



MATTHEW R. BERNIER
ASSOCIATE GENERAL COUNSEL

February 23, 2018

VIA ELECTRONIC FILING

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

Re: Docket No. 20180001-EI

Dear Ms. Stauffer:

Enclosed for filing on behalf of Duke Energy Florida, LLC (DEF), are DEF's Updated 423-2 and 423-2b forms for the months of January, February, and March 2017 for International Marine Terminal (IMT). On April 26, 2017, line 7 of Forms 423-2 and 423-2b was inadvertently omitted. Additionally, enclosed for filing is DEF's Request for Specified Confidential Treatment. Forms 423-2 and 423-2b contained in this filing have been edited to delete certain confidential information. An unedited copy of the referenced 423 forms has been submitted for filing under separate cover.

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

Sincerely,

s/Matthew R. Bernier

Matthew R. Bernier
Associate General Counsel

MRB/mw
Enclosures

cc: Parties of record

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 23rd day of February, 2018.

s/ Matthew R. Bernier

Attorney

Suzanne Brownless
Office of General Counsel
FL Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
sbrownle@psc.state.fl.us

James Beasley / J. Jeffrey Wahlen
Ausley McMullen
P.O. Box 391
Tallahassee, FL 32302
jbeasley@ausley.com
jwahlen@ausley.com

Russell Badders / Steven Griffin
Beggs & Lane
P.O. Box 12950
Pensacola, FL 32591
rab@beggslane.com
srg@beggslane.com

Kenneth A. Hoffman
Florida Power & Light Company
215 S. Monroe Street, Suite 810
Tallahassee, FL 32301-1858
ken.hoffman@fpl.com

Rhonda J. Alexander / Jeffrey A. Stone
Gulf Power Company
One Energy Place
Pensacola, FL 32520
rjalexad@southernco.com
jastone@southernco.com

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

Beth Keating
Gunster, Yoakley & Stewart, P.A.
215 South Monroe Street, Suite 601
Tallahassee, FL 32301
bkeating@gunster.com

Charles Rehwinkel / Erik Saylor/
J.R. Kelly / Patricia Christensen
Office of Public Counsel
c/o The Florida Legislature
111 W. Madison St., Room 812
Tallahassee, FL 32399-1400
kelly.jr@leg.state.fl.us
saylor.erik@leg.state.fl.us
christensen.patty@leg.state.fl.us
rehwinkel.charles@leg.state.fl.us

Ms. Paula K. Brown
Regulatory Affairs
Tampa Electric Company
P.O. Box 111
Tampa, FL 33601-0111
regdept@tecoenergy.com

John Butler / Maria Moncada
Florida Power & Light Company
700 Universe Blvd (LAW/JB)
Juno Beach, FL 33408-0420
john.butler@fpl.com
maria.moncada@fpl.com

James Brew / Laura Wynn
Stone Law Firm
1025 Thomas Jefferson St., N.W.
Suite 800 West
Washington, DC 20007
jbrew@smxblaw.com
law@smxblaw.com

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

Mike Cassel
Florida Public Utilities Company
1750 S. 14th Street, Suite 200
Fernandina Beach, FL 32034
mcassel@fpuc.com

REDACTED

FPSC FORM 423-2

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS ORIGIN, TONNAGE, DELIVERED PRICE AND AS RECEIVED QUALITY



Report For: January - March 2017
 Reporting Company: DE Florida
 Plant Name: IMT (Intl Marine Terminal)

NAME, TITLE, TELEPHONE NUMBER OF CONTACT PERSON CONCERNING DATA SUBMITTED ON THE FORM:

Signature of Official Submitting Report: amy yu

DATE COMPLETED: 4/21/2017

Line No.	Supplier Name	Mine Location	Purchase Type	Transportation Mode	Number Primary Shipping Units	Tons	Effective Purchase Price (\$/ton)	Total Transportation Cost (\$/ton)	F.O.B. Plant Price (\$/ton)	Percent Sulfur (%)	Btu Content (Btu/lb)	Percent Ash (%)	Percent Moisture (%)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
January 2017													
1	ALLIANCE COAL LLC	9,KY,225	LTC	RB	5	8,810.0			\$66 360	2.90	11,471	8.27	12.28
2	CENTRAL COAL CO	10, L,145	LTC	RB	45	84,163.3			\$56 855	3.08	11,154	9.10	12.49
											As Received Coal Quality		
February 2017													
1	ALLIANCE COAL LLC	6,WV,69	S	RB	13	22,766.4			\$58 841	2.77	12,673	8.48	6.45
2	AMERICAN COAL COMPANY	10, L,165	LTC	RB	13	26,756.3			\$65 021	2.63	11,850	7.93	10.85
3	AMERICAN COAL COMPANY	8, L,199	LTC	RB	5	10,045.3			\$65 021	2.70	11,963	7.70	10.35
4	CENTRAL COAL CO	10, L,145	LTC	RB	22	43,578.3			\$56 897	3.01	11,171	8.56	12.82
5	FORESIGHT COAL SALES LLC	10, L,117	LTC	RB	12	25,153.0			\$59.701	3.10	11,187	7.70	14.15
											As Received Coal Quality		
March 2017													
1	ALLIANCE COAL LLC	6,WV,69	S	RB	17	29,625.9			\$79 925	3.00	12,599	8.78	6.59
2	AMERICAN COAL COMPANY	10,IL,165	LTC	RB	1	2,092.8			\$81 645	2.75	11,858	9.33	9.92
3	AMERICAN COAL COMPANY	8, L,199	LTC	RB	4	7,831.1			\$81 645	2.68	11,959	7.80	10.45
4	ASSOCTERM	N/A		RB	1	877.4			\$79 543	2.69	11,876	7.72	10.90
5	CENTRAL COAL CO	10,IL,145	LTC	RB	26	51,255.0			\$73.782	3.00	11,211	8.64	12.46
6	EAGLE RIVER	10,IL,165	LTC	RB	6	11,300.0			\$79 215	2.84	12,780	6.82	7.85
7	FORESIGHT COAL SALES LLC	10,IL,117	LTC	RB	29	55,110.2			\$76 325	3.17	11,250	7.52	13.86
											As Received Coal Quality		

REDACTED

FPSC FORM 423-2b

MONTHLY REPORT OF COST AND QUALITY OF COAL FOR ELECTRIC PLANTS ORIGIN, TONNAGE, DELIVERED PRICE AND AS RECEIVED QUALITY



Report For: January - March 2017

NAME, TITLE, TELEPHONE NUMBER OF CONTACT PERSON CONCERNING DATA SUBMITTED ON THE FORM:

Reporting Company: DE Florida
Plant Name: IMT (Intl Marine Terminal)

Signature of Official Submitting Report: *Amy Yee*

DATE COMPLETED: 4/21/2017

Line No.	Supplier Name	Mine Location	Shipping Point	Transportation Mode	Tons	Effective Purchase Price (\$/ton)	Additional Short Haul & Loading Charges (\$/ton)	Rail Rate (\$/ton)	Other Charges Incurred (\$/ton)	River Barge Rate (\$/ton)	Transloading Rate (\$/ton)	Ocean Barge Rate (\$/ton)	Other Charges Incurred (\$/ton)	Total Transportation Charges (\$/ton)	F.O.B. Plant Price (\$/ton)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
January 2017															
1	ALLIANCE COAL LLC	9,KY,225	River View Mine	RB	8,810.0		0.000								\$66,360
2	CENTRAL COAL CO	10, L,145	Prairie Eagle (Knight Hawk)	RB	84,163.3		0.000								\$56,855
								Rail Charges		Waterborne Charges					
February 2017															
1	ALLIANCE COAL LLC	6,WV,69	Tunnel Ridge	RB	22,766.4		0.000								\$58,841
2	AMERICAN COAL COMPANY	10, L,165	GALATIA	RB	26,756.3		0.000								\$65,021
3	AMERICAN COAL COMPANY	8,IL,199	Mach #1 Mine (Williamson)	RB	10,045.3		0.000								\$65,021
4	CENTRAL COAL CO	10, L,145	Prairie Eagle (Knight Hawk)	RB	43,578.3		0.000								\$56,897
5	FORESIGHT COAL SALES LLC	10, L,117	Shay #1	RB	25,153.0		0.000								\$59,701
								Rail Charges		Waterborne Charges					
March 2017															
1	ALLIANCE COAL LLC	6,WV,69	Tunnel Ridge	RB	29,625.9		0.000								\$79,925
2	AMERICAN COAL COMPANY	10, L,165	GALATIA	RB	2,092.8		0.000								\$81,645
3	AMERICAN COAL COMPANY	8,IL,199	Mach #1 Mine (Williamson)	RB	7,831.1		0.000								\$81,645
4	ASSOCTERM	N/A	Associated Term. (Meraux)	RB	877.4		0.000								\$79,543
5	CENTRAL COAL CO	10, L,145	Prairie Eagle (Knight Hawk)	RB	51,255.0		0.000								\$73,782
6	EAGLE RIVER	10, L,165	Eagle River Mine # 1	RB	11,300.0		0.000								\$79,215
7	FORESIGHT COAL SALES LLC	10, L,117	Shay #1	RB	55,110.2		0.000								\$76,325
								Rail Charges		Waterborne Charges					

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost
Recovery Clause and Generating
Performance Incentive Factor

Docket No. 20180001-EI

Filed: February 23, 2018

DUKE ENERGY FLORIDA, LLC'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION

Duke Energy Florida, LLC (“DEF” or “the Company”), pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., hereby requests confidential classification of the highlighted information on its FPSC Form 423 Fuel Report for the months of January, February and March 2017 (the 423 Report), specifically Forms 423-2 and 423-2b, which are contained in the sealed envelope enclosed with this Request as Attachment A. On April 26, 2017, line 7 of the International Marine Terminal, (IMT) for Forms 423-2 and 423-2b, was inadvertently omitted from DEF’s Request for Confidential Classification (document number 04450-2017). A public version of the Forms 423-2 and 423-2b, with the confidential information redacted, is attached to each filed copy of this Request. In support hereof, DEF states as follows:

1. Subsection 366.093(1), F.S., provides that any records “found by the commission to be proprietary confidential business information shall be kept confidential and shall be exempt from s. 119.07(1) [requiring disclosure under the Public Records Act].” Proprietary confidential business information includes, but is not limited to,

“[i]nformation concerning . . . contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms.” § 366.093(3)(d), Fla. Stat.. The designated portions of the 423 Report fall within this statutory category and, thus, constitute propriety confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

2. Attachment C to this Request is a matrix providing justification and support for confidential classification of the highlighted information in each section of the 423 Report (Forms 423-2, and 423-2b) on a line-by-line, column-by-column basis.

3. The designated information for which confidential classification is sought by this Request is intended to be and is treated by the Company as private and has not been publicly disclosed.

4. DEF requests that the confidential information contained in the 423 Report be protected from disclosure for a period of 24 months. For the reasons explained in Attachment B to this Request, this is the minimum time necessary to ensure that purposes for which confidential classification is granted are not contravened and frustrated by a premature subsequent disclosure. In addition, DEF asks that the version of the 423 Report containing the highlighted information be returned to the Company when the Commission no longer needs the information to conduct its business, in accordance with Rule 25-22.006(9)(b), F.A.C.

WHEREFORE, DEF requests that the highlighted information in its 423 Report enclosed with this Request be accorded confidential classification for the reasons set forth in Attachment C, and that such confidential classification be maintained for a duration of 24 months for the reasons set forth in Attachment B.

