



Matthew R. Bernier
Associate General Counsel
Duke Energy Florida, LLC.

September 24, 2019

VIA ELECTRONIC FILING

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

Re: *Fuel and purchased power cost recovery clause with generating performance incentive factor; Docket No. 20190001-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 its response to OPC's Fourth Set of Interrogatories (Nos. 18-31). 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 Jeffrey Swartz)

DEF's confidential Exhibit A that accompanies the above-referenced filing was submitted under separate cover on September 9, 2019 (document number 08671-2019) with DEF's Notice of Intent to Request Confidential Classification.

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Respectfully,

s/Matthew R. Bernier

Matthew R. Bernier

MRB/mw
Enclosures

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery
Clause with generating performance incentive
Factor

Docket No. 20190001-EI

Filed: September 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 this Request for Confidential Classification for certain information provided in DEF’s Response to OPC’s Fourth Set of Interrogatories (Nos. 18-31), served on September 3, 2019, concurrently with DEF’s Notice of Intent to Request Confidential Classification. This Request is timely. *See* Rule 25-22.006(3)(a)1, F.A.C. In support of this Request, DEF states:

DEF’s Response to OPC’s Fourth Set of Interrogatories (Nos. 18-31), specifically numbers 23 and 27, contain “proprietary confidential business information” under § 366.093(3), Florida Statutes.

1. The following exhibits are included with this request:

(a) Sealed Composite Exhibit A is a package containing an unredacted copy of all the documents for which DEF seeks confidential treatment. In the unredacted version, the information asserted to be confidential is highlighted in yellow.

(b) Composite Exhibit B is a package containing two copies of redacted versions of the documents for which the Company requests confidential classification, or slip-sheets for documents which are confidential in their entirety. 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 the information for which DEF seeks confidential classification and the specific statutory bases for seeking confidential treatment.

(d) Exhibit D is an affidavit attesting to the confidential nature of information identified in this request.

2. As indicated in Exhibit C, the information for which DEF requests confidential classification is “proprietary confidential business information” within the meaning of § 366.093(3), F.S. Specifically, the answers provided in response to Interrogatory numbers 23 and 27, contain proprietary confidential contractual third-party information. The disclosure of that information to the public would adversely impact DEF and third-party vendors’ competitive business interests and ability to contract for goods or services on favorable terms. *See* §§ 366.093(3)(d) & (e), F.S.; Affidavit of Jeffrey Swartz at ¶¶ 3, 4 and 5. Accordingly, such information constitutes “proprietary confidential business information” which is exempt from disclosure under the Public Records Act pursuant to § 366.093(1), F.S.

3. If DEF cannot maintain the confidentiality of third-party vendor’s proprietary information, it will be less likely that DEF can secure contracts that benefit its customers. *See* Affidavit of Swartz at ¶¶ 4 and 5. *Id.*

4. The information identified as Exhibit “A” is intended to be and is treated as confidential by the Company. *See* Affidavit of Swartz at ¶¶ 4 and 6. The information has not been disclosed to the public, and the Company and third-party vendors have treated and continue to treat this information as confidential. *Id.*

5. DEF requests that the information identified in Exhibit A be classified as “proprietary confidential business information” within the meaning of § 366.093(3), F.S., that the information remains confidential for a period of at least 18 months as provided in

§ 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 September, 2019.

/s/ Matthew R. Bernier

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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 24th day of September, 2019.

/s/ Matthew R. Bernier

Attorney

<p>Suzanne Brownless Office of General Counsel FL Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 sbrownle@psc.state.fl.us</p> <p>J. Beasley / J. Wahlen / M. Means Ausley McMullen P.O. Box 391 Tallahassee, FL 32302 jbeasley@ausley.com jwahlen@ausley.com mmeans@ausley.com</p> <p>Steven Griffin Beggs & Lane P.O. Box 12950 Pensacola, FL 32591 srg@beggslane.com</p> <p>Russell A. Badders Gulf Power Company One Energy Place Pensacola, FL 32520 russell.badders@nexteraenergy.com</p> <p>Holly Henderson Gulf Power Company 215 S. Monroe St., Ste. 618 Tallahassee, FL 32301 holly_henderson@nexteraenergy.com</p> <p>Kenneth A. Hoffman Florida Power & Light Company 134 W. Jefferson Street Tallahassee, FL 32301-1713 ken_hoffman@fpl.com</p> <p>Jon C. Moyle, Jr. Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com mqualls@moylelaw.com</p>	<p>J.R. Kelly / P. Christensen / T. David / S. Morse Office of Public Counsel 111 W. Madison St., Room 812 Tallahassee, FL 32399-1400 kelly.jr@leg.state.fl.us christensen.patty@leg.state.fl.us david.tad@leg.state.fl.us morse.stephanie@leg.state.fl.us</p> <p>Ms. Paula K. Brown Regulatory Affairs Tampa Electric Company P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com</p> <p>Maria Moncada / Joel Baker Florida Power & Light Company 700 Universe Blvd. (LAW/JB) Juno Beach, FL 33408-0420 maria.moncada@fpl.com joel.baker@fpl.com</p> <p>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</p> <p>Mike Cassel Florida Public Utilities Company 1750 S. 14th Street, Suite 200 Fernandina Beach, FL 32034 mcassel@fpuc.com</p> <p>Beth Keating Gunster, Yoakley & Stewart, P.A. 215 South Monroe Street, Suite 601 Tallahassee, FL 32301 bkeating@gunster.com</p>
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Exhibit A

CONFIDENTIAL

**FILED UNDER SEPARATE COVER
DOCUMENT NUMBER 08671-2019**

Exhibit B
(Two Copies)

REDACTED

STG equipment SMEs recognized that the Bartow STG possessed additional margin for electrical output based on its kVA rating making generation in excess of 420 MW both mechanically and electrically feasible.

REDACTED

During Period 2 after identifying issues with L-0 blade mid-span snubbers DEF implemented more conservative steam pressure limitations at the inlet to the LP turbine at the recommendation of the OEM. DEF consulted/contracted with the OEM re: the procurement of a set of 40" L-0 blades (to be installed prior to the beginning Period 3, circa late 2014, in a planned ST outage) that would allow the ST and STG to reliably generate in excess of 420 MW (e.g. 450 MW). More specifically, PO # 718381 represents an executed agreement between DEF and the OEM for the procurement and installation services of "Enhanced Design L-0 Blades" (Type 3 Blades) with a [REDACTED] relative to the L-0 mid-span snubbers.

24. Identify all DEF personnel, including their current position(s), involved in the decision to operate the Bartow Steam turbine-generator in excess of 388 MW output.

Answer:

Pursuant to communication with OPC, interrogatory number 24 has been withdrawn

25. Identify all DEF managers and subject matter experts, including their current position(s), involved in the decision to operate the Bartow Steam turbine-generator at pressures intended to result in producing materially in excess of 420 MW output during Period 3 (as the term is used in Table A on Exhibit JS-1 (20180001-EI)). Also, identify the system operator who first implemented an action to operate the Bartow Steam turbine-generator at pressures intended to result in producing materially in excess of 420 MW output during Period 3 (as the term is used in Table A on Exhibit JS-1 (20180001-EI)).

Answer:

Jeff Swartz, Vice President of FHOF

Tom Callahan was the Station Manager and is no longer with the Company

Reginald Anderson was the Station Manager and is currently a General Manager III at Blues Creek

Jeff Hart was the Superintendent of Maintenance and is currently Station Manager at Debary/Intercession City

David Brown was the Superintendent of Operations and is currently the Anclote Maintenance Superintendent

John Burney was the Superintendent of Maintenance and is no longer with the Company

Todd Thomas was the Superintendent of Operations and is currently Manager – Reg Plant Demo & Retirement – FL

Erik Kennedy was the Control Board Operator and is no longer with the Company

Robbie Robinson was the Control Board Operator and is no longer with the Company

26. For each year of operation since commercial operation date of the Bartow steam turbine-generator please provide the number of operating hours in which the Bartow steam turbine-

generator operated in excess of 420 MW output. Please provide this information in 10 MW increments – *i.e.* 430 MW, 440 MW, 450 MW, etc.

Answer:

Please see the attached Excel spreadsheet bearing bates numbers DEF-19FL-FUEL-007083 through DEF-19FL-FUEL-007281. The attachment contains four major columns for megawatts greater than 420, 430, 440, and 450 and totaled for hours greater than those values.

27. **Confidential Exhibit C (previously exchanged between DEF and OPC)**, contains the following statements on page 6: “No units except Bartow have experienced midspan snubber damage” and “No units except Bartow have observed severe shroud chipping/wear”. What explanation did Original Equipment Manufacturer provide to DEF for midspan snubber damage and severe shroud chipping/wear in the 40” L-0 blades at Bartow? Did Original Equipment Manufacturer attribute these conditions to blade loading and operation of the Bartow steam turbine-generator in excess of 388 MW output?

Answer:

REDACTED



For more in depth discussion of the above, please refer to the RCA report previously submitted by DEF to OPC titled "Docket No. 20180001-EI -- Exhibit No.: JS-1".

REDACTED



The following interrogatories (Nos. 28-30) are in reference to information contained in DEF’s Performance Data Report for June 2019 filed by DEF on July 24, 2019:

STG equipment SMEs recognized that the Bartow STG possessed additional margin for electrical output based on its kVA rating making generation in excess of 420 MW both mechanically and electrically feasible.

REDACTED

During Period 2 after identifying issues with L-0 blade mid-span snubbers DEF implemented more conservative steam pressure limitations at the inlet to the LP turbine at the recommendation of the OEM. DEF consulted/contracted with the OEM re: the procurement of a set of 40" L-0 blades (to be installed prior to the beginning Period 3, circa late 2014, in a planned ST outage) that would allow the ST and STG to reliably generate in excess of 420 MW (e.g. 450 MW). More specifically, PO # 718381 represents an executed agreement between DEF and the OEM for the procurement and installation services of "Enhanced Design L-0 Blades" (Type 3 Blades) with a [REDACTED] relative to the L-0 mid-span snubbers.

