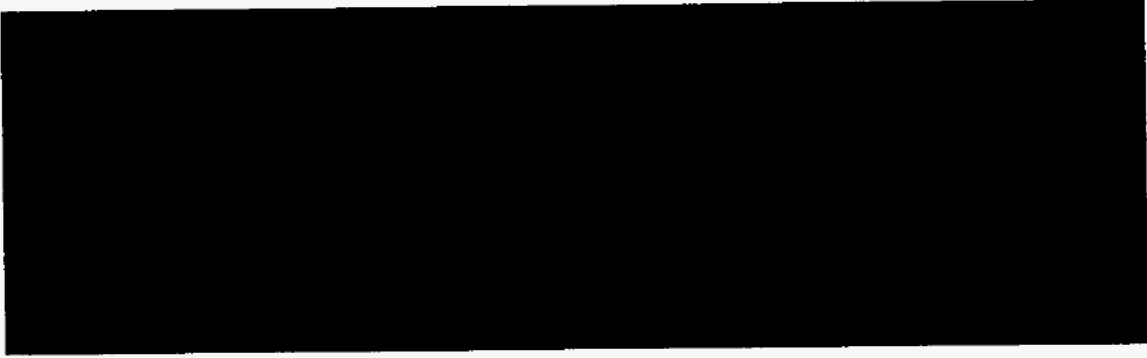
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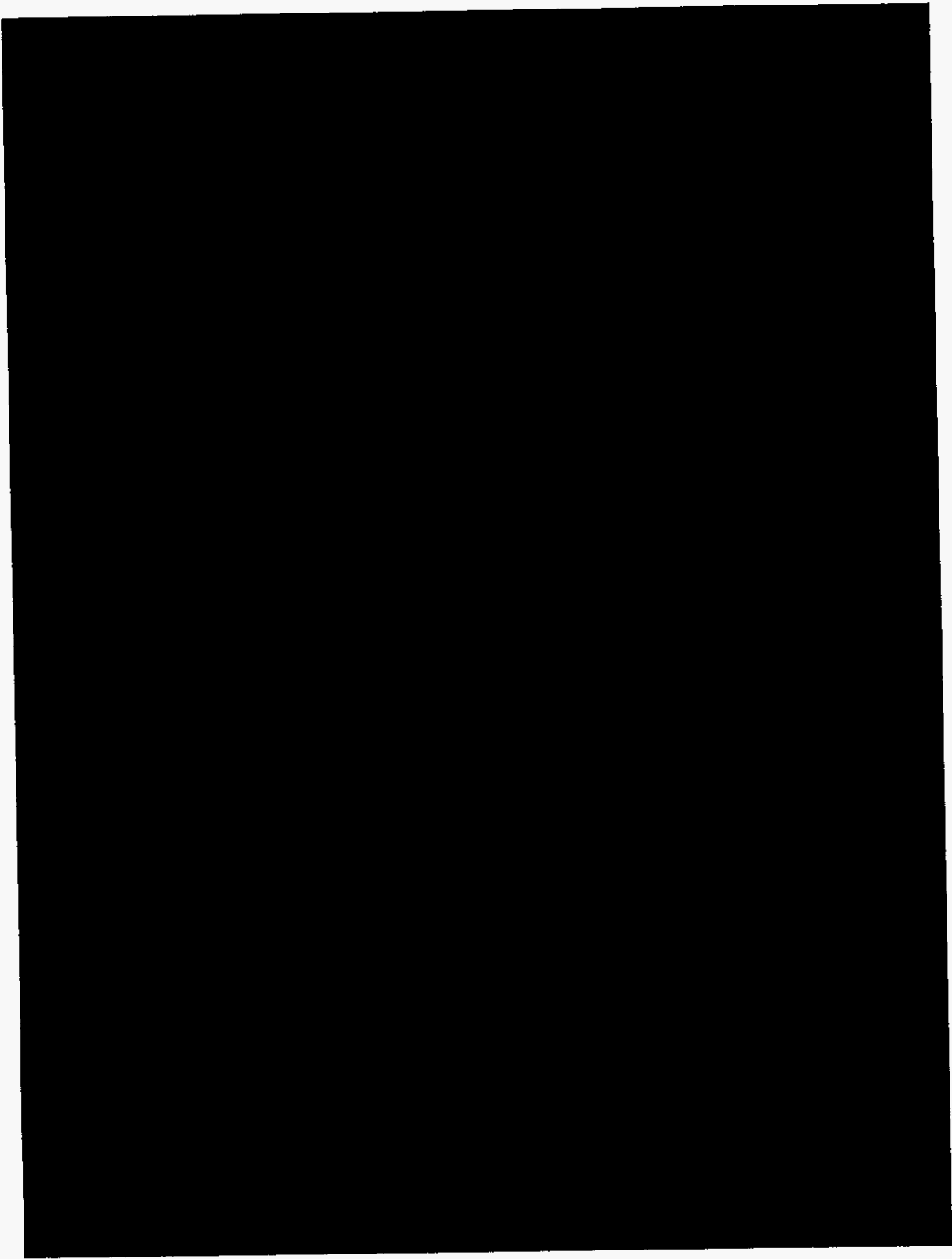
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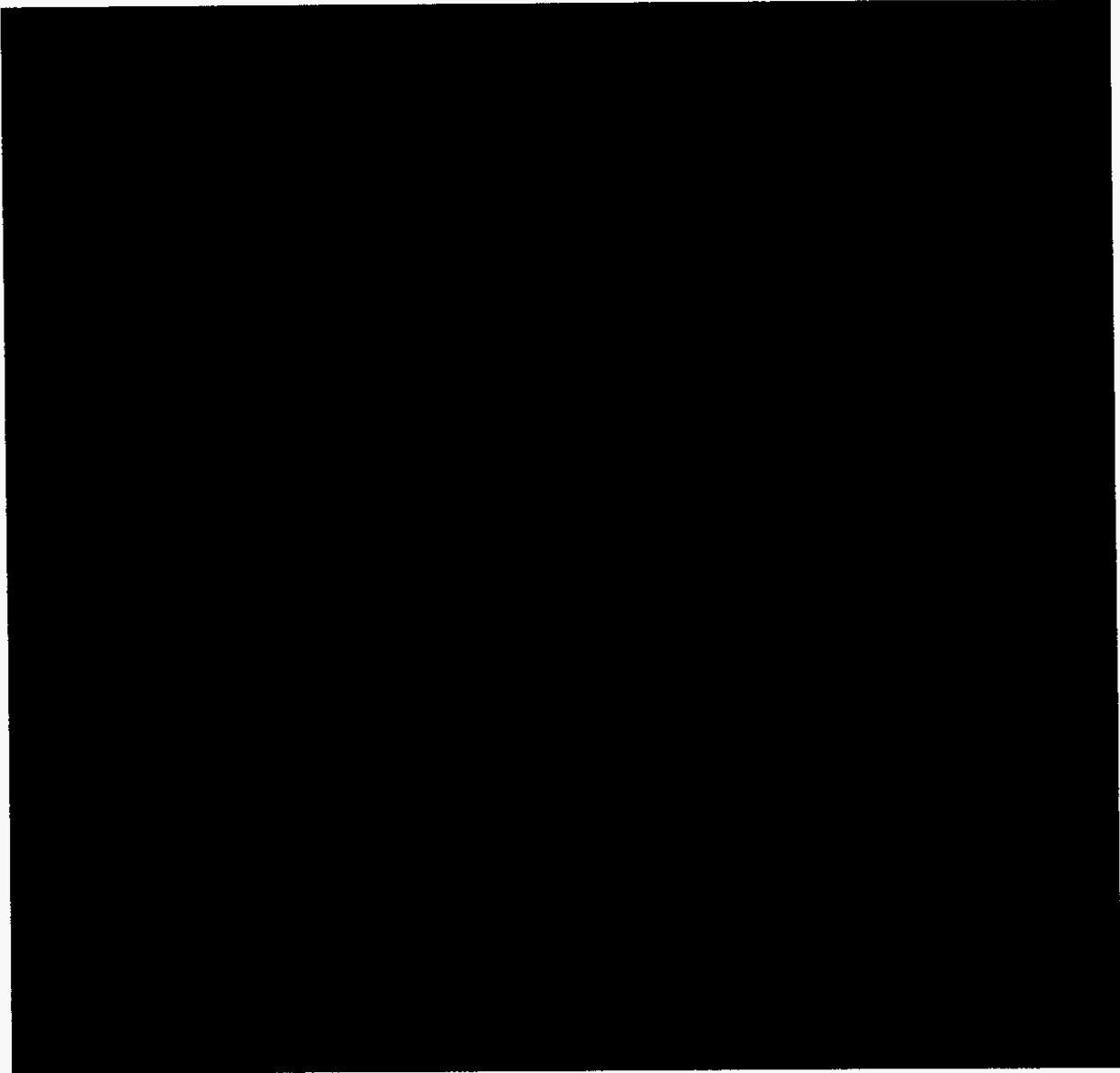