Respectfully submitted,

s/Matthew R. Bernier

DIANNE M. TRIPLETT
Deputy 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
Associate General 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

Attachment B

Explanation of the Need to Maintain Confidential Classification for a 24-Month Duration

The majority of the fuel and transportation contracts from which the costs in the 423 Report are derived contain annual price adjustment provisions. If existing or potential fuel and transportation suppliers were to obtain confidential contract pricing information for a prior reporting month within the currently effective 12-month adjustment period, current pricing information would be disclosed. In addition, if contractual pricing information for a reporting month in the previous 12-month adjustment period were to be obtained, the information would be only one adjustment removed from the current price. Suppliers knowledgeable in the recent escalation experience of their market could readily calculate a reasonably precise estimate of the current price.

To guard against providing suppliers with such a competitive advantage, confidential information must be protected from disclosure for the initial 12-month period in which it could remain current, and for the following 12-month period in which it can be readily converted into essentially current information. For example, if information for the first month under an adjusted contract price is reported in May of Year 1, the information will remain current through April of Year 2. Thereafter, the initial May, Year 1 information will be only one escalation adjustment removed from the current information reported each month through April, Year 3. If confidential classification of the May, Year 1 information were to expire after 18 months, suppliers would be able to accurately estimate current prices in October, Year 2 using information that had been current only six months earlier.

An 18-month confidentiality period would effectively waste the protection given in the first six months of the second 12-month pricing period (months 13 through 18) by disclosing information of the same vintage in the last six months of the pricing period. The information disclosed in months 19 through 24 would be equally as detrimental in terms of revealing the current price as the information protected from disclosure during the preceding six months. To make the protection provided in months 13 through 18 meaningful, it must be extended through month 24.

Extending the confidentiality period by six months would mean that the information will be one additional price adjustment further removed from the current price at the time of disclosure. Simply put, a six-month extension provides an additional 12 months of protection.

Justification Matrix

Reporting Period: January, February, and March 2017

FORM 423-2		
Plant Name, Line No.	Column	Justification
Transfer Facility – IMT, 1- 2 January 2017 IMT, 1-5 February 2017 IMT, 1- 7 March 2017	H	(10) §366.093(3)(d) The Effective Purchase Price is also found on Form 423-2A, column L, and on Form 423-2b, column G. In nearly every case it is the same as the FOB Mine Price found under column F on Form 423-2A, which is the current contract price of coal purchased from each supplier DEF, adjusted for quality. Disclosure of this information would enable suppliers to determine the prices of their competitors, which would likely result in greater price convergence in future bidding. Disclosure would also result in a reduced ability on the part of a major purchaser such as DEF to bargain for price concessions since suppliers would be reluctant or unwilling to grant concessions that other potential purchasers would then expect. In addition, disclosure of the Effective Purchase Price would also disclose the Total Transportation Cost in column H by subtracting column G from the FOB Plant Price in column I.
Transfer Facility – IMT, 1- 2 January 2017 IMT, 1-5 February 2017 IMT, 1- 7 March 2017	I	(11) §366.093(3)(d) See item (25) below. In addition, disclosure of the Total Transportation Cost would also disclose the Effective Purchase Price in column G when subtracted from the FOB Plant Price in column I.

