



**Matthew R. Bernier**  
Senior Counsel  
Duke Energy Florida, LLC

November 23, 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 Staff's Audit Work-papers, *Audit Control No. 10-01-001* (document number 06023-10) filed in docket no. 100009-EI and Revised Exhibit D, Affidavits of Mark Teague, Christopher Fallon and Raymond Phillips 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,

*s/Matthew R. Bernier*  
Matthew R. Bernier  
Senior Counsel

MRB/mw  
Enclosures  
cc: Certificate of Service

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Nuclear Cost Recovery  
Clause

Docket No. 150009-EI

Dated: November 23, 2015

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**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 documents and information contained in the Florida Public Service Commission Staff’s (“Staff”) audit workpapers pertaining to *Audit Control No. 10-01-001* filed in Docket No. 100009 (document no. 06023-10) on July 22, 2010. In support of the Request, DEF<sup>1</sup> states as follows:

1. On July 22, 2010, DEF filed a request for confidential classification of certain information contained in Staff’s workpapers regarding, *Audit Control No. 10-01-001* (document no. 06023-10) includes sensitive business information as it contains confidential proprietary business information.

2. DEF’s July 22, 2010 Request was granted by Order No. PSC-14-0260-CFO-EI on 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” within the meaning of Section 366.093(3), F.S. Accordingly, DEF is filing its First Request for Extension of Confidential Classification.

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

3. DEF submits that certain information contained in portions of the documents and information of Staff's audit workpapers regarding *Audit Control No. 10-01-001* contained in DEF's confidential Exhibit A to the July 22, 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* Affidavits of Mark Teague, Christopher Fallon and Raymond Phillips 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 Mark Teague, Christopher Fallon and Raymond Phillips at ¶ 6.

4. Nothing has changed since the issuance of Order No. PSC-14-0260-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 23<sup>rd</sup> day of November, 2015.

*s/Matthew R. Bernier*

**DIANNE M. TRIPLETT**

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Attorneys for Duke Energy Florida, LLC

# **Exhibit A**

**“CONFIDENTIAL”**

**(On file)**

# **Exhibit B**

**(On file)**

**DUKE ENERGY FLORIDA  
Confidentiality Justification Matrix**

**(On file)**

**Revised Exhibit D  
Affidavit of  
Raymond Phillips**



**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Nuclear Cost Recovery  
Clause

Docket No. 150009-EI

Dated: November 23, 2015

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**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 ("DEBS") in the capacity of Director of Environmental Health and Safety (EHS) Audit. 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 regarding certain information contained in the Florida Public Service Commission Staff's ("Staff") audit work papers pertaining to *Audit Control No. 10-01-001* (the "workpapers"), filed on July 22, 2010 in Docket No. 100009-EI (document no.06023-10). The facts attested to in my affidavit are based upon my personal knowledge.

2. As 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 Staff's audit work papers pertaining to *Audit Control No. 10-01-001* in Docket No. 100009-EI. There are no changes to the information contained in DEF's confidential Exhibit A, redacted Exhibit B, and justification matrix, Exhibit C. The referenced Exhibits are on file with the Clerk. DEF is requesting an extension of confidential classification of this information because it includes internal audit reports and controls, confidential and proprietary contractual information, the disclosure of which would impair the Company's business interests and efforts to contract for goods or services on favorable terms.

4. DEF negotiates with vendors to obtain competitive contracts that provide economic value to DEF and its customers. The disclosure of these workpapers would allow other parties to discover how the Company analyzes risk options, scheduling, and cost, and would impair DEF's ability to contract for such goods and services on competitive and favorable terms. Portions of the workpapers reflect DEF's internal strategies for evaluating projects and meeting deadlines. If such information was disclosed to DEF's competitors and/or other potential suppliers, DEF's efforts to obtain competitive goods or services that provide economic value to DEF and its customers could be undermined. Accordingly, DEF has kept confidential its internal audit procedures and reports, only distributing such information to those within the Company who need it to perform their duties.

5. Additionally, the workpapers contain copies of internal audit reports and procedures, as well as descriptions of responsive actions taken in light of audit findings. Public disclosure of this information would potentially adversely affect the efficacy of the Company's

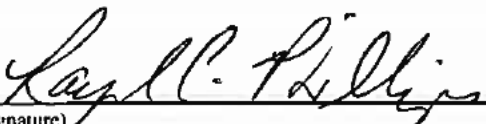
internal auditing procedures by impacting the level of cooperation given to the Company's audit staff. DEF has kept confidential and has not publicly disclosed the confidential information.