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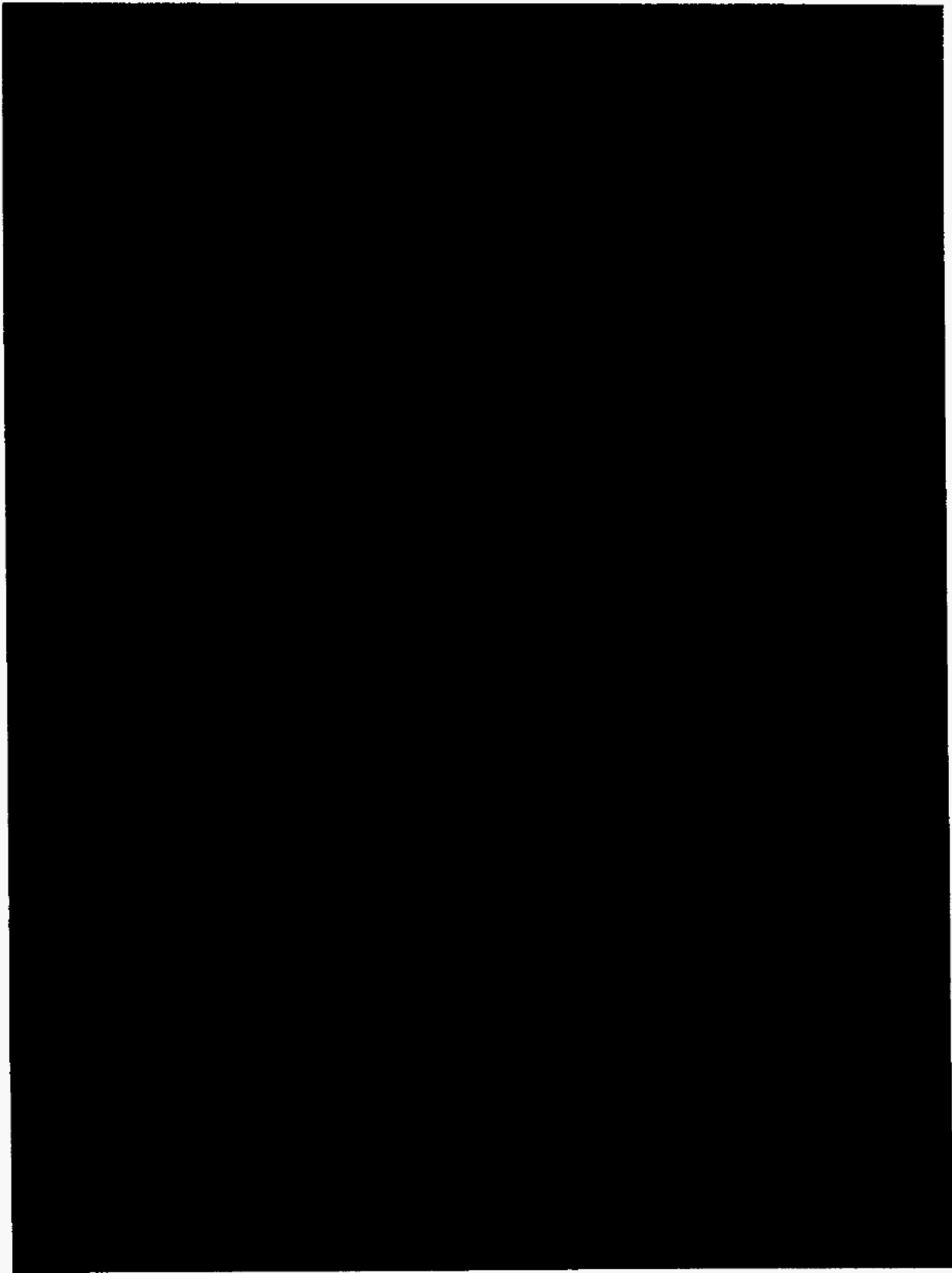
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