FORM 423-2b

Plant Name, Lines	Column	Justification
Transfer Facility – IMT, 1-2 January 2017 IMT, 1-5 February 2017 IMT, 1-7 March 2017	G	(17) §366.093(3)(d) See item (16) above.
Transfer Facility – IMT, 1-2 January 2017 IMT, 1-5 February 2017 IMT, 1-7 March 2017	I	(18) §366.093(3)(d) The information under Rail Rate is a function of DEF's contract rate with the railroad and the distance between each coal supplier and Crystal River. Since these distances are readily available, disclosure of the Rail Rate would effectively disclose the contract rate. This would impair the ability of a high volume user such as DEF to obtain rate concessions, since railroads would be reluctant to grant concessions that other rail users would then expect.
Transfer Facility – Transfer Facility – IMT, 1-2 January 2017 IMT, 1-5 February 2017 IMT, 1-7 March 2017	J	(19) §366.093(3)(d) Other Charges Incurred consist of DEF's railcar ownership cost. This cost is internal information which is not available to any party with whom DEF contracts, railroads or otherwise. If this information were disclosed to the railroad, their existing knowledge of DEF's rail rates would allow them to determine DEF's total rail cost and be better able to evaluate DEF's opportunity to economically use competing transportation alternatives.
Transfer Facility – IMT, 1-2 January 2017 IMT, 1-5 February 2017 IMT, 1-7 March 2017	K	(20) §366.093(3)(d) The figures under River Barge Rate are a portion of the total cost reported in the Transportation Charges under column P on Form 423-2b. See item (24) below. In the case of waterborne deliveries to the Crystal River Plants, the figures represent DEF's current river barge transportation rate. Disclosure of these transportation rates would enable coal suppliers to bid a FOB mine price calculated to produce a delivered plant price at or marginally below DEF's current delivered price, which is available on Form 423-2, column I. Without this opportunity to calculate a perceived maximum acceptable price, suppliers would be more likely to bid their best price.
Transfer Facility – IMT, 1-2 January 2017 IMT, 1-5 February 2017 IMT, 1-7 March 2017	L	(21) §366.093(3)(d) The figures under Transloading Rate are a portion of the total cost reported in the Transportation Charges under column P on Form 423-2b. See item (24) below. In the case of waterborne deliveries to the Crystal River Plants, the figures represent DEF's current transloading rate. Disclosure of these transportation rates would enable coal suppliers to bid a FOB mine price calculated to produce a delivered plant price at or marginally below DEF's current delivered price, which is available on Form 423-2, column I. Without this opportunity to calculate a perceived maximum acceptable price, suppliers would be more likely to bid their best price.
Transfer Facility – IMT, 1-2 January 2017 IMT, 1-5 February 2017 IMT, 1-7 March 2017	M	(22) §366.093(3)(d) The figures under Ocean Barge Rate are a portion of the total cost reported in the Transportation Charges under column P on Form 423-2b. See item (24) below. In the case of waterborne deliveries to the Crystal River Plants, the figures represent DEF's current transloading rate. Disclosure of these transportation rates would enable coal suppliers to bid a FOB mine price calculated to produce a delivered plant price at or marginally below DEF's current delivered price, which is available on Form 423-2, column I. Without this opportunity to calculate a perceived maximum acceptable price, suppliers would be more likely to bid their best price.

<p>Transfer Facility – IMT, 1-2 January 2017 IMT, 1-5 February 2017 IMT, 1-7 March 2017</p>	<p>N</p>	<p>(23) §366.093(3)(d) The figures under Other Charges Incurred are a portion of the total cost reported in the Transportation Charges under column P on Form 423-2b. See item (24) below. In the case of waterborne deliveries to the Crystal River Plants, the figures represent DEF's current transloading rate. Disclosure of these transportation rates would enable coal suppliers to bid a FOB mine price calculated to produce a delivered plant price at or marginally below DEF's current delivered price, which is available on Form 423-2, column I. Without this opportunity to calculate a perceived maximum acceptable price, suppliers would be more likely to bid their best price.</p>
<p>Transfer Facility – IMT, 1-2 January 2017 IMT, 1-5 February 2017 IMT, 1-7 March 2017</p>	<p>O</p>	<p>(24) §366.093(3)(d) The figures under Total Transportation Charges are the total cost reported as transportation charges. In the case of waterborne deliveries to the Crystal River Plants, the figures represent DEF's current transloading rate. Disclosure of these transportation rates would enable coal suppliers to bid a FOB mine price calculated to produce a delivered plant price at or marginally below DEF's current delivered price, which is available on Form 423-2, column I. Without this opportunity to calculate a perceived maximum acceptable price, suppliers would be more likely to bid their best price.</p>