6. Upon receipt of 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.

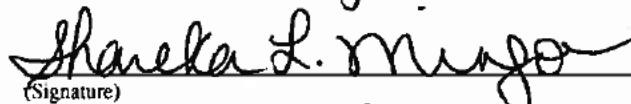
7. This concludes my affidavit.

Further affiant sayeth not.

Dated this 18 day of November, 2015.

  
(Signature)  
Raymond Phillips

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 18<sup>th</sup> 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.

  
(Signature)

Shareka L. Mingo  
(Printed Name)

NOTARY PUBLIC, STATE OF NC

August 25, 2016  
(Commission Expiration Date)

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)

**Revised Exhibit D  
Affidavit of  
Christopher Fallon**

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Nuclear Cost Recovery  
Clause

Docket No. 150009-EI

Dated: November 23, 2015

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**AFFIDAVIT OF CHRISTOPHER M. FALLON IN SUPPORT OF DUKE ENERGY  
FLORIDA'S FIRST 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 certain information contained in the Florida Public Service Commission Staff's ("Staff") audit work papers pertaining to *Audit Control No. 10-01-001* (the "workpapers"), filed on July 22, 2010 in Docket No. 100009-EI (document no.06023-10). 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 Staff's audit work papers pertaining to *Audit Report No. 10-01-001* in Docket No. 100009-EI. There are no changes to the information contained in DEF's confidential Exhibit A, redacted Exhibit B, and justification matrix, Exhibit C. The referenced Exhibits are on file with the Clerk. DEF is requesting an extension of confidential classification of this information because it includes internal audit reports and controls, confidential and proprietary contractual information, the disclosure of which would impair the Company's business interests and 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, portions of the workpapers reflect DEF's internal strategies for evaluating projects and meeting deadlines. If such information was disclosed to third parties, DEF's efforts to negotiate and obtain favorable contractual terms that provide economic value to both DEF and its customers may be compromised. The disclosure of confidential information between DEF and its vendors could adversely impact DEF's competitive business interests. 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 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 20<sup>th</sup> day of November, 2015.

Christopher M Fallon  
(Signature)

Christopher M. Fallon

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 20<sup>th</sup> day of November, 2015 by Christopher M. Fallon. He is personally known to me, or has produced his \_\_\_\_\_ driver's license, or his \_\_\_\_\_ as identification.

Jimmie O. Stroud  
(Signature)

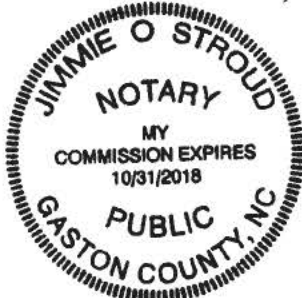
Jimmie O. Stroud  
(Printed Name)

NOTARY PUBLIC, STATE OF North Carolina

October 31, 2018  
(Commission Expiration Date)

\_\_\_\_\_  
(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)



**Revised Exhibit D  
Affidavit of  
Mark Teague**



**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Nuclear Cost Recovery  
Clause

Docket No. 150009-EI

Dated: November 23, 2015

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**AFFIDAVIT OF MARK R. TEAGUE IN SUPPORT OF DUKE ENERGY  
FLORIDA'S FIRST 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 ("DEBS") in the capacity of 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 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 certain information contained in the Florida Public Service Commission Staff's ("Staff") audit work papers pertaining to *Audit Control No. 10-01-001* (the "workpapers"), filed on July 22, 2010 in Docket No. 100009-EI (document no. 06023-10). 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 am also responsible for the Supply Chain Functions for Duke Energy International and with most Duke Energy Major Projects, both regulated and non-regulated.

3. DEF is seeking an extension of confidential classification for certain information contained in Staff's audit workpapers pertaining to *Audit Report No. 10-01-001* in Docket No. 100009-EI. There are no changes to the information contained in DEF's confidential Exhibit A, redacted Exhibit B, and justification matrix, Exhibit C. The referenced Exhibits are on file with the Clerk. DEF is requesting an extension of confidential classification of this information because it contains internal audit reports and controls and confidential and proprietary contractual information, the disclosure of which would impair the Company's business interests and efforts to contract for goods or services on favorable terms.