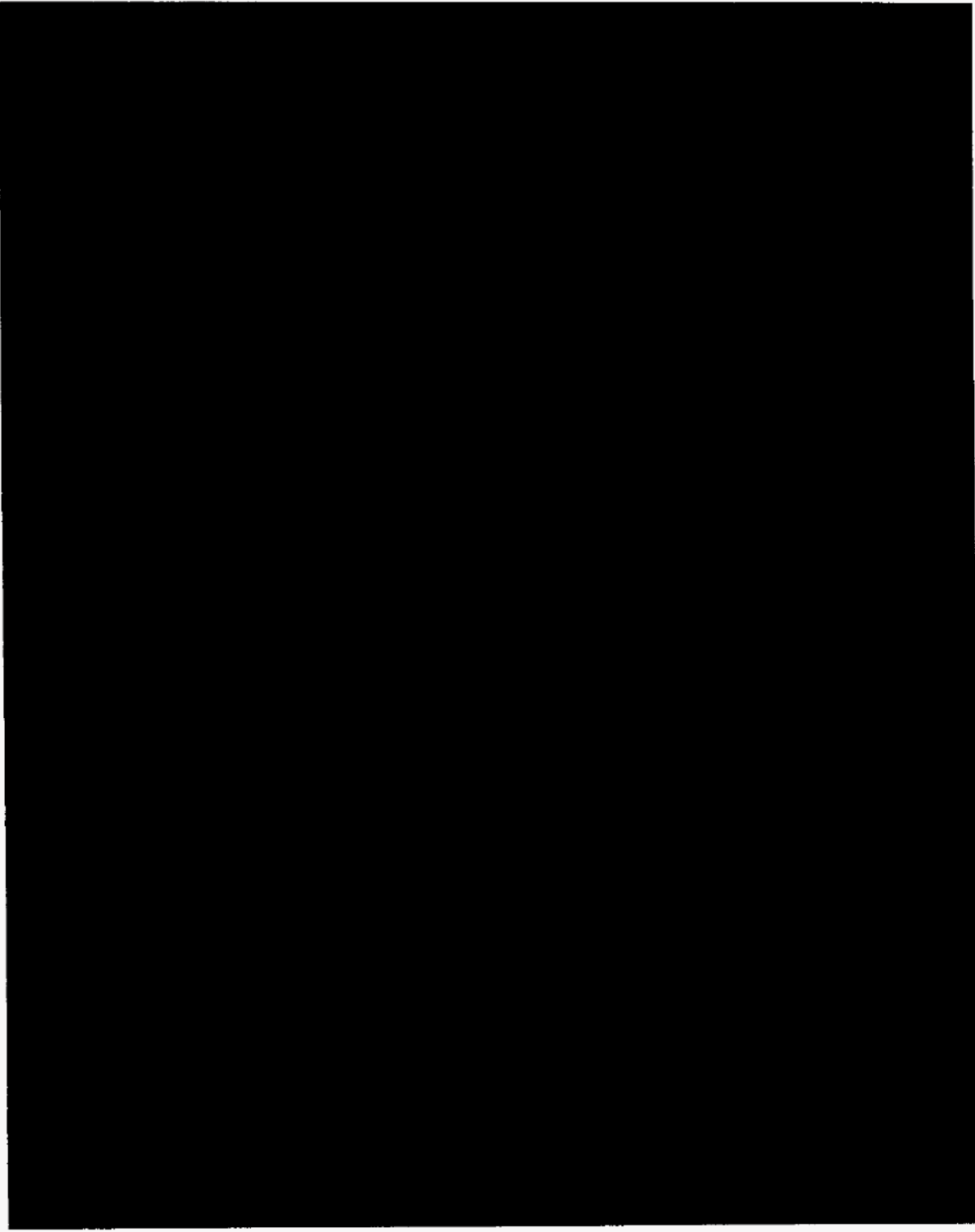
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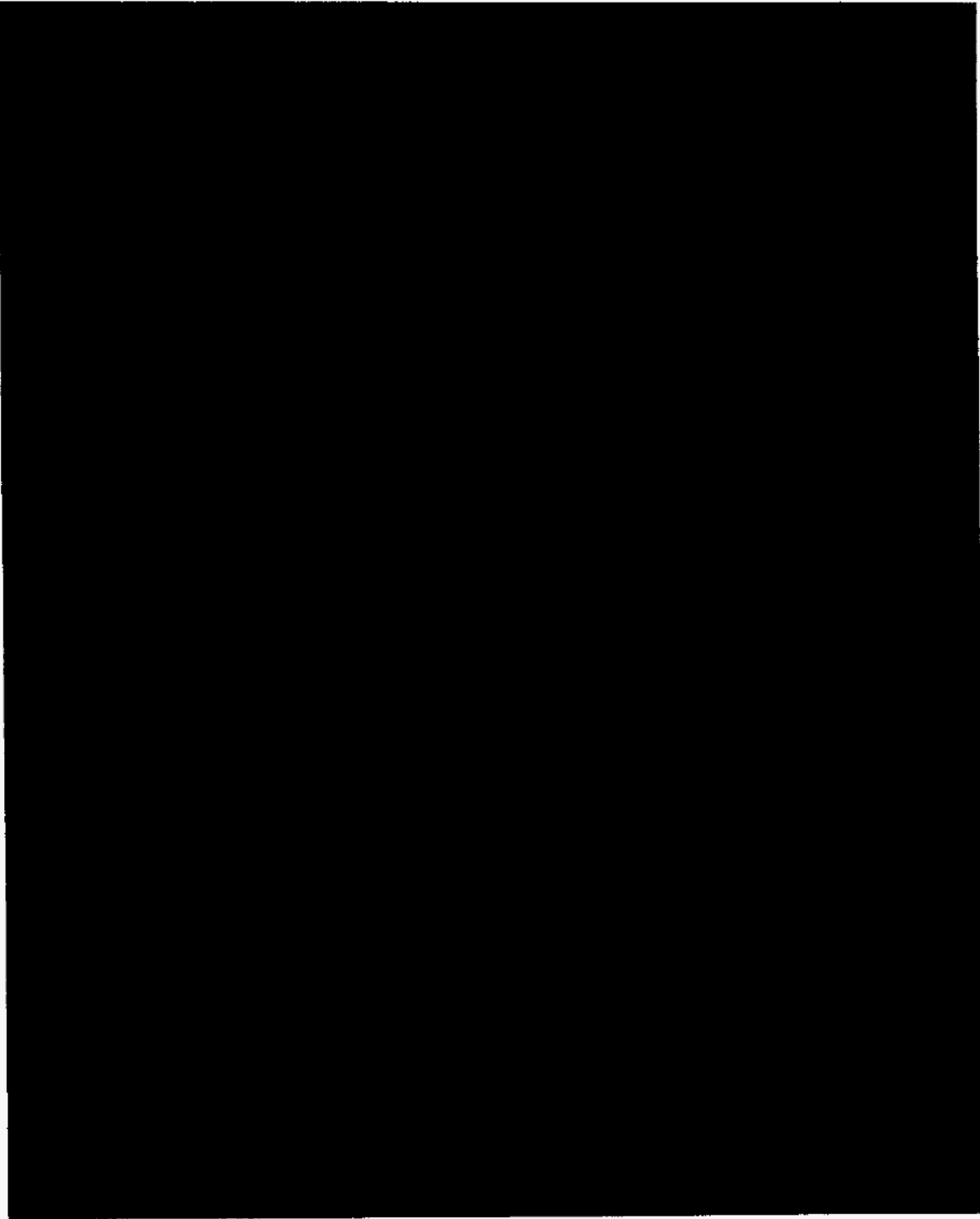
