



Dianne M. Triplett
Deputy General Counsel

January 10, 2020

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 Approval of a New Depreciation Class and Rate for Energy Storage Equipment; Docket No. 20190183-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 Data Request (Nos. 1-2), specifically question 2. 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 Adam J. Nygaard)

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/cw
Enclosures

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Duke Energy Florida, LLC's Petition
for Approval of a New Depreciation Class
and Rate for Energy Storage Equipment

Docket No. 20190183-EI

Filed: January 10, 2020

**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 Data Request (Nos. 1-2), specifically question 2, submitted on January 10, 2020. In support of this Request, DEF states:

1. Certain information and documents contained in DEF's Response to Staff's Second Data Request (Nos. 1-2), specifically question 2, contains 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 an unredacted copy of the document for which DEF seeks confidential treatment. Composite Exhibit A is being submitted separately in a sealed envelope labeled "CONFIDENTIAL." In the unredacted version, 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 question 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 data and competitive business interest. 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) and (e), F.S.; Affidavit of Adam J. Nygaard at ¶¶4-5. If DEF cannot assure contracting parties that it can maintain the confidentiality of contractual data and 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) and (e), F.S.; Affidavit of Adam J. Nygaard at ¶ 5.

4. Without DEF’s measures to maintain the confidentiality of sensitive terms in contracts between DEF and suppliers, 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. 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 Adam J. Nygaard 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 Adam J. Nygaard 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 10th day of January, 2020.

s/Dianne M. Triplett

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CERTIFICATE OF SERVICE
(Dkt. No. 20190183-EI)

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished to the following by electronic mail this 10th day of January, 2020, to all parties of record as indicated below.

s/Dianne M. Triplett
Attorney

<p>S. Brownless Office of General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 sbrownle@psc.state.fl.us</p>	<p>J.R. Kelly 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</p>
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Exhibit A

“CONFIDENTIAL”

(Submitted under separate cover)

Exhibit B

REDACTED

Duke Energy Florida, LLC's (DEF) Response to Staff's Second Data Request (Nos. 1-2) Regarding DEF's Petition for Approval of a New Depreciation Class and Rate for Energy Storage Equipment

Docket No. 20190183-EI

Data Requests

1. Please refer to Duke Energy Florida's (DEF) Response to Staff's First Data Request, No. 4. DEF has stated that it has tentatively scheduled four installation sites for battery and/or storage-associated equipment. DEF has previously stated in regards to plans to implement a "50 MW Battery Storage Pilot" (Battery Storage Pilot) as approved in Public Service Commission (Commission) Order No. PSC-2017-0451-AS-EU, that "The Parties to this 2017 Second Revised and Restated Settlement Agreement will work cooperatively regarding the location of the battery storage projects; however, DEF shall ultimately be responsible for determining the projects and locations that provide the most benefits at the time of installation." Please describe DEF's efforts to "work cooperatively" with these parties to the settlement regarding the tentatively scheduled installation sites.

RESPONSE:

On April 10, 2019, DEF made a confidential presentation to the attorneys representing the 2017 Settlement Signatories to provide an update on DEF's battery storage pilot, which included details on the proposed locations. It was a robust discussion during which DEF answered several questions on the pilot.

2. Please refer to DEF's Response to Staff's First Data Request, No. 11 (c). DEF has stated that it expects at least a 2-year warranty from the manufacturer for the battery/energy storage equipment. Considering DEF expects a 10-year life for equipment, what ratepayer protection is contemplated if the equipment significantly degrades or fails during years 3-10?

RESPONSE:

REDACTED

Duke Energy Florida (DEF) expects to enter into two contracts with the same firm for each energy storage project - an Engineering, Procurement and Construction contract, and a Long-Term Service Agreement (LTSA). Between the two contracts, DEF anticipates that customers will be protected by a




Exhibit B

REDACTED

Duke Energy Florida, LLC's (DEF) Response to Staff's Second Data Request (Nos. 1-2) Regarding DEF's Petition for Approval of a New Depreciation Class and Rate for Energy Storage Equipment

Docket No. 20190183-EI

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Exhibit C

DUKE ENERGY FLORIDA Confidentiality Justification Matrix

DOCUMENT/RESPONSES	QUESTION/LINE	JUSTIFICATION
DEF's Response to Staff's 2 nd Data Request (Nos. 1-2)	Question 2: The information in lines 4-7 after "customers will be protected by a" is confidential in its entirety.	§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. §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.

Exhibit D
AFFIDAVIT OF
Adam J. Nygaard

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Approval of a New Depreciation
Class and Rate for Energy Storage Equipment
by Duke Energy Florida, LLC.

Docket No. 20190183-EI

Dated: December 30, 2019

**AFFIDAVIT OF ADAM J. NYGAARD 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 Adam J. Nygaard, who being first duly sworn, on oath deposes and says that:

1. My name is Adam J. Nygaard. 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 Business Development Manager II by Duke Energy Business Services LLC. This department is responsible for developing Distributed Energy Technologies, which includes energy storage projects.

3. As the Business Development Manager II, I am responsible for developing and implementing specific strategies for Duke Energy's regulated utilities, including investments and products related to distributed energy technologies, such as energy storage and microgrids.

4. DEF is seeking confidential classification for a portion DEF's Response to Staff's Second Data Request, specifically question 2, containing sensitive contractual data between DEF and a third party filed on January 10, 2020 in this docket. 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

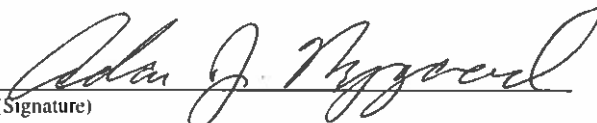
who would otherwise contract with DEF might not do so if DEF did not keep the terms of their contracts confidential. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and suppliers, the Company's efforts to obtain competitive contracts could be undermined.

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 30th day of December, 2019.



(Signature)

Adam J. Nygaard
Business Development Manager II
Duke Energy Florida, LLC
400 South Tryon Street
Charlotte, North Carolina 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 30 day of December, 2019, by Adam J. Nygaard. He is personally known to me or has produced his _____ driver's license, or his _____ as identification.

Sheila Lