



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

June 16, 2017

**VIA ELECTRONIC FILING**

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

Re: *Fuel and purchased power cost recovery clause with generating performance incentive factor; Docket No. 170001-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 certain information contained in Staff's Audit Workpapers, *Audit Control No. PA-15-051-2-1* pertaining to DEF's 2015 Hedging Activities (document no. 06298-15) filed in docket no. 150001-EI and Revised Exhibit D, Affidavit of Joseph McCallister. 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*

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Matthew R. Bernier  
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MRB/mw  
Enclosures

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Fuel and purchased power cost  
recovery clause with generating  
performance incentive factor.

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Docket No. 170001-EI

Dated: June 16, 2017

**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 Staff’s audit work papers pertaining to DEF’s 2015 Hedging Activities Audit (*Audit Control No. 15-051-2-1*). In support of this Request, DEF states:

1. On October 7, 2015, DEF filed a request for confidential classification of information contained in Staff’s audit work-papers pertaining to the 2015 Hedging Activities Audit, Audit Control No. 15-051-2-1 (Document No. 06298-15), which includes sensitive business information such as internal hedging practices and procedures, hedging volumes and transactions, hedging forecasts, percentages and pricing information.

2. DEF’s October 7, 2015 Request was granted by Order No. PSC-15-0583-CFO-EI on December 23, 2015. The period of confidential treatment granted by that order will expire on June 23, 2018. 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.

3. DEF submits that the portions of Staff's audit work-papers identified in Exhibit "A" and Exhibit "C" to the October 7, 2015 Request<sup>1</sup> 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 Joseph McCallister at ¶ 7, 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 Joseph McCallister ¶¶ 5-7.

4. Nothing has changed since the issuance of Order No. PSC-15-0583-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.

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<sup>1</sup> DEF hereby incorporates Exhibits A , B, and C to the original Request, Document No. 06298-15 submitted on October 7, 2015 in docket no. 150001-EI as if attached hereto

RESPECTFULLY SUBMITTED this 16<sup>th</sup> day of June, 2017.

*s/Matthew R. Bernier*

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Attorneys for Duke Energy Florida, LLC

## 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 16<sup>th</sup> day of June, 2017.

*s/Matthew R. Bernier*

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### Attorney

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# **Exhibit A**

**“CONFIDENTIAL”**

**(on file)**

# **Exhibit B**

**(on file)**

**Exhibit C**

**DUKE ENERGY FLORIDA  
Confidentiality Justification Matrix  
(On file)**

**REVISED  
EXHIBIT D**

**AFFIDAVIT OF  
JOSEPH MCCALLISTER**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Fuel and purchased power cost  
recovery clause with generating  
performance incentive factor.

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Docket No. 170001-EI

Dated: June 16, 2017

**AFFIDAVIT OF JOSEPH McCALLISTER 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 Joseph McCallister, who being first duly sworn, on oath deposes and  
says that:

1. My name is Joseph McCallister. 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 First Request for Extension of Confidential Classification (the "Request"). The  
facts attested to in my affidavit are based upon my personal knowledge.

2. I am the Director of Natural Gas, Oil and Emissions in the Fuel  
Procurement Department. This section is responsible for natural gas, fuel oil and  
emission allowance activity for the Duke Energy Indiana ("DEI"), Duke Energy  
Kentucky ("DEK"), Duke Energy Carolinas ("DEC"), Duke Energy Progress ("DEP"),  
and DEF Systems.

3. As the Director of Natural Gas, Oil and Emissions, I am responsible, along with the other members of the section, for the management of the gas and oil procurement, transportation, hedging activities and administration of gas and oil contracts with various suppliers for DEI's, DEK's, DEC's, DEF's and DEP's electrical power generation facilities.

4. DEF is seeking an extension of confidential classification for certain information contained in Staff's Hedging Audit Work papers, Audit Control No. 15-051-2-1 (document no. 06298-15), filed on October 7, 2015 in Docket No. 150001. 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.

5. DEF negotiates with potential fuel suppliers to obtain competitive contracts for fuel options that provide economic value to DEF and its customers. In order to obtain such contracts, however, DEF must be able to assure fuel suppliers that sensitive business information, volumes and hedging costs, will be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed confidential contract terms such as volumes, hedging costs and itemized hedging gains/losses. Absent such measures, suppliers would run the risk that sensitive business information that they provided in their bids/contracts with DEF would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, persons or companies who otherwise would contract

with DEF might decide not to do so if DEF did not keep specific information confidential. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and fuel suppliers, the Company's efforts to obtain competitive fuel supply contracts could be undermined.

6. Additionally, the disclosure of confidential information in DEF's fuel supply contracts, could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors, DEF's efforts to obtain competitive fuel supply options that provide economic value to both DEF and its customers could be compromised by DEF's competitors changing their consumption or purchasing behavior within the relevant markets.

7. Upon receipt of confidential information from fuel suppliers, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided, including restricting access to those persons who need the information to assist the Company, and restricting the number of, and access to the information and contracts. At no time since receiving the contracts and information in question has the Company publicly disclosed that information. The Company has treated and continues to treat the information and contracts at issue as confidential.

8. This concludes my affidavit.

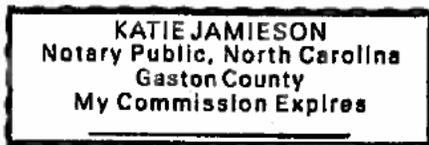
Further affiant sayeth not.

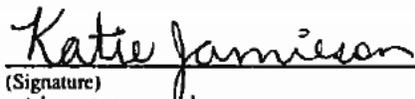
Dated the 13 day of June, 2017.

  
\_\_\_\_\_  
(Signature)  
Joseph McCallister  
Director – Natural Gas, Oil and Emissions  
Fuels Procurement Department  
Duke Energy  
526 South Church  
Charlotte, NC 28202

13 THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of June, 2017 by Joseph McCallister. He is personally known to me, or has produced his \_\_\_\_\_ driver's license, or his \_\_\_\_\_ as identification.

(AFFIX NOTARIAL SEAL)



  
\_\_\_\_\_  
(Signature)  
Katie Jamieson  
\_\_\_\_\_  
(Printed Name)  
NOTARY PUBLIC, STATE OF NC  
\_\_\_\_\_  
June 14, 2021  
\_\_\_\_\_  
(Commission Expiration Date)  
\_\_\_\_\_  
(Serial Number, If Any)