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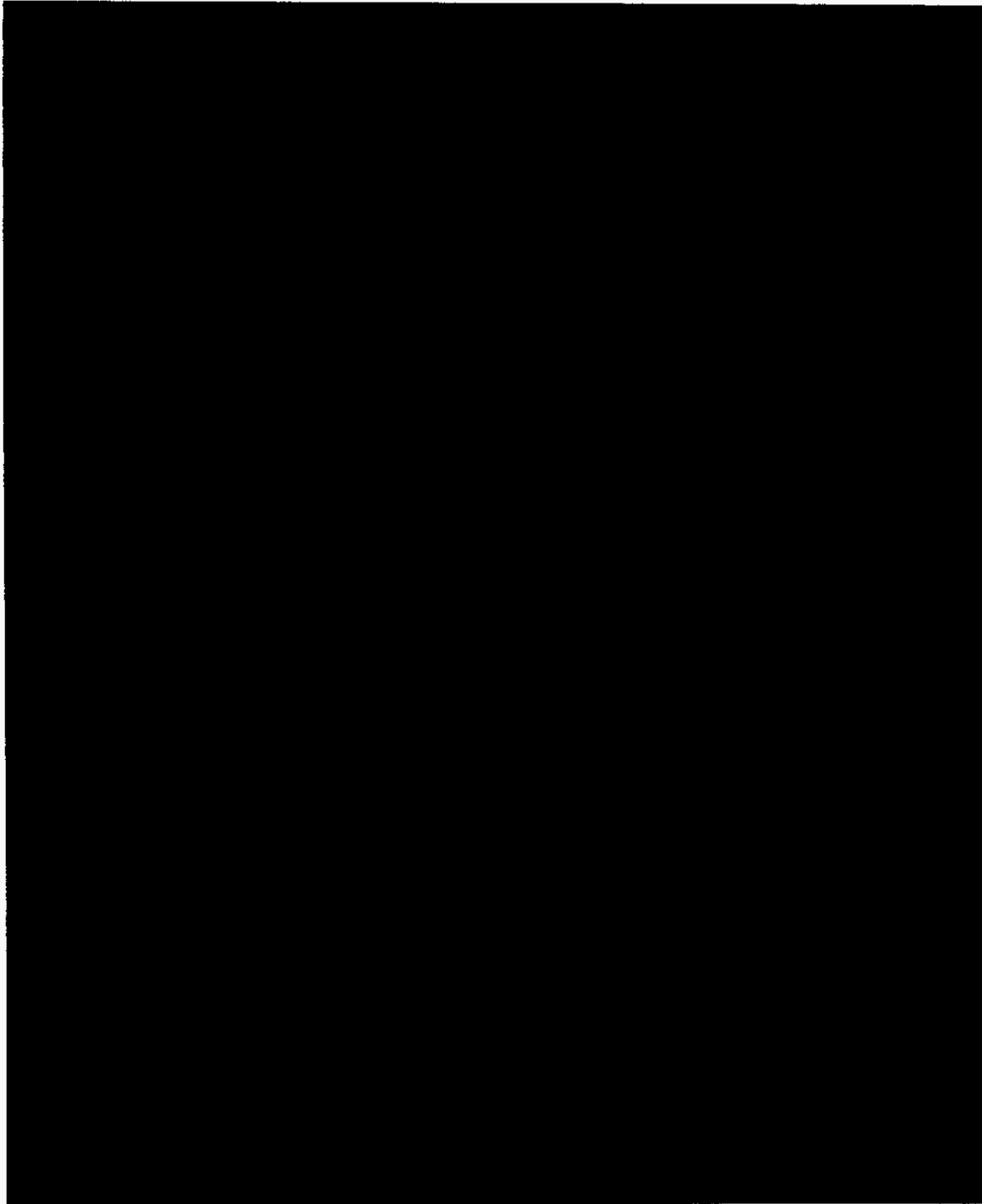
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