



Dianne M. Triplett
Deputy General Counsel

April 9, 2019

VIA ELECTRONIC FILING

Adam Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: *Duke Energy Florida, LLC's Petition a Limited Proceeding to Approve First Solar Base Rate Adjustment; Docket 20180149-EI*

Dear Mr. Teitzman:

Please find enclosed for electronic filing on behalf of Duke Energy Florida, LLC ("DEF"), DEF's Request for Confidential Classification filed in connection with DEF's response to Staff's Third Set of Interrogatories (Nos. 51-60), filed on March 19, 2018.

The filing includes the following:

- DEF's Request for Confidential Classification
- Slipsheet for confidential Exhibit A
- Redacted Exhibit B (two copies)
- Exhibit C (justification matrix), and
- Exhibit D (affidavits of Matthew G. Stout and Benjamin M. H. Borsch)

DEF's confidential Exhibit A that accompanies the above-referenced filing was filed with DEF's Notice of Intent to Request Confidential Classification (document number 03224-2019) and remains on file with the Clerk.

Thank you for your assistance in this matter. Please feel free to call me at (727) 820-4692 should you have any questions concerning this filing.

Sincerely,

s/ Dianne M. Triplett

DMT/mw
Enclosures

Dianne M. Triplett

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for a Limited Proceeding to
approve First Solar Base Rate Adjustment,
by Duke Energy Florida, LLC

Docket No. 20180149-EI

Dated: April 9, 2019

**DUKE ENERGY FLORIDA, LLC'S
REQUEST FOR 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 this Request for Confidential Classification for the confidential information provided in DEF’s Response to Staff’s Third Set of Interrogatories (Nos. 51-60), submitted on March 19, 2019, concurrently with DEF’s Notice of Intent to Request Confidential Classification. The Request is timely. See Ruel 25-22.006(3)(a)1., F.A.C. In support of this Request, DEF states:

1. Information contained in DEF’s Response to Staff’s Third Set of Interrogatories (Nos. 51-60), specifically questions 51, 58, and 59, contain information that is “proprietary confidential business information” under Section 366.093(3), Florida Statutes.

2. The following exhibits are included with this request:

(a) Sealed Composite Exhibit A is a package containing unredacted copies of all the documents for which DEF seeks confidential treatment. Composite Exhibit A was submitted separately in a sealed envelope labeled “CONFIDENTIAL” on March 19, 2019. In the unredacted versions, the information asserted to be confidential is highlighted yellow.

(b) Composite Exhibit B is a package containing two copies of redacted versions of the documents for which the Company requests confidential classification. The

specific information for which confidential treatment is requested has been blocked out by opaque marker or other means.

(c) Exhibit C is a table which identifies by page and line the information for which DEF seeks confidential classification and the specific statutory bases for seeking confidential treatment.

(d) Exhibit D contains two affidavits attesting to the confidential nature of the information identified.

3. As indicated in Exhibit C, the information for which DEF requests confidential classification is “proprietary confidential business information” within the meaning of Section 366.093(3), F.S. Specifically, the confidential business information at issue relates to specific contractual costs. If DEF cannot assure contracting parties that it can maintain the confidentiality of contractual terms, those parties and other similarly situated parties may forego entering contracts with DEF, which would adversely impact DEF’s competitive business interests. *See* § 366.093(3)(d), F.S.; Affidavits of Benjamin M. H. Borsch at ¶¶ 4-5 and Matthew G. Stout at ¶¶ 4-5.

4. Additionally, certain information provided to Staff includes contract information. The terms of these contracts, including pricing terms, are negotiated terms between DEF and the sellers of the properties. Public disclosure of this information would provide other sellers of property valuable insight into prices that DEF may be willing to pay in certain circumstances, thereby materially harming DEF’s ability to negotiate competitive contracts in the future. *See* § 366.093(3)(d) & (e), F.S.; Affidavit of Matthew G. Stout at ¶¶ 4-5.

5. The information identified as Exhibit “A” is intended to be and is treated as

confidential by the Company. *See* Affidavits of Benjamin M. H. Borsch at ¶¶ 5-6 and Matthew G. Stout at ¶¶5-6. The information has not been disclosed to the public, and the Company has treated and continues to treat the information at issue as confidential. *See id.* Accordingly, such information constitutes “proprietary confidential business information” which is exempt from disclosure under the Public Records Act pursuant to Section 366.093(1), F.S.

