



Dianne M. Triplett
Deputy General Counsel

June 24, 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 for Limited Proceeding to Approve
Second Solar Base Rate Adjustment; Docket No. 20190072-EI*

Dear Mr. Teitzman:

Please find enclosed for electronic filing on behalf of Duke Energy Florida, LLC ("DEF"), DEF's Request for Confidential Classification regarding its Response to Staff's Second Set of Interrogatories (Nos. 14-37) and Response to . 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 (affidavit of Matthew G. Stout)

DEF's confidential Exhibit A that accompanies the above-referenced filing has been submitted under separate cover.

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 _____

Dianne M. Triplett

DMT/mw
Enclosures

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 20190072-EI

Dated: June 24, 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 its Request for Confidential Classification (the “Request”) for the confidential information provided in its Response to Staff’s Second Set of Interrogatories (Nos. 14-37) and Staff’s Third Request for Production (No. 6), submitted on June 24, 2019. In support of this Request, DEF states:

1. Certain information and documents contained in DEF’s Response to Staff’s Second Set of Interrogatories (Nos. 14-37), specifically questions 14, 15, 16, 24a, 25c and 26c and DEF’s Response to Staff’s Third Request for Production (No. 6), 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 is being submitted separately in a sealed envelope labeled “CONFIDENTIAL.” 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.

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 information at issue relates to contractual cost data. Pursuant to its contracts, DEF is obligated to maintain the confidentiality of this information, and therefore it qualifies for confidential classification. *See* § 366.093(3)(d), F.S.; Affidavit of Matthew G. Stout at ¶¶4-5. 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 and the interests of its customers. *See* § 366.093(3)(d), F.S.; Affidavit of Matthew G. Stout at ¶ 5.

4. Certain information must be protected because disclosure of that information would allow other parties and the public to compute the confidential information discussed above (e.g., cost subtotals and totals), and therefore that information must be protected from public disclosure in order to protect the confidential contractual information at issue. *See* § 366.093(3)(d) and (e), F.S.; Affidavit of Matthew G. Stout at ¶ 5. 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.

5. The information identified as Exhibit “A” is intended to be and is treated as confidential by the Company. *See* Affidavit of Matthew G. Stout at ¶ 6. The information has not been disclosed to the public, and the Company has treated and continues to treat the information and contracts at issue as confidential. *See id.*

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 24th day of June, 2019.

s/Dianne M. Triplett

DIANNE M. TRIPLETT

Deputy General Counsel
Duke Energy Florida, LLC
299 First Avenue North
St. Petersburg, FL 33701
T: 727. 820.4692
F: 727.820.5041
E: Dianne.Triplett@Duke-Energy.com

MATTHEW R. BERNIER

Associate General Counsel
Duke Energy Florida, LLC
106 E. College Avenue
Suite 800
Tallahassee, FL 32301
T: 850.521.1428
F: 727.820.5041
E: Matthew.Bernier@Duke-Energy.com

CERTIFICATE OF SERVICE
(Dkt. No. 20190072-EI)

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to the following by electronic mail this 24th day of June, 2019, to all parties of record as indicated below.

s/ Dianne M. Triplett
Attorney

<p>Kurt Schrader Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 kschrade@psc.state.fl.us</p> <p>J. Moyle / K. Putnal / I. Waldick 118 N. Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com kputnal@moylelaw.com</p>	<p>James Brew / Laura Wynn 1025 Thomas Jefferson St., N.W., Ste. 800 W Washington, DC 20007-5201 jbrew@smxblaw.com law@smxblaw.com</p> <p>J.R. Kelly / Charles Rehwinkel Office of Public Counsel c/o The Florida Legislature 111 West Madison St., Rm. 812 Tallahassee, FL 32399-1400 kelly.jr@leg.state.fl.us rehwinkel.charles@leg.state.fl.us</p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Exhibit A

“CONFIDENTIAL”

(Submitted under separate cover)

Exhibit B

REDACTED

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 20190072-EI

Filed: June 24, 2019

**DUKE ENERGY FLORIDA, LLC'S REDACTED RESPONSE TO
STAFF'S SECOND SET OF INTERROGATORIES (NOS. 14-37)**

Duke Energy Florida, LLC ("DEF"), responds to the Staff of the Florida Public Service Commission's ("Staff") Second Set of Interrogatories to DEF (Nos. 14-37) as follows:

INTERROGATORIES

14. **Cost-Effectiveness.** Please refer to DEF witness Stouts' exhibit MGS-2. For the Trenton Project please provide separate engineering, procurement and construction costs; development costs including third party development fees, permitting fees and costs; actual land costs, land lease rental payment costs for the useful life of the facilities and land acquisition costs, taxes; utility costs to support or complete development; transmission interconnection costs; installation labor and equipment costs; costs associated with electrical balance of system, structural balance of system, inverters, and modules; AFUDC at the weighted average cost of capital and other traditionally allowed rate base costs.

REDACTED

Answer:

Trenton Solar Project Estimated Installed Cost by Category (\$MM):

Engineering, procurement and construction costs: [REDACTED]

Development costs including third party development fees: \$5.8M

Permitting fees and costs: included in Development costs.

Actual land costs: project occupies land leased to Duke Energy Florida.

Land lease rental payment costs for the useful life of the facilities and land acquisition costs: land lease costs during construction is \$0.3M, land lease costs for the useful life is provided in DEF's response to question 25. c.

Taxes: applicable taxes and imbedded in other their respective cost category.

Utility costs to support or complete development: \$1.0M

Transmission interconnection costs: Interconnection Customer charges identified in the Large Generator Interconnection Agreement are \$0.1M, excludes Network Upgrades.

Installation labor and equipment costs: included in engineering, procurement and construction costs.

Costs associated with electrical balance of system: included in engineering, procurement and construction costs.

Structural balance of system: included in engineering, procurement and construction costs.

Inverters: included in engineering, procurement and construction costs.

Modules: [REDACTED]

AFUDC: \$0.0M

15. **Cost-Effectiveness.** Please refer to DEF witness Stouts' exhibit MGS-4. For the Lake Placid Project please provide separate engineering, procurement and construction costs; development costs including third party development fees, permitting fees and costs; actual land costs, land lease rental payment costs for the useful life of the facilities and land acquisition costs, taxes; utility costs to support or complete development; transmission interconnection costs; installation labor and equipment costs; costs associated with electrical balance of system, structural balance of system, inverters, and modules; AFUDC at the weighted average cost of capital and other traditionally allowed rate base costs.

REDACTED

Answer:

Lake Placid Solar Project Estimated Installed Cost by Category (\$MM):

Engineering, procurement and construction costs: [REDACTED]

Development costs including third party development fees: \$3.5M

Permitting fees and costs: included in Development costs.

Actual land costs: project occupies land leased to Duke Energy Florida.

Land lease rental payment costs for the useful life of the facilities and land acquisition costs: land lease costs during construction is \$0.1M, land lease costs for the useful life is provided in DEF's response to question 26. c.

Taxes: applicable taxes and imbedded in other their respective cost category.

Utility costs to support or complete development: \$0.7M

Transmission interconnection costs: Interconnection Customer charges identified in the Large Generator Interconnection Agreement are \$0.1M, excludes Network Upgrades.

Installation labor and equipment costs: included in engineering, procurement and construction costs.

Costs associated with electrical balance of system: included in engineering, procurement and construction costs.

Structural balance of system: included in engineering, procurement and construction costs.

Inverters: included in engineering, procurement and construction costs.

Modules: [REDACTED]

AFUDC: \$0.0M

16. **Cost-Effectiveness.** Please refer to DEF witness Stouts' exhibit MGS-6. For the DeBary Project please provide separate engineering, procurement and construction costs; development costs including third party development fees, permitting fees and costs; actual land costs and land acquisition costs, taxes; utility costs to support or complete development; transmission interconnection costs; installation labor and equipment costs; costs associated with electrical balance of system, structural balance of system, inverters, and modules; AFUDC at the weighted average cost of capital and other traditionally allowed rate base costs.

REDACTED

Answer:

DeBary Solar Project Estimated Installed Cost by Category (\$MM):

Engineering, procurement and construction costs: [REDACTED]

Development costs including third party development fees: \$4.4M

Permitting fees and costs: included in Development costs.

Actual land costs and land acquisition costs: project occupies land already owned by Duke Energy Florida.

Taxes: applicable taxes and imbedded in other their respective cost category.

Utility costs to support or complete development: included in Development costs.

Transmission interconnection costs: Interconnection Customer charges identified in the Large Generator Interconnection Agreement are \$0.1M, excludes Network Upgrades.

Installation labor and equipment costs: included in engineering, procurement and construction costs.

Costs associated with electrical balance of system: included in engineering, procurement and construction costs.

Structural balance of system: included in engineering, procurement and construction costs.

Inverters: included in engineering, procurement and construction costs.

Modules: [REDACTED]

AFUDC: \$3.1M

24. **Cost-Effectiveness.** Please refer to DEF’s witness Stout’s testimony, Page 9, Lines 2-5.

- a. The Trenton and Lake Placid projects were selected from over 60 submitted projects. Please identify which of the 60 plus projects required purchase, leasing or adoption of a current lease, and the NPV over the course the project. Please use the following table.

Project Name	Land for Purchase (Y/N)	Land for Lease (Y/N)	Land under current Long-Term Lease(Y/N)	Net Present Value of Land over Service Life of Plant

Answer:

- a. The table below provides a summary of the site control characteristics of the projects that were made available to DEF. Please note that DEF did not obtain this level of detail for all of the approximately 60 projects referenced in Mr. Stout’s testimony, because the majority of those projects were eliminated from consideration for a variety of other reasons (e.g., lack of follow up from developer, land not suitable for solar, etc.). Please also note that not all developers shared the details of their site control arrangements nor did DEF conduct due diligence to verify the accuracy of all site control characteristics shared pertaining to each project. It should also be noted that the MW site, acres under site control, land purchase price and lease rates vary from project to project.

REDACTED

Project Name	County	MWac	Acres	Form of Site Control (Lease / Purchase)	NPV of Lease cost of 30-yr or Land Purchase Cost
Columbia	Columbia	74.9	700	Lease	
Hamilton	Hamilton	74.9	565	Lease	
Trenton	Gilchrist	74.9	570	Lease	
Lake Placid	Highland	45.0	379	Lease	
Project 1	Manatee	74.5	730	Purchase	
Project 2	Gilchrist	74.5	391	Purchase	
Project 3	Columbia	74.5	601	Purchase	
Project 4	Levy	70.0	520	Lease	
Project 5	Suwannee	74.9	538	Lease	

Project 6	Levy	74.8	500	Lease
Project 7	Gilchrist	74.5	480	Lease
Project 8	Gilchrist	30.0	308	Lease
Project 9	Alachua	60.0	714	Lease
Project 10	Citrus	40.0	533	Purchase
Project 11	Sumter	74.9	617	Purchase
Project 12	Taylor	47.0	300	Lease
Project 13	Citrus	74.5	500	Lease
Project 14	Citrus	74.5	500	Lease
Project 15	Polk	74.5	677	Lease
Project 16	Polk	74.5	546	Lease
Project 17	Gilchrist	40.0	301	Lease
Project 18	Suwannee	48.0	230	Lease
Project 19	Hamilton	50.0	282	Lease

25. **Cost-Effectiveness.** Please provide the cost breakdown for Development and Permitting for the Trenton project as stated for witness Stout’s Exhibit MGS-2, specifically:

- a. Please provide the parcel(s) information for the land being leased for the project.
- b. Please provide the cost of permitting for the site.
- c. Please provide the yearly cost of land lease per year.
- d. Please provide the Construction cost, labor and materials, for the project.
- e. Please provide the cost of Development Fees.
- f. Please provide the cost of Title Insurance.
- g. Please provide the cost of legal fees during construction.

Answer:

- a. The project is leasing portions of Gilchrist County Property Appraiser Parcel IDs: 05-10-15-0000-0001-0010, 06-10-15-0000-0002-0000, 07-10-15-0000-0002-

0000, 08-10-12-0000-0001-0000, 05-10-15-0000-0001-0010, and 06-10-15-0000-0002-0000.

b. Please see DEF's response to question 14.

c. REDACTED

Trenton - Estimated Annual Land Lease Cost

(Values in \$000s)

<u>Year</u>	<u>Land Lease</u>
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	
2040	

2041

2042

2043

2044

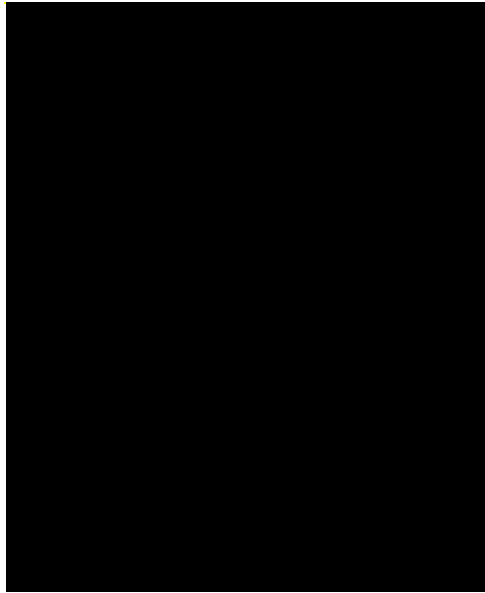
2045

2046

2047

2048

2049



- d. Please see DEF's response to question number 14.
- e. Please see DEF's response to question number 14.
- f. The cost of Title Insurance is \$50,000 (budgeted), \$58,115 (actual).
- g. The cost of legal fees during construction is estimated at \$50,000.