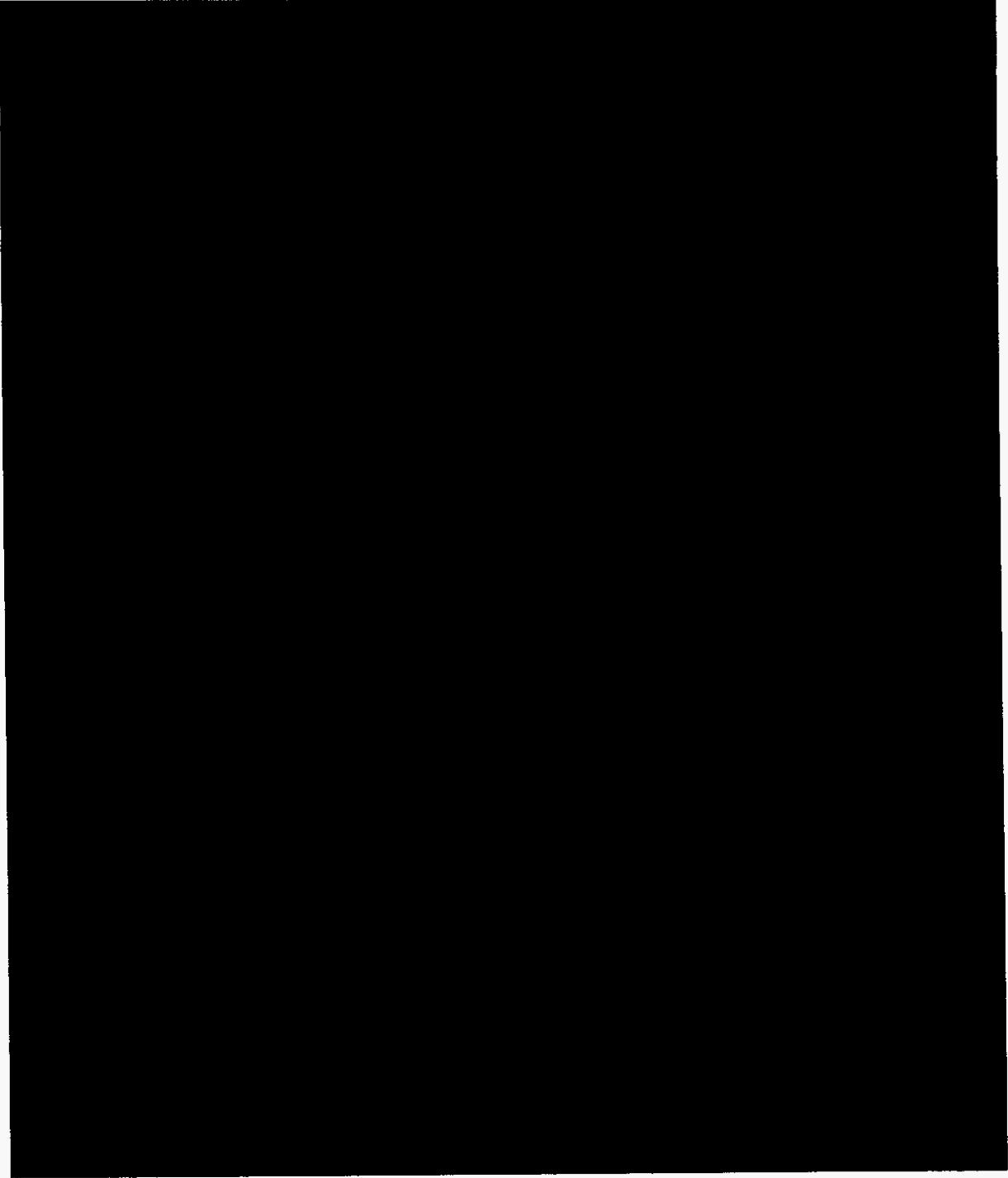
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8-24-26