4. DEF negotiates with vendors to obtain competitive contracts for the asset disposition of the EPU Project that provide economic value to DEF and its customers. The disclosure of the confidential contractual information and numbers would impair DEF's competitive business interests and violate DEF's confidentiality agreements with third parties and vendors and potential buyers of EPU assets. 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 asset disposition of the EPU Project. 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 EPU Project would be undermined.

5. Additionally, portions of the workpapers reflect DEF's internal strategies for evaluating projects and meeting deadlines. If such information was disclosed to third parties, DEF's efforts to negotiate and obtain favorable contractual terms that provide economic value to

both DEF and its customers may be compromised. The disclosure of confidential information between DEF and its vendors could adversely impact DEF's competitive business interests. 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 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 the 16<sup>th</sup> day of November, 2015.

Mark R. Teague  
(Signature)  
Mark Teague

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 16 day of November, 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 NC

4/25/2017  
(Commission Expiration Date)

19970910128  
(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 23<sup>rd</sup> day of November, 2015.

s/Matthew R. Bernier

Attorney

<p>Martha Barrera, Esq. Kyesha Mapp, Esq. Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 <a href="mailto:mbarrera@psc.state.fl.us">mbarrera@psc.state.fl.us</a> <a href="mailto:kmapp@psc.state.fl.us">kmapp@psc.state.fl.us</a></p> <p>Kenneth Hoffman Florida Power &amp; Light Company 215 S. Monroe Street, Suite 810 Tallahassee, FL 32301-1859 <a href="mailto:ken.hoffman@fpl.com">ken.hoffman@fpl.com</a></p> <p>J. Michael Walls, Esq. Blaise N. Gamba, Esq. Carlton Fields Jordan Burt P.O. Box 3239 Tampa, FL 33601-3239 <a href="mailto:mwalls@cfjblaw.com">mwalls@cfjblaw.com</a> <a href="mailto:bgamba@cfjblaw.com">bgamba@cfjblaw.com</a></p> <p>Bryan Anderson, Esq. Jessica Cano, Esq. Florida Power &amp; Light Company 700 Universe Boulevard June Beach, FL 33408-0420 <a href="mailto:bryan.anderson@fpl.com">bryan.anderson@fpl.com</a> <a href="mailto:jessica.cano@fpl.com">jessica.cano@fpl.com</a></p> <p>George Cavros, Esq. Southern Alliance for Clean Energy 120 E. Oakland Park Blvd., Suite 105 Fort Lauderdale, FL 33334 <a href="mailto:George@cavros-law.com">George@cavros-law.com</a></p> <p>Victoria Mendez City of Miami 444 SW 2<sup>nd</sup> Avenue, Suite 945 Miami, FL 33130-1910 <a href="mailto:vmendez@miamigov.com">vmendez@miamigov.com</a></p>	<p>J.R.Kelly Charles J. Rehwinkel Erik L. Saylor Patty Christensen Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399 <a href="mailto:kelly_jr@leg.state.fl.us">kelly_jr@leg.state.fl.us</a> <a href="mailto:rehwinkel.charles@leg.state.fl.us">rehwinkel.charles@leg.state.fl.us</a> <a href="mailto:saylor.erik@leg.state.fl.us">saylor.erik@leg.state.fl.us</a> <a href="mailto:christensen.patty@leg.state.fl.us">christensen.patty@leg.state.fl.us</a></p> <p>James W. Brew, Esq. Owen J. Kopon, Esq. Laura A. Wynn, Esq. Stone Matheis Xenopoulos &amp; Brew, PC 1025 Thomas Jefferson Street NW 8<sup>th</sup> Floor, West Tower Washington, DC 20007 <a href="mailto:jbrew@smxblaw.com">jbrew@smxblaw.com</a> <a href="mailto:ojk@smxblaw.com">ojk@smxblaw.com</a> <a href="mailto:laura.wynn@smxblaw.com">laura.wynn@smxblaw.com</a></p> <p>Jon C. Moyle, Jr., Esq. Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 <a href="mailto:jmoyle@moylelaw.com">jmoyle@moylelaw.com</a></p> <p>Robert Scheffel Wright, Esq. John T. LaVia III, Esq. Gardner Law Firm 1300 Thomaswood Drive Tallahassee, FL 32308 <a href="mailto:schef@gbwlegal.com">schef@gbwlegal.com</a> <a href="mailto:jlavia@gbwlegal.com">jlavia@gbwlegal.com</a></p>
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