26. **Cost-Effectiveness.** Please provide the cost breakdown for Development and Permitting for the Lake Placid Project as stated for witness Stout’s Exhibit MGS-4 specifically:

- a. Please provide the parcel(s) information for the land being leased for the project.
- b. Please provide the cost of permitting for the site.
- c. Please provide the yearly cost of land lease per year.
- d. Please provide the Construction cost, labor and materials, for the project.
- e. Please provide the cost of Development Fees.
- f. Please provide the cost of Title Insurance.
- g. Please provide the cost of legal fees during construction.

Answer:

- a. The project is leasing portions of Highlands County Property Appraiser parcel IDs: C-24-36-29-A00-0010-0000, C-24-36-29-A00-0050-0000, C-13-36-29-A00-0020-0000, C-18-36-30-A00-0010-0000, C-19-36-30-A00-0120-0000 with easements over portions of parcels C-19-36-30-A00-0120-0000, C-30-36-30-A00-0110-0000, C-30-36-30-A00-0100-0000, and P-30-36-30-A00-0080-0000.
- b. Please see DEF’s response to question number 15.
- c.

REDACTED

Lake Placid - Estimated Annual Land Lease Cost

(Values in \$000s)

<u>Year</u>	<u>Land Lease</u>
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	

2029

2030

2031

2032

2033

2034

2035

2036

2037

2038

2039

2040

2041

2042

2043

2044

2045

2046

2047

2048

2049

- d. Please see DEF's response to question number 15.
- e. Please see DEF's response to question number 15.
- f. The cost of Title Insurance is \$56,500.
- g. The cost of legal fees during construction is estimated at \$50,000.

REDACTED

SOLAR GROUND LEASE AGREEMENT

Site No.: 108116
Land Unit No.: 1710417
Project No.: 108116-461394

Summary of Solar Ground Lease Agreement Terms:

This Summary outlines the terms of the attached Solar Ground Lease Agreement ("Lease"). In the event of any discrepancy, the terms and conditions of the Lease shall prevail. All capitalized terms used in this Summary shall have the same meaning as set forth in the Lease.

Effective Date: May 1, 2019
Landlord: Cow Slough Inc., a Florida corporation
Tenant: Duke Energy Florida, LLC

Summary Description of Land: Approximately 369.48 acres of land located in Highlands County, Florida, more particularly described in Exhibit A attached hereto and incorporated herein by this reference.

Term of Lease: The term of the Lease shall commence on the Effective Date and shall end at 11:59 P.M. local time on the date that is thirty (30) years after the Commencement Date. In addition, Tenant may exercise the right to extend the Term for two (2) 5-year periods.

Commencement Date: The Commencement Date of the Term is the Commercial Operation Date (as defined in Section 2(a) of the Lease).

Number, Length of Optional Renewal Term(s): Two (2) consecutive Renewal Terms of five (5) years each.

Due Diligence Period: The Due Diligence Period shall be the Option Period (as defined in the Option Agreement), and shall have concluded as of the Lease Effective Date.

Construction Period: The Construction Period commences upon the Construction Commencement Date, which is also the Lease Effective Date, and expires upon the Commercial Operation Date (which is the same date as the Commencement Date of the Term).

Rent: Tenant shall pay Landlord the sum of [redacted] for the first year of the Construction Period, and thereafter until expiration of the Construction Period [redacted]. Commencing the Commercial Operation Date, Tenant shall pay Landlord annual rent in the sum of [redacted] (prorated for fractional acres).

Rent Increase: Commencing on the 1st anniversary of the Commencement Date and on each subsequent anniversary of the Commercial Operation Date during the Term, the annual Rent shall increase by [redacted].

Addresses:

Table with 2 columns: Landlord and Tenant. Landlord: Cow Slough Inc., John F. Smoak, III, President, 1025 CR 17 N, Lake Placid, FL 33852. Tenant: Duke Energy / JLL, Inc., Lease Administration, Attn: Nancy J. Holmes, 550 South Tryon Street, Mail Code: DEC22A, Charlotte, NC 28202. Copy to: Rider & Thompson, P.A., 13 N. Oak Ave, Lake Placid, FL 33852.

Handwritten signature/initials in blue ink.

REDACTED

4. Rent.

(a) Construction Period Rent. During the Construction Period, Tenant shall pay Landlord rent in accordance with this Section 4(a).

(i) For the first year of the Construction Period, Tenant shall pay Landlord the sum equal to [REDACTED] of Land located within the Premises (prorated for any fractional acres).

(ii) To the extent the Construction Period continues after the first anniversary of the Effective Date, from the first anniversary of the Effective Date through the last day of the Construction Period, Tenant shall pay Landlord the sum equal to [REDACTED] Land located within the Premises (prorated for any fractional acres).

(b) Commercial Operation Rent. From an after the Commercial Operation Date, Tenant shall pay Landlord rent in accordance with this Section 4(b).

(i) Commencing on the Commencement Date, Tenant shall pay Landlord annual rent during the Term in the sum of [REDACTED] located within the Premises (prorated for any fractional acres).

(ii) Commencing on the first (1st) annual anniversary of the Commencement Date, and on each anniversary of the Commencement Date thereafter (including any anniversary of the Commencement Date occurring during any Renewal Term), the annual rent payable hereunder shall increase over the annual rent payable for the prior year by [REDACTED]

(c) Rent Payments.

(i) *Construction Period Rent.* Rent payable for the Construction Period shall be payable monthly in advance in equal monthly installments for each year of the Construction Period, with the first monthly installment due 15 days after the Effective Date for the first month in the Construction Period, and each subsequent installment of Construction Period rent due on the first business day of each calendar month in the Construction Period thereafter. Calculation of rent shall be based on the acreage of the Land depicted in the ALTA survey prepared by or for Tenant (or such other survey of the Land reasonably acceptable to Landlord and Tenant).

(ii) *Commercial Operation Rent.* Rent due from and after the Commercial Operation Date shall be paid on a semiannual basis, with the first (1st) rent installment payable within thirty (30) days after the Commercial Operation Date, the second (2nd) rent installment being due on the first business day that is six (6) months after the Commercial Operation Date, and subsequent payments of rent being due on the first business day every six (6) months thereafter during the Term.

(iii) *Calculation; Proration; Delinquency.* Calculation of rent shall be based on the acreage of the Land depicted in the ALTA survey prepared by or for Tenant (or such other survey of the Land reasonably acceptable to Landlord and Tenant). The payment of rent for any fractional calendar month or half-year during the Term shall be prorated. If Tenant fails to pay any installment of rent to Landlord by the date that the same is due hereunder, and such failure continues for a period of (15) days after Landlord provides Tenant with written notice of such failure to pay, Tenant will pay a late fee to the Landlord in the amount of three percent (3.0%) of such unpaid delinquent rent amount.

REDACTED

EXHIBIT B

Termination Fee

Upon termination of the Lease, other than due to an Excused Event, Tenant shall pay Landlord a Termination Fee in accordance with this EXHIBIT B.

1. If the Lease is terminated, other than due to an Excused Event, at any time prior to the Commercial Operation Date, Tenant shall pay Landlord a one-time "Termination Fee" equal to the total acres included in the Premises rounded to the nearest 10th of an acre, multiplied by [REDACTED]
2. If this Lease is terminated, other than due to an Excused Event, at any time from the Commercial Operation Date through the fourteenth (14th) anniversary of the Commercial Operation Date, Tenant shall pay Landlord a one-time "Termination Fee" equal to the total acres included in the Premises rounded to the nearest 10th of an acre multiplied by the dollar amount in the table below that corresponds to the year in which the effective termination date of the Lease occurs.

Year after Commercial Operation Date	\$ per Acre Terminated
1	\$ [REDACTED]
2	\$ [REDACTED]
3	\$ [REDACTED]
4	\$ [REDACTED]
5	\$ [REDACTED]
6	\$ [REDACTED]
7	\$ [REDACTED]
8	\$ [REDACTED]
9	\$ [REDACTED]
10	\$ [REDACTED]
11	\$ [REDACTED]
12	\$ [REDACTED]
13	\$ [REDACTED]

3. If this Lease is terminated from or after the 14th anniversary of the Commercial Operation Date, Tenant shall have no obligation to pay Landlord any "Termination Fee."

REDACTED

4. Rent.

(a) Construction Period Rent. During the Construction Period, Tenant shall pay Landlord rent in accordance with this Section 4(a).

(i) For the first year of the Construction Period, Tenant shall pay Landlord the sum equal to [REDACTED] located within the Premises (prorated for any fractional acres).

(ii) To the extent the Construction Period continues after the first anniversary of the Effective Date, from the first anniversary of the Effective Date through the last day of the Construction Period, Tenant shall pay Landlord the sum equal to [REDACTED] located within the Premises (prorated for any fractional acres).

(b) Commercial Operation Rent. From an after the Commercial Operation Date, Tenant shall pay Landlord rent in accordance with this Section 4(b).

(i) Commencing on the Commencement Date, Tenant shall pay Landlord annual rent during the Term in the sum equal to [REDACTED] located within the Premises (prorated for any fractional acres).

(ii) Commencing on the first (1st) annual anniversary of the Commencement Date, and on each anniversary of the Commencement Date thereafter (including any anniversary of the Commencement Date occurring during any Renewal Term), the annual rent payable hereunder shall increase over the annual rent payable for the prior year by [REDACTED]

(c) Rent Payments.

(i) Construction Period Rent. Rent payable for the Construction Period shall be payable monthly in advance in equal monthly installments for each year of the Construction Period, with the first monthly installment due 15 days after the Effective Date for the first month in the Construction Period, and each subsequent installment of Construction Period rent due on the first business day of each calendar month in the Construction Period thereafter. Calculation of rent shall be based on the acreage of the Land depicted in the ALTA survey prepared by or for Tenant (or such other survey of the Land reasonably acceptable to Landlord and Tenant).

(ii) Commercial Operation Rent. Rent due from and after the Commercial Operation Date shall be paid on a semiannual basis, with the first (1st) rent installment payable within thirty (30) days after the Commercial Operation Date, the second (2nd) rent installment being due on the first business day that is six (6) months after the Commercial Operation Date, and subsequent payments of rent being due on the first business day every six (6) months thereafter during the Term.

(iii) Calculation; Proration; Delinquency. Calculation of rent shall be based on the acreage of the Land depicted in the ALTA survey prepared by or for Tenant (or such other survey of the Land reasonably acceptable to Landlord and Tenant). The payment of rent for any fractional calendar month or half-year during the Term shall be prorated. If Tenant fails to pay any installment of rent to Landlord by the date that the same is due hereunder, and such failure continues for a period of (15) days after Landlord provides Tenant with written notice of such failure to pay, Tenant

REDACTED

EXHIBIT B

Termination Fee

Upon termination of the Lease, other than due to an Excused Event, Tenant shall pay Landlord a Termination Fee in accordance with this EXHIBIT B.

1. If the Lease is terminated, other than due to an Excused Event, at any time prior to the Commercial Operation Date, Tenant shall pay Landlord a one-time "Termination Fee" equal to the total acres included in the Premises rounded to the nearest 10th of an acre, multiplied by [REDACTED]
2. If this Lease is terminated, other than due to an Excused Event, at any time from the Commercial Operation Date through the fourteenth (14th) anniversary of the Commercial Operation Date, Tenant shall pay Landlord a one-time "Termination Fee" equal to the total acres included in the Premises rounded to the nearest 10th of an acre multiplied by the dollar amount in the table below that corresponds to the year in which the effective termination date of the Lease occurs.

Year after Commercial Operation Date	\$ per Acre Terminated
1	\$ [REDACTED]
2	\$ [REDACTED]
3	\$ [REDACTED]
4	\$ [REDACTED]
5	\$ [REDACTED]
6	\$ [REDACTED]
7	\$ [REDACTED]
8	\$ [REDACTED]
9	\$ [REDACTED]
10	\$ [REDACTED]
11	\$ [REDACTED]
12	\$ [REDACTED]
13	\$ [REDACTED]

3. If this Lease is terminated from or after the 14th anniversary of the Commercial Operation Date, Tenant shall have no obligation to pay Landlord any "Termination Fee."

REDACTED

EXECUTION COPY

Exhibit A to the Ground Lease

RENT SCHEDULE

Base Rent of [REDACTED] per acre per year which shall be increased at the end of each five (5) year period of the Initial Term and for each Extension based on the cumulative increase in the Consumer Price Index (CPI-U as published by the U.S. Bureau of Labor Statistics) for the preceding five years.

Base Rent shall be paid once per year on the Effective Date and each anniversary thereafter, during the term of this Agreement.

REDACTED

EXHIBIT C

RENT SCHEDULE

Base Rent of [REDACTED] per acre per year which shall be increased at the end of each five (5) year period of the Initial Term and for each Extension based on the cumulative increase in the Consumer Price Index (CPI-U as published by the U.S. Bureau of Labor Statistics) for the preceding five years.

For Tract 1: Based on 204 acres, the initial annual Base Rent payment is [REDACTED]

For Tract 3: Based on 340 acres, the initial annual Base Rent payment is [REDACTED]

Base Rent shall be paid once per year on the Effective Date and each anniversary thereafter, during the term of this Agreement.

(The Base Rent may be adjusted due to adjustments in the Leased acreage per Sections 3.1, 5.6 (d), and 6.6)

Exhibit B

REDACTED

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 20190072-EI

Filed: June 24, 2019

**DUKE ENERGY FLORIDA, LLC'S REDACTED RESPONSE TO
STAFF'S SECOND SET OF INTERROGATORIES (NOS. 14-37)**

Duke Energy Florida, LLC ("DEF"), responds to the Staff of the Florida Public Service Commission's ("Staff") Second Set of Interrogatories to DEF (Nos. 14-37) as follows:

INTERROGATORIES

14. **Cost-Effectiveness.** Please refer to DEF witness Stouts' exhibit MGS-2. For the Trenton Project please provide separate engineering, procurement and construction costs; development costs including third party development fees, permitting fees and costs; actual land costs, land lease rental payment costs for the useful life of the facilities and land acquisition costs, taxes; utility costs to support or complete development; transmission interconnection costs; installation labor and equipment costs; costs associated with electrical balance of system, structural balance of system, inverters, and modules; AFUDC at the weighted average cost of capital and other traditionally allowed rate base costs.

REDACTED

Answer:

Trenton Solar Project Estimated Installed Cost by Category (\$MM):

Engineering, procurement and construction costs: [REDACTED]

Development costs including third party development fees: \$5.8M

Permitting fees and costs: included in Development costs.

Actual land costs: project occupies land leased to Duke Energy Florida.

Land lease rental payment costs for the useful life of the facilities and land acquisition costs: land lease costs during construction is \$0.3M, land lease costs for the useful life is provided in DEF's response to question 25. c.

Taxes: applicable taxes and imbedded in other their respective cost category.

Utility costs to support or complete development: \$1.0M

Transmission interconnection costs: Interconnection Customer charges identified in the Large Generator Interconnection Agreement are \$0.1M, excludes Network Upgrades.

Installation labor and equipment costs: included in engineering, procurement and construction costs.

Costs associated with electrical balance of system: included in engineering, procurement and construction costs.

Structural balance of system: included in engineering, procurement and construction costs.

Inverters: included in engineering, procurement and construction costs.

Modules: ██████████

AFUDC: \$0.0M

15. **Cost-Effectiveness.** Please refer to DEF witness Stouts' exhibit MGS-4. For the Lake Placid Project please provide separate engineering, procurement and construction costs; development costs including third party development fees, permitting fees and costs; actual land costs, land lease rental payment costs for the useful life of the facilities and land acquisition costs, taxes; utility costs to support or complete development; transmission interconnection costs; installation labor and equipment costs; costs associated with electrical balance of system, structural balance of system, inverters, and modules; AFUDC at the weighted average cost of capital and other traditionally allowed rate base costs.

REDACTED

Answer:

Lake Placid Solar Project Estimated Installed Cost by Category (\$MM):

Engineering, procurement and construction costs: [REDACTED]

Development costs including third party development fees: \$3.5M

Permitting fees and costs: included in Development costs.

Actual land costs: project occupies land leased to Duke Energy Florida.

Land lease rental payment costs for the useful life of the facilities and land acquisition costs: land lease costs during construction is \$0.1M, land lease costs for the useful life is provided in DEF's response to question 26. c.

Taxes: applicable taxes and imbedded in other their respective cost category.

Utility costs to support or complete development: \$0.7M

Transmission interconnection costs: Interconnection Customer charges identified in the Large Generator Interconnection Agreement are \$0.1M, excludes Network Upgrades.

Installation labor and equipment costs: included in engineering, procurement and construction costs.

Costs associated with electrical balance of system: included in engineering, procurement and construction costs.

Structural balance of system: included in engineering, procurement and construction costs.

Inverters: included in engineering, procurement and construction costs.

Modules: [REDACTED]

AFUDC: \$0.0M

16. **Cost-Effectiveness.** Please refer to DEF witness Stouts' exhibit MGS-6. For the DeBary Project please provide separate engineering, procurement and construction costs; development costs including third party development fees, permitting fees and costs; actual land costs and land acquisition costs, taxes; utility costs to support or complete development; transmission interconnection costs; installation labor and equipment costs; costs associated with electrical balance of system, structural balance of system, inverters, and modules; AFUDC at the weighted average cost of capital and other traditionally allowed rate base costs.

REDACTED

Answer:

DeBary Solar Project Estimated Installed Cost by Category (\$MM):

Engineering, procurement and construction costs: [REDACTED]

Development costs including third party development fees: \$4.4M

Permitting fees and costs: included in Development costs.

Actual land costs and land acquisition costs: project occupies land already owned by Duke Energy Florida.

Taxes: applicable taxes and imbedded in other their respective cost category.

Utility costs to support or complete development: included in Development costs.

Transmission interconnection costs: Interconnection Customer charges identified in the Large Generator Interconnection Agreement are \$0.1M, excludes Network Upgrades.

Installation labor and equipment costs: included in engineering, procurement and construction costs.

Costs associated with electrical balance of system: included in engineering, procurement and construction costs.

Structural balance of system: included in engineering, procurement and construction costs.

Inverters: included in engineering, procurement and construction costs.

Modules: [REDACTED]

AFUDC: \$3.1M

24. **Cost-Effectiveness.** Please refer to DEF’s witness Stout’s testimony, Page 9, Lines 2-5.

- a. The Trenton and Lake Placid projects were selected from over 60 submitted projects. Please identify which of the 60 plus projects required purchase, leasing or adoption of a current lease, and the NPV over the course the project. Please use the following table.

Project Name	Land for Purchase (Y/N)	Land for Lease (Y/N)	Land under current Long-Term Lease(Y/N)	Net Present Value of Land over Service Life of Plant

Answer:

- a. The table below provides a summary of the site control characteristics of the projects that were made available to DEF. Please note that DEF did not obtain this level of detail for all of the approximately 60 projects referenced in Mr. Stout’s testimony, because the majority of those projects were eliminated from consideration for a variety of other reasons (e.g., lack of follow up from developer, land not suitable for solar, etc.). Please also note that not all developers shared the details of their site control arrangements nor did DEF conduct due diligence to verify the accuracy of all site control characteristics shared pertaining to each project. It should also be noted that the MW site, acres under site control, land purchase price and lease rates vary from project to project.

REDACTED

Project Name	County	MWac	Acres	Form of Site Control (Lease / Purchase)	NPV of Lease cost of 30-yr or Land Purchase Cost
Columbia	Columbia	74.9	700	Lease	
Hamilton	Hamilton	74.9	565	Lease	
Trenton	Gilchrist	74.9	570	Lease	
Lake Placid	Highland	45.0	379	Lease	
Project 1	Manatee	74.5	730	Purchase	
Project 2	Gilchrist	74.5	391	Purchase	
Project 3	Columbia	74.5	601	Purchase	
Project 4	Levy	70.0	520	Lease	
Project 5	Suwannee	74.9	538	Lease	

Project 6	Levy	74.8	500	Lease
Project 7	Gilchrist	74.5	480	Lease
Project 8	Gilchrist	30.0	308	Lease
Project 9	Alachua	60.0	714	Lease
Project 10	Citrus	40.0	533	Purchase
Project 11	Sumter	74.9	617	Purchase
Project 12	Taylor	47.0	300	Lease
Project 13	Citrus	74.5	500	Lease
Project 14	Citrus	74.5	500	Lease
Project 15	Polk	74.5	677	Lease
Project 16	Polk	74.5	546	Lease
Project 17	Gilchrist	40.0	301	Lease
Project 18	Suwannee	48.0	230	Lease
Project 19	Hamilton	50.0	282	Lease

25. **Cost-Effectiveness.** Please provide the cost breakdown for Development and Permitting for the Trenton project as stated for witness Stout’s Exhibit MGS-2, specifically:

- a. Please provide the parcel(s) information for the land being leased for the project.
- b. Please provide the cost of permitting for the site.
- c. Please provide the yearly cost of land lease per year.
- d. Please provide the Construction cost, labor and materials, for the project.
- e. Please provide the cost of Development Fees.
- f. Please provide the cost of Title Insurance.
- g. Please provide the cost of legal fees during construction.

Answer:

- a. The project is leasing portions of Gilchrist County Property Appraiser Parcel IDs: 05-10-15-0000-0001-0010, 06-10-15-0000-0002-0000, 07-10-15-0000-0002-

0000, 08-10-12-0000-0001-0000, 05-10-15-0000-0001-0010, and 06-10-15-0000-0002-0000.

b. Please see DEF's response to question 14.

c. REDACTED

Trenton - Estimated Annual Land Lease Cost

(Values in \$000s)

<u>Year</u>	<u>Land Lease</u>
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	
2029	
2030	
2031	
2032	
2033	
2034	
2035	
2036	
2037	
2038	
2039	
2040	

2041

2042

2043

2044

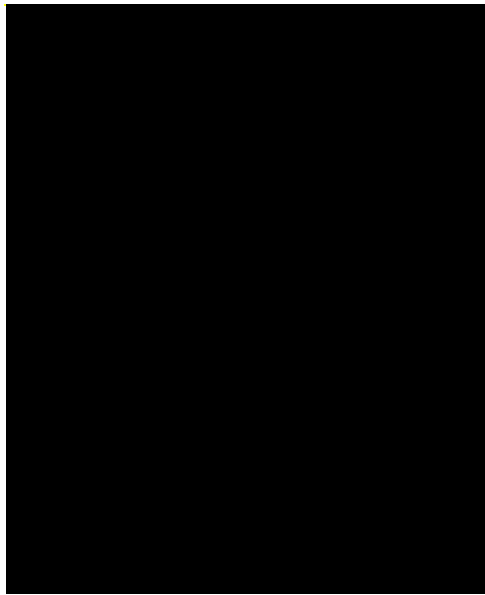
2045

2046

2047

2048

2049



- d. Please see DEF's response to question number 14.
- e. Please see DEF's response to question number 14.
- f. The cost of Title Insurance is \$50,000 (budgeted), \$58,115 (actual).
- g. The cost of legal fees during construction is estimated at \$50,000.

26. **Cost-Effectiveness.** Please provide the cost breakdown for Development and Permitting for the Lake Placid Project as stated for witness Stout’s Exhibit MGS-4 specifically:

- a. Please provide the parcel(s) information for the land being leased for the project.
- b. Please provide the cost of permitting for the site.
- c. Please provide the yearly cost of land lease per year.
- d. Please provide the Construction cost, labor and materials, for the project.
- e. Please provide the cost of Development Fees.
- f. Please provide the cost of Title Insurance.
- g. Please provide the cost of legal fees during construction.

Answer:

- a. The project is leasing portions of Highlands County Property Appraiser parcel IDs: C-24-36-29-A00-0010-0000, C-24-36-29-A00-0050-0000, C-13-36-29-A00-0020-0000, C-18-36-30-A00-0010-0000, C-19-36-30-A00-0120-0000 with easements over portions of parcels C-19-36-30-A00-0120-0000, C-30-36-30-A00-0110-0000, C-30-36-30-A00-0100-0000, and P-30-36-30-A00-0080-0000.
- b. Please see DEF’s response to question number 15.
- c.

REDACTED

Lake Placid - Estimated Annual Land Lease Cost

(Values in \$000s)

<u>Year</u>	<u>Land Lease</u>
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	
2028	

2029

2030

2031

2032

2033

2034

2035

2036

2037

2038

2039

2040

2041

2042

2043

2044

2045

2046

2047

2048

2049

- d. Please see DEF's response to question number 15.
- e. Please see DEF's response to question number 15.
- f. The cost of Title Insurance is \$56,500.
- g. The cost of legal fees during construction is estimated at \$50,000.

REDACTED

SOLAR GROUND LEASE AGREEMENT

Site No.: 108116
Land Unit No.: 1710417
Project No.: 108116-461394

Summary of Solar Ground Lease Agreement Terms:

This Summary outlines the terms of the attached Solar Ground Lease Agreement ("Lease"). In the event of any discrepancy, the terms and conditions of the Lease shall prevail. All capitalized terms used in this Summary shall have the same meaning as set forth in the Lease.

Effective Date: May 1, 2019
Landlord: Cow Slough Inc., a Florida corporation
Tenant: Duke Energy Florida, LLC

Summary Description of Land: Approximately 369.48 acres of land located in Highlands County, Florida, more particularly described in Exhibit A attached hereto and incorporated herein by this reference.

Term of Lease: The term of the Lease shall commence on the Effective Date and shall end at 11:59 P.M. local time on the date that is thirty (30) years after the Commencement Date. In addition, Tenant may exercise the right to extend the Term for two (2) 5-year periods.

Commencement Date: The Commencement Date of the Term is the Commercial Operation Date (as defined in Section 2(a) of the Lease).

Number, Length of Optional Renewal Term(s): Two (2) consecutive Renewal Terms of five (5) years each.

Due Diligence Period: The Due Diligence Period shall be the Option Period (as defined in the Option Agreement), and shall have concluded as of the Lease Effective Date.

Construction Period: The Construction Period commences upon the Construction Commencement Date, which is also the Lease Effective Date, and expires upon the Commercial Operation Date (which is the same date as the Commencement Date of the Term).

Rent: Tenant shall pay Landlord the sum of [redacted] for the first year of the Construction Period, and thereafter until expiration of the Construction Period [redacted]. Commencing the Commercial Operation Date, Tenant shall pay Landlord annual rent in the sum of [redacted] (prorated for fractional acres).

Rent Increase: Commencing on the 1st anniversary of the Commencement Date and on each subsequent anniversary of the Commercial Operation Date during the Term, the annual Rent shall increase by [redacted].

Addresses:

Table with 2 columns: Landlord and Tenant. Landlord: Cow Slough Inc., John F. Smoak, III, President, 1025 CR 17 N, Lake Placid, FL 33852. Tenant: Duke Energy / JLL, Inc., Lease Administration, Attn: Nancy J. Holmes, 550 South Tryon Street, Mail Code: DEC22A, Charlotte, NC 28202. Copy to: Rider & Thompson, P.A., 13 N. Oak Ave, Lake Placid, FL 33852.

Handwritten signature/initials in blue ink.

REDACTED

4. Rent.

(a) Construction Period Rent. During the Construction Period, Tenant shall pay Landlord rent in accordance with this Section 4(a).

(i) For the first year of the Construction Period, Tenant shall pay Landlord the sum equal to [REDACTED] of Land located within the Premises (prorated for any fractional acres).

(ii) To the extent the Construction Period continues after the first anniversary of the Effective Date, from the first anniversary of the Effective Date through the last day of the Construction Period, Tenant shall pay Landlord the sum equal to [REDACTED] Land located within the Premises (prorated for any fractional acres).

(b) Commercial Operation Rent. From an after the Commercial Operation Date, Tenant shall pay Landlord rent in accordance with this Section 4(b).

(i) Commencing on the Commencement Date, Tenant shall pay Landlord annual rent during the Term in the sum of [REDACTED] located within the Premises (prorated for any fractional acres).

(ii) Commencing on the first (1st) annual anniversary of the Commencement Date, and on each anniversary of the Commencement Date thereafter (including any anniversary of the Commencement Date occurring during any Renewal Term), the annual rent payable hereunder shall increase over the annual rent payable for the prior year by [REDACTED]

(c) Rent Payments.

(i) Construction Period Rent. Rent payable for the Construction Period shall be payable monthly in advance in equal monthly installments for each year of the Construction Period, with the first monthly installment due 15 days after the Effective Date for the first month in the Construction Period, and each subsequent installment of Construction Period rent due on the first business day of each calendar month in the Construction Period thereafter. Calculation of rent shall be based on the acreage of the Land depicted in the ALTA survey prepared by or for Tenant (or such other survey of the Land reasonably acceptable to Landlord and Tenant).

(ii) Commercial Operation Rent. Rent due from and after the Commercial Operation Date shall be paid on a semiannual basis, with the first (1st) rent installment payable within thirty (30) days after the Commercial Operation Date, the second (2nd) rent installment being due on the first business day that is six (6) months after the Commercial Operation Date, and subsequent payments of rent being due on the first business day every six (6) months thereafter during the Term.

(iii) Calculation; Proration; Delinquency. Calculation of rent shall be based on the acreage of the Land depicted in the ALTA survey prepared by or for Tenant (or such other survey of the Land reasonably acceptable to Landlord and Tenant). The payment of rent for any fractional calendar month or half-year during the Term shall be prorated. If Tenant fails to pay any installment of rent to Landlord by the date that the same is due hereunder, and such failure continues for a period of (15) days after Landlord provides Tenant with written notice of such failure to pay, Tenant will pay a late fee to the Landlord in the amount of three percent (3.0%) of such unpaid delinquent rent amount.

REDACTED

EXHIBIT B

Termination Fee

Upon termination of the Lease, other than due to an Excused Event, Tenant shall pay Landlord a Termination Fee in accordance with this EXHIBIT B.

1. If the Lease is terminated, other than due to an Excused Event, at any time prior to the Commercial Operation Date, Tenant shall pay Landlord a one-time "Termination Fee" equal to the total acres included in the Premises rounded to the nearest 10th of an acre, multiplied by [REDACTED]
2. If this Lease is terminated, other than due to an Excused Event, at any time from the Commercial Operation Date through the fourteenth (14th) anniversary of the Commercial Operation Date, Tenant shall pay Landlord a one-time "Termination Fee" equal to the total acres included in the Premises rounded to the nearest 10th of an acre multiplied by the dollar amount in the table below that corresponds to the year in which the effective termination date of the Lease occurs.

Year after Commercial Operation Date	\$ per Acre Terminated
1	\$ [REDACTED]
2	\$ [REDACTED]
3	\$ [REDACTED]
4	\$ [REDACTED]
5	\$ [REDACTED]
6	\$ [REDACTED]
7	\$ [REDACTED]
8	\$ [REDACTED]
9	\$ [REDACTED]
10	\$ [REDACTED]
11	\$ [REDACTED]
12	\$ [REDACTED]
13	\$ [REDACTED]

3. If this Lease is terminated from or after the 14th anniversary of the Commercial Operation Date, Tenant shall have no obligation to pay Landlord any "Termination Fee."

REDACTED

4. Rent.

(a) Construction Period Rent. During the Construction Period, Tenant shall pay Landlord rent in accordance with this Section 4(a).

(i) For the first year of the Construction Period, Tenant shall pay Landlord the sum equal to [REDACTED] located within the Premises (prorated for any fractional acres).

(ii) To the extent the Construction Period continues after the first anniversary of the Effective Date, from the first anniversary of the Effective Date through the last day of the Construction Period, Tenant shall pay Landlord the sum equal to [REDACTED] located within the Premises (prorated for any fractional acres).

(b) Commercial Operation Rent. From an after the Commercial Operation Date, Tenant shall pay Landlord rent in accordance with this Section 4(b).

(i) Commencing on the Commencement Date, Tenant shall pay Landlord annual rent during the Term in the sum equal to [REDACTED] located within the Premises (prorated for any fractional acres).

(ii) Commencing on the first (1st) annual anniversary of the Commencement Date, and on each anniversary of the Commencement Date thereafter (including any anniversary of the Commencement Date occurring during any Renewal Term), the annual rent payable hereunder shall increase over the annual rent payable for the prior year by [REDACTED]

(c) Rent Payments.

(i) Construction Period Rent. Rent payable for the Construction Period shall be payable monthly in advance in equal monthly installments for each year of the Construction Period, with the first monthly installment due 15 days after the Effective Date for the first month in the Construction Period, and each subsequent installment of Construction Period rent due on the first business day of each calendar month in the Construction Period thereafter. Calculation of rent shall be based on the acreage of the Land depicted in the ALTA survey prepared by or for Tenant (or such other survey of the Land reasonably acceptable to Landlord and Tenant).

(ii) Commercial Operation Rent. Rent due from and after the Commercial Operation Date shall be paid on a semiannual basis, with the first (1st) rent installment payable within thirty (30) days after the Commercial Operation Date, the second (2nd) rent installment being due on the first business day that is six (6) months after the Commercial Operation Date, and subsequent payments of rent being due on the first business day every six (6) months thereafter during the Term.