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9-2p 27



Audit Services Department

Crystal River 3 Uprate

December 12, 2008

Submitted To:

Daniel Roderick
Vice President – Nuclear Projects & Construction

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SOURCE

DK# CR-10-09

148

Executive Summary

A Crystal River 3 Uprate audit was recently completed. This audit report summarizes the audit scope, objective, focus areas, and significant findings. Where necessary this report includes management's planned actions to improve internal control.

Background

Progress Energy is currently in the process of implementing improvements at the Crystal River 3 (CR3) nuclear plant to increase the electrical power output to reduce overall costs to customers and enhance shareholder value. The CR3 Uprate project is expected to save customers more than \$2.6 billion in gross fuel costs through 2036, while the total cost for the project is estimated to be [REDACTED]. CR3 will implement these improvements in three phases. Phase I - the Measurement Uncertainty Recapture was completed in 2007. Phase II - the Balance of Plant Efficiency is scheduled for implementation during the RFO 16 refueling and steam generator replacement in the 4th quarter 2009. Phase III - the Extended Power Uprate is planned for 2011. CR3 is currently operating at a licensed core power level of 2,609 megawatts thermal (MWt) and electrical output of 903 megawatts electrical (MWe) and will achieve a power uprate of 17.4 percent to operate safely at 3014 MWt and 1080 MWe. Audit Services (ASD) completed an audit of the CR3 uprate project in 2007.

Objective and Scope

This audit focused on the overall project funding, project and cost management practices, and Phase II implementation. The primary objective was to evaluate the project management, contract administration, financial controls and communications, associated with the CR3 Uprate project. The scope of the audit included assessing the overall project, construction and cost management process effectiveness; contract administration and payments; and financial and management reporting.

Key Focus Areas

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

9-102

December 12, 2008

Crystal River 3 Uprate

[REDACTED]

Submitted by:

Ron Velat
Senior Auditor

Raymond Phillips
Audit Manager

Audit Team:
Melanie Shipley
Ruth Bartholomew

Copies Provided To:
Bob Bazemore
Penny Broussard
Cheryl Brown
Phyllis Dixon
Joe Donahue
Gene Flavors
Claudia Guthrie
Terry Hobbs
Steve Huntington
Bill Johnson
Jon Kerin

Garry Miller
John McArthur
Robert Pellegrin
Jim Scarola
James Terry
David Varner
Ted Williams
Ivy Wong
Donna Wood
Dale Young
Deloitte & Touche LLP

9-1-3

Observations, Recommendations, and Action Plans

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9-1p 4

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9/10/16

Progress Energy Florida
CR3 UpRate NCRC
Docket# 100009-ED AP# 10-006-3-2
12-Month Period Ending December 31, 2009

4/10



Audit Services Department

2009 Florida Nuclear Plant Cost Recovery Rule Compliance Monitoring Review

May 26, 2009

Submitted To:

Will Garrett
Controller-Progress Energy Florida

Mark Myers
Vice President-Corporate Planning

Peter Toomey
Vice President-Finance-Progress Energy Florida

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20013334 A916

SOURCE



PR CR-16-09

10-16 p 2

**DUKE ENERGY FLORIDA – REVISED EXHIBIT C - Docket 150009-EI
Confidentiality Justification Matrix**

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
<p>Audit Services Department, CR3 EPU and AGR Projects, July 2, 2009</p>	<p>Page 2, 2nd paragraph, 6th line, sixth and eighth words, 7th line, fourth word, 3rd paragraph, 4th line, twelfth, fifteenth and last word, 5th line, first and eleventh words, last paragraph, 1st line and all bullet points; Page 3, lines 2 through 19 in their entirety; Page 5, 2nd line to end in their entirety; Pages 6 through 13, entire pages exclusive of header and footer; Attachments identified with handwritten number in lower right hand corner 9-2p14 through 9-2p27 in their entirety</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>Audit Services Department, Crystal River 3 Uprate, December 12, 2008</p>	<p>Page 2, 2nd paragraph, 4th line, fifteenth word, 4th paragraph, all information, 5th paragraph, all information, Page 3, lines 1 through 17 in their entirety; Page 4, 2nd line through end in their entirety; Pages 5 through 8, in their entirety exclusive of header and footer; Attachments identified with handwritten number in lower right hand corner 9-1p9 through 9-1p16 in their entirety</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>

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
<p>Audit Services Department, 2009 Florida Nuclear Plant Cost Recovery Rule Compliance Monitoring Review dated May 26, 2009</p>	<p>Page 2, 7th, 8th and 9th paragraphs in their entirety; Page 3, 1st four paragraphs in their entirety</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>

**Revised Exhibit D
Affidavit of
Raymond Phillips**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Nuclear Cost Recovery Clause

Docket No. 150009-EI
Submitted for Filing: Nov. 23, 2015

**AFFIDAVIT OF RAYMOND PHILLIPS 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 Raymond Phillips, who being first duly sworn, on oath deposes and says that:

1. My name is Raymond Phillips. I am employed by Duke Energy business Services, LLC ("Duke Energy") in the capacity of Director of Environmental, Health & Safety (EHS) Audits in the Internal Audit, Ethics, and Compliance Department. 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 (hereinafter "DEF" or the "Company") behalf and in support of DEF's Request for Extension of Confidential Classification (the "Request") concerning certain information contained in the responsive documents to *Audit Control 10-006-2-2*, filed on June 14, 2010 in Docket No. 100009-EI (document no. 04930-10). The facts attested to in my affidavit are based upon my personal knowledge.

2. As a Director of Audit Services, I am responsible for managing internal audits on various projects across Duke Energy which include financial and operations activities as well

as EHS. During the period 2007 to 2012, I was primarily responsible for internal audits of DEF. My responsibilities included the completion of internal audits scheduled for DEF projects. I also have knowledge as to Duke Energy internal auditing controls and how Duke Energy carries out the process of conducting internal audits of all its entities including DEF.

3. DEF is seeking an extension of confidential classification for certain information contained in the responsive documents to *Audit Control 10-006-2-2* in Docket No. 100009-EI. Some of the documents originally submitted on June 14, 2010, in DEF's Seventh Request for Confidential Classification are no longer confidential. Therefore, DEF is submitting revised Exhibits A, B, and C along with this Affidavit. DEF is requesting an extension of confidential classification of these audit work papers because they contain confidential contractual information, the disclosure of which would impair DEF's competitive business interests and violate DEF's confidentially agreements with third parties. In addition, disclosing information gleaned from internal audit controls and reports along with other information would impair the Company's competitive business interests.

4. Specifically, the audit work papers contain internal audit information, reports, and work papers information that resulted from the internal audit of the Company's various projects. DEF is requesting an extension of confidential classification because public disclosure of the information in question would compromise DEF's ability to effectively audit the Company's major projects. If the Company were to know that its internal auditing controls and process were subject to public disclosure, it would compromise the level of cooperation needed with auditors to efficiently conduct audits. In addition, such information and documents are specifically defined by Florida Statutes Section 366.093(3)(b) as proprietary confidential business information that is entitled to confidential status.

5. Upon receipt of this confidential information, 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. At no time since receiving the information in question has the Company publicly disclosed that information. The Company has treated and continues to treat the information at issue as confidential.

6. This concludes my affidavit.

Further affiant sayeth not.

Dated the 17 day of November, 2015.

Raymond C. Phillips
(Signature)
Raymond Phillips

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 17th day of November, 2015 by Raymond Phillips. He is personally known to me, or has produced his South Carolina driver's license, or his WORK ID Badge as identification.

Shareka L. Mingo
(Signature)
Shareka L. Mingo
(Printed Name)
NOTARY PUBLIC, STATE OF NC
AUGUST 25, 2016
(Commission Expiration Date)

(AFFIX NOTARIAL SEAL)

(Serial Number, If Any)