6. DEF requests that the information identified in Exhibit A be classified as “proprietary confidential business information” within the meaning of section 366.093(3), F.S., that the information remain confidential for a period of at least 18 months as provided in section 366.093(4) F.S., and that the information be returned as soon as it is no longer necessary for the Commission to conduct its business.

WHEREFORE, for the foregoing reasons, DEF respectfully requests that this Request for Confidential Classification be granted.

Respectfully submitted this 9th day of April, 2019.

s/Dianne M. Triplett

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CERTIFICATE OF SERVICE
(Docket No. 20180149-EI)

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to the following by electronic mail this 9th day of April, 2019, to all parties of record as indicated below.

s/ Dianne M. Triplett

Attorney

<p>Jennifer Crawford Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 jcrawfor@psc.state.fl.us</p> <p>J. R. Kelly / C. Rehwinkel Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399 kelly.jr@leg.state.fl.us rehwinkel.charles@leg.state.fl.us</p>	<p>Jon C. Moyle, Jr. / Karen A. Putnal Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com kputnal@moylelaw.com</p> <p>James W. Brew / Laura A. Wynn 1025 Thomas Jefferson Street, N.W. Washington, DC 20007 jbrew@smxblaw.com law@smxblaw.com</p>
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Exhibit A

“CONFIDENTIAL”

(Submitted on March 19, 2019 with DEF’s Notice of Intent)

Exhibit B

REDACTED

Documents responsive to Interrogatory number 51, bearing bates numbers 20180149-DEF-000735 through 20180149-DEF-001092 are redacted in their entirety

Yes, there were several grid interconnection studies conducted prior to construction: the Hamilton Project received a Feasibility Study, a System Impact Study, and a Facilities Study all prior to start of construction. There were no findings of concern. The Hamilton Project is Queue Number [REDACTED]. The DEF interconnection queue is found in the link provided below and includes links to copies of the interconnection studies performed.

[http://www.oasis.oati.com/woa/docs/fpc/fpcdocs/oasis_posting_report_21519\(2\).pdf](http://www.oasis.oati.com/woa/docs/fpc/fpcdocs/oasis_posting_report_21519(2).pdf)

59. Please refer to the Direct Testimony of DEF witness Matthew G. Stout, page 12, lines 10 to 20. What would be the Columbia Project capital cost in \$/kWac units if the import tariffs are added to the solar panels and to the racking system?

REDACTED

Answer:

The impact of the steel and aluminum tariffs on the costs of the racking system for Columbia Project is already included in the estimated capital costs of the project submitted in Exhibit MGS-4. The First Solar thin panels are exempt from the solar panel tariff. The tariff only applies to crystalline based photovoltaic panels made in certain countries outside of the United States. Hypothetically, if a new tariff were enacted on thin film technology at the same percentage (30%), it would increase the contract price by approximately [REDACTED] \$/kWac, increasing the total Columbia Project capital costs to [REDACTED] \$/kWac. This hypothetical estimate is a worst-case scenario as the tariff is only applied to the manufacturer's costs to make the equipment. We believe some profit margin and shipping and handling expenses are excluded from the tariff. The above hypothetical calculation was applied to the lump sum total of the panel supply agreement as the seller did not disclose its profit margin and shipping and handling expenses.

60. Please refer to the Direct Testimony of DEF witness Benjamin M. H. Borsch, page 7, lines 11 to 23.
- a. For how long has DEF relied on the Planning and Risk suite for planning purposes?
 - b. Has DEF previously used the Planning and Risk suite, for modelling purposes, in a docketed case?
 - c. Please explain why DEF relied on the PVSyst model for the solar performance projections used in the production cost model.
 - d. Has DEF previously used the PVSyst model for planning purposes?

Answer:

DEF and its predecessor companies have relied and continues to rely on components of the Planning and Risk suite of system modeling tools to evaluate the production cost results and customer savings for over 15 years. This suite of models includes the group of models referred to as the Energy Portfolio Management software. The Energy Portfolio Management software includes production cost model, PROSYM that DEF has used for over 15 years as the primary

Documents responsive to Interrogatory number 51, bearing bates numbers 20180149-DEF-000735 through 20180149-DEF-001092 are redacted in their entirety

Yes, there were several grid interconnection studies conducted prior to construction: the Hamilton Project received a Feasibility Study, a System Impact Study, and a Facilities Study all prior to start of construction. There were no findings of concern. The Hamilton Project is Queue Number [REDACTED]. The DEF interconnection queue is found in the link provided below and includes links to copies of the interconnection studies performed.

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59. Please refer to the Direct Testimony of DEF witness Matthew G. Stout, page 12, lines 10 to 20. What would be the Columbia Project capital cost in \$/kWac units if the import tariffs are added to the solar panels and to the racking system?

REDACTED

Answer:

The impact of the steel and aluminum tariffs on the costs of the racking system for Columbia Project is already included in the estimated capital costs of the project submitted in Exhibit MGS-4. The First Solar thin panels are exempt from the solar panel tariff. The tariff only applies to crystalline based photovoltaic panels made in certain countries outside of the United States. Hypothetically, if a new tariff were enacted on thin film technology at the same percentage (30%), it would increase the contract price by approximately [REDACTED] \$/kWac, increasing the total Columbia Project capital costs to [REDACTED] \$/kWac. This hypothetical estimate is a worst-case scenario as the tariff is only applied to the manufacturer's costs to make the equipment. We believe some profit margin and shipping and handling expenses are excluded from the tariff. The above hypothetical calculation was applied to the lump sum total of the panel supply agreement as the seller did not disclose its profit margin and shipping and handling expenses.

60. Please refer to the Direct Testimony of DEF witness Benjamin M. H. Borsch, page 7, lines 11 to 23.
- For how long has DEF relied on the Planning and Risk suite for planning purposes?
 - Has DEF previously used the Planning and Risk suite, for modelling purposes, in a docketed case?
 - Please explain why DEF relied on the PVSyst model for the solar performance projections used in the production cost model.
 - Has DEF previously used the PVSyst model for planning purposes?

Answer:

DEF and its predecessor companies have relied and continues to rely on components of the Planning and Risk suite of system modeling tools to evaluate the production cost results and customer savings for over 15 years. This suite of models includes the group of models referred to as the Energy Portfolio Management software. The Energy Portfolio Management software includes production cost model, PROSYM that DEF has used for over 15 years as the primary

Exhibit C

DUKE ENERGY FLORIDA Confidentiality Justification Matrix

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
DEF's Response to Staff's 3 rd Set of Interrogatories (Nos. 51-60)	Question 51: All information contained in the documents with Bates numbers 20180149-DEF-000735 through 20180149-DEF-001092 is confidential.	<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
DEF's Response to Staff's 3 rd Set of Interrogatories (Nos. 51-60)	Question 58: The information after "Number" and before "The DEF" is confidential.	<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>DEF's Response to Staff's 3rd Set of Interrogatories (Nos. 51-60)</p>	<p>Question 59: The information after "by approximately" and before "\$kWac" and after "costs to" and before "\$kWac" is confidential.</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>
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Exhibit D
AFFIDAVIT OF
MATTHEW G. STOUT

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for a Limited Proceeding to
Approve First Solar Base Rate Adjustment,
By Duke Energy Florida, LLC

Docket No. 20180149-EI

Dated: April 9, 2019

**AFFIDAVIT OF MATTHEW G. STOUT IN SUPPORT OF
DUKE ENERGY FLORIDA'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF VERMONT

COUNTY OF WINDSOR

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared Matthew G. Stout, who being first duly sworn, on oath deposes and says that:

1. My name is Matthew G. Stout. I am over the age of 18 years old and I have been authorized by Duke Energy Florida, LLC (hereinafter "DEF" or the "Company") to give this affidavit in the above-styled proceeding on DEF's behalf and in support of DEF's Request for Confidential Classification (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. I am the Managing Director of Business Development for Wind and Solar Development within the RGD Business Development Department. This department is responsible for the development of new solar facilities for DEF.

3. As the Managing Director of Business Development for Wind and Solar Development, I am responsible, along with the other members of the department, for conducting solar development activities including project siting, land acquisition, resource assessment,

permitting, obtaining interconnection rights, project layout and design, and arranging contracts for engineering, procurement and construction, as well as originating, structuring, and executing transactions to acquire rights to existing solar development projects.

4. DEF is seeking confidential classification for information contained in its Response to Staff's Third Set of Interrogatories (Nos. 51-60), specifically questions 58 and 59, submitted on March 19, 2019. The confidential information at issue is contained in confidential Exhibit A to DEF's Request and is outlined in DEF's Justification Matrix that is attached to DEF's Request for Confidential Classification as Exhibit C. DEF is requesting 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 and services on favorable terms.

5. Additionally, the disclosure of confidential information contained in DEF's contracts and other such documents could adversely impact DEF's competitive business interests. The terms of these contracts, including pricing terms, are negotiated terms between DEF and the sellers of the properties. If such information was disclosed to prospective sellers of property in the marketplace, it would provide valuable insight into prices that DEF may be willing to pay in certain circumstances, thereby materially harming DEF's ability to negotiate competitive contracts in the future. DEF's efforts to obtain competitive contracts that provide economic value to both DEF and its customers could be compromised. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and sellers, the Company's efforts to obtain competitive contracts could be undermined.

6. Upon receipt of confidential information from 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 or contracts. The Company has treated and continues to treat the information at issue as confidential.

7. This concludes my affidavit.

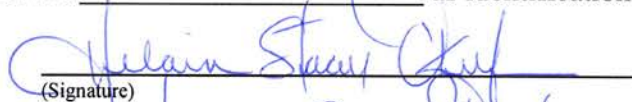
Further affiant sayeth not.

Dated the 8th day of April, 2019.



Matthew G. Stout
Managing Director of Business Development for
Wind and Solar Development
Duke Energy Corporation
400 South Tryon
Charlotte, North Carolina 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 8 day of April, 2019, by Matthew G. Stout. He is personally known to me, or has produced his VT 62551143 6/1/19 driver's license, or his _____ as identification.


(Signature)

HELAIN STACEY O'KEEFE
(Printed Name)

NOTARY PUBLIC,
STATE OF VERMONT

1/31/2021
(Commission Expiration Date)

157.0010807
(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)



Exhibit D
AFFIDAVIT OF
BENJAMIN M. H. BORSCH

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Duke Energy Florida, LLC's Petition
for a Limited Proceeding to approve First Solar
Base Rate Adjustment.

Docket No. 20180149-EI

Dated: April 9, 2019

**AFFIDAVIT OF BENJAMINE M.H. BORSCH IN SUPPORT OF
DUKE ENERGY FLORIDA'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF FLORIDA

COUNTY OF CITRUS

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared Benjamin M.H. Borsch, who being first duly sworn, on oath deposes and says that:

1. My name is Benjamin M.H. Borsch. 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 Request for Confidential Classification (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. I am the Director of IRP & Analytics. This section is responsible for resource planning for DEF.

3. As the Director of IRP & Analytics, I am responsible, along with the other members of the section, for the resource planning process in an integrated approach in order to find the most cost-effective alternatives to meet the Company's obligation to serve its customers in Florida.

4. DEF is seeking confidential classification for certain information provided in its response to Staff's Third Set of Interrogatories (Nos. 51-60), specifically question 51 submitted on March 19, 2019. The confidential information at issue is contained in confidential Exhibit A to DEF's Request and is outlined in DEF's Justification Matrix that is attached to DEF's Request as Exhibit C. DEF is requesting confidential classification of this information because it contains confidential proprietary sensitive business information, the disclosure of which would impair the Company's efforts to contract for goods or services on favorable terms.

5. The confidential information at issue relates to proprietary tracking information specific to plant locations and technologies. The disclosure of this confidential information could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors, DEF's efforts to obtain competitive contracts 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. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed the confidential information.

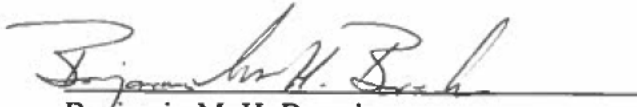
6. Upon receipt of its own confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided, including restricting access to those persons who need the information to assist the Company, and restricting the number of, and access to the information and contracts. At no time since receiving the information in question has the

Company publicly disclosed that information. 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 5th day of April, 2019.



Benjamin M. H. Borsch
Director
IRP & Analytics
Duke Energy Florida, LLC
St. Petersburg, FL

5th THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of April, 2019 by Benjamin M. H. Borsch. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.



(Signature)
Sandra Cope

(Printed Name)
NOTARY PUBLIC, STATE OF _____

(Commission Expiration Date) _____

(Serial Number, If Any) _____

(AFFIX NOTARIAL SEAL)