(iii) Calculation; Proration; Delinquency. Calculation of rent shall be based on the acreage of the Land depicted in the ALTA survey prepared by or for Tenant (or such other survey of the Land reasonably acceptable to Landlord and Tenant). The payment of rent for any fractional calendar month or half-year during the Term shall be prorated. If Tenant fails to pay any installment of rent to Landlord by the date that the same is due hereunder, and such failure continues for a period of (15) days after Landlord provides Tenant with written notice of such failure to pay, Tenant

REDACTED

EXHIBIT B

Termination Fee

Upon termination of the Lease, other than due to an Excused Event, Tenant shall pay Landlord a Termination Fee in accordance with this EXHIBIT B.

1. If the Lease is terminated, other than due to an Excused Event, at any time prior to the Commercial Operation Date, Tenant shall pay Landlord a one-time "Termination Fee" equal to the total acres included in the Premises rounded to the nearest 10th of an acre, multiplied by [REDACTED]
2. If this Lease is terminated, other than due to an Excused Event, at any time from the Commercial Operation Date through the fourteenth (14th) anniversary of the Commercial Operation Date, Tenant shall pay Landlord a one-time "Termination Fee" equal to the total acres included in the Premises rounded to the nearest 10th of an acre multiplied by the dollar amount in the table below that corresponds to the year in which the effective termination date of the Lease occurs.

Year after Commercial Operation Date	\$ per Acre Terminated
1	\$ [REDACTED]
2	\$ [REDACTED]
3	\$ [REDACTED]
4	\$ [REDACTED]
5	\$ [REDACTED]
6	\$ [REDACTED]
7	\$ [REDACTED]
8	\$ [REDACTED]
9	\$ [REDACTED]
10	\$ [REDACTED]
11	\$ [REDACTED]
12	\$ [REDACTED]
13	\$ [REDACTED]

3. If this Lease is terminated from or after the 14th anniversary of the Commercial Operation Date, Tenant shall have no obligation to pay Landlord any "Termination Fee."

REDACTED

EXECUTION COPY

Exhibit A to the Ground Lease

RENT SCHEDULE

Base Rent of [REDACTED] per acre per year which shall be increased at the end of each five (5) year period of the Initial Term and for each Extension based on the cumulative increase in the Consumer Price Index (CPI-U as published by the U.S. Bureau of Labor Statistics) for the preceding five years.

Base Rent shall be paid once per year on the Effective Date and each anniversary thereafter, during the term of this Agreement.

REDACTED

EXHIBIT C

RENT SCHEDULE

Base Rent of [REDACTED] per acre per year which shall be increased at the end of each five (5) year period of the Initial Term and for each Extension based on the cumulative increase in the Consumer Price Index (CPI-U as published by the U.S. Bureau of Labor Statistics) for the preceding five years.

For Tract 1: Based on 204 acres, the initial annual Base Rent payment is [REDACTED]

For Tract 3: Based on 340 acres, the initial annual Base Rent payment is [REDACTED]

Base Rent shall be paid once per year on the Effective Date and each anniversary thereafter, during the term of this Agreement.

(The Base Rent may be adjusted due to adjustments in the Leased acreage per Sections 3.1, 5.6 (d), and 6.6)

Exhibit C

DUKE ENERGY FLORIDA Confidentiality Justification Matrix

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
<p>DEF's Response to Staff's 2nd Set of Rogs (14-37)</p>	<p>Question 14: The information in the narrative for the Trenton Solar project estimated installed cost by category after "construction costs" and before "Development" and the information after "Modules" and before "AFUDC" is confidential.</p> <p>Question 15: The information in the narrative for the Lake Placid Solar project estimated installed cost by category after "construction costs" and before "Development" and the information after "Modules" and before "AFUDC" is confidential.</p> <p>Question 16: The information in the narrative for the DeBary Solar project estimated installed cost by category after "construction costs" and before "Development" and the information after "Modules" and before "AFUDC" is confidential.</p> <p>Question 24a: all information listed in column titled "NPV of Lease cost of 30-yr or Land Purchase Cost" 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>

	<p>Question 25c: all information listed in the column titled “land lease” is confidential.</p> <p>Question 26c: all information listed in the column titled “land lease is confidential”.</p>	
DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
<p>DEF’s Response to Staff’s Third Request for Production (Nos. 6)</p>	<p>Bates number 20190072-DEF-001066-in the first sentence, the information in the section “Rent” after “sum of” and before “for the”; the information after “Construction Period” and before “Commencing”; and the information after “sum of” and before “(prorated”. The remaining information in the section “Rent Increase” after “increase by” is confidential.</p> <p>Bates number 20190072-DEF-001069-the information in Rent, section a, subsection “i” after “equal to” and before “of land”; the information in subsection “ii” after “equal to” and before “land”; section b, subsection “i” after “sum of” and before “located”; subsection “ii” the remainder of sentence after “year by” is confidential.</p> <p>Bates number 20190072-DEF-001086-the remainder of the information in number 1, after “multiplied</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>

by” and the information in number 2 in the table under “\$ per acre terminated” is confidential.

Bates number 20190072-DEF-001108-the information in the Rent, section a, subsection ”i”, the information after “equal to” and before “located”; subsection “ii” the information after “equal” and before “located”; section b, subsection “i”, the information after “equal to” and before “located”; and subsection “ii” the remainder of the sentence after “year by” is confidential.

Bates number 20190072-DEF-001123-the remaining information in number “1” after “multiplied by” and the information in number 2 in the table under “\$ per acre terminated” is confidential.

Bates number 20190072-DEF-001146- the information after “base rent of” and before “per acre” is confidential.

Bates number 20190072-DEF-001173-the information in the first sentence after “base rent of” and before “per acre”; in the sentence “for tract 1” the remaining information after “payment of”; and the remaining information in

	“For Tract 3” after “payment of” is confidential.	
--	---------------------------------------------------	--

Exhibit D
AFFIDAVIT OF
MATTHEW G. STOUT

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 20190072-EI

Dated: June 24, 2019

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

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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 Certain information contained in DEF's Response to Staff's Second Set of Interrogatories (Nos. 14-37), specifically questions 14, 15, 16, 24a, 25c and 26c and certain information contained in the documents provided in DEF's Response to Staff's Third Request for Production (No. 6). 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 between DEF and its suppliers or information contained in DEF's contracts, proposals, and other such documents could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors or prospective suppliers in the marketplace, DEF's efforts to obtain competitive contracts that provide economic value to both DEF and its customers could be compromised by DEF's competitors or prospective suppliers changing their position within the relevant markets. Absent such measures, suppliers would run the risk that sensitive business information that they

provided in their 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, companies who would otherwise contract with DEF might not do so if DEF did not keep the terms of their contracts confidential. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and suppliers, 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 18th day of June, 2019.



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

18th THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of June, 2019, by Matthew G. Stout. He is personally known to me or has produced his vermont driver's license, or his N/A as identification.



(Signature)

Heather Paige Blum

(Printed Name)

NOTARY PUBLIC,
STATE OF NORTH CAROLINA

1-9-2023

(Commission Expiration Date)

(Serial Number, If Any)