24. Identify all DEF personnel, including their current position(s), involved in the decision to operate the Bartow Steam turbine-generator in excess of 388 MW output.

Answer:

Pursuant to communication with OPC, interrogatory number 24 has been withdrawn

25. Identify all DEF managers and subject matter experts, including their current position(s), involved in the decision to operate the Bartow Steam turbine-generator at pressures intended to result in producing materially in excess of 420 MW output during Period 3 (as the term is used in Table A on Exhibit JS-1 (20180001-EI)). Also, identify the system operator who first implemented an action to operate the Bartow Steam turbine-generator at pressures intended to result in producing materially in excess of 420 MW output during Period 3 (as the term is used in Table A on Exhibit JS-1 (20180001-EI)).

Answer:

Jeff Swartz, Vice President of FHOF

Tom Callahan was the Station Manager and is no longer with the Company

Reginald Anderson was the Station Manager and is currently a General Manager III at Blues Creek

Jeff Hart was the Superintendent of Maintenance and is currently Station Manager at Debary/Intercession City

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John Burney was the Superintendent of Maintenance and is no longer with the Company

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generator operated in excess of 420 MW output. Please provide this information in 10 MW increments – *i.e.* 430 MW, 440 MW, 450 MW, etc.

Answer:

Please see the attached Excel spreadsheet bearing bates numbers DEF-19FL-FUEL-007083 through DEF-19FL-FUEL-007281. The attachment contains four major columns for megawatts greater than 420, 430, 440, and 450 and totaled for hours greater than those values.

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Answer:

REDACTED



For more in depth discussion of the above, please refer to the RCA report previously submitted by DEF to OPC titled "Docket No. 20180001-EI -- Exhibit No.: JS-1".

REDACTED



The following interrogatories (Nos. 28-30) are in reference to information contained in DEF’s Performance Data Report for June 2019 filed by DEF on July 24, 2019:

**DUKE ENERGY FLORIDA
Confidentiality Justification Matrix**

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
<p>DEF's Response to Citizens' Fourth Set of Interrogatories (Nos. 18-31), specifically Questions 23 and 27</p>	<p>Question 23: the information after "with a" and before "relative" 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, the disclosure of which would impair DEF's competitive interests, the disclosure would impair the competitive business.</p>
<p>DEF's Response to Citizens' Fourth Set of Interrogatories (Nos. 18-31), specifically Questions 23 and 27</p>	<p>Question 27: the information contained in the first and third paragraphs of the response is confidential in their entirety.</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, the disclosure of which would impair DEF's competitive interests, the disclosure would impair the competitive business.</p>

Exhibit D

AFFIDAVIT OF JEFFREY SWARTZ

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery
Clause with generating performance incentive
Factor

Docket No. 20190001-EI

Filed: September 24, 2019

**AFFIDAVIT OF JEFFREY SWARTZ IN SUPPORT OF
DUKE ENERGY FLORIDA'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Jeffrey Swartz. 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 Vice President of Florida Generation. I am responsible for the overall leadership and strategic direction of DEF's power generation fleet. My major duties and responsibilities include strategic and tactical planning to operate and maintain DEF's non-nuclear generation fleet; generation fleet project and additions recommendations; major maintenance programs; outage and project management; retirement of generation facilities; asset allocation; workforce planning and staffing; organizational alignment and design; continuous

business improvements; retention and inclusion; succession planning; and oversight of hundreds of employees and hundreds of millions of dollars in assets and capital and operating budgets.

3. DEF is seeking confidential classification for certain information contained in DEF's Response to OPC's Fourth Set of Interrogatories (Nos. 18-31), specifically interrogatory numbers 23 and 27, submitted on September 3, 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 sensitive business information, the disclosure of which would impair the Company's efforts to contract for goods or services on favorable terms.

4. In order to contract with third-party vendors and Original Equipment Manufacturers on favorable terms, DEF must keep contractual terms and third-party proprietary information confidential. The disclosure would be to the detriment of DEF and its customers. DEF takes affirmative steps to prevent the disclosure of this information to the public, as well as limits its dissemination within the Company to those employees with a need to access the information to provide their job responsibilities. Absent such measures, third-party vendors would run the risk that sensitive business information that they provided would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, persons or companies who would otherwise contract with DEF might decide not to do so if DEF did not keep specific information confidential. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts, the Company's efforts to obtain competitive contracts could be undermined.

5. Additionally, the disclosure of confidential information in third-party contracts could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitor's, DEF's efforts to obtain competitive contracts that add economic value to both DEF and its customers could be undermined.

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

7. This concludes my affidavit.

Further affiant sayeth not.

Dated the 19th day of September, 2019.

Jeffrey Swartz
(Signature)
Jeffrey Swartz
Vice President – Generation Florida

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 19th day of September, 2019 by Jeffrey Swartz. He is personally known to me or has produced his driver's license, or his _____ as identification.

Deanna Lee Carver
(Signature)
Deanna Lee Carver
(Printed Name)

(AFFIX NOTARIAL SEAL)

NOTARY PUBLIC, STATE OF FL
July 18, 2022
(Commission Expiration Date)
GG 239923
(Serial Number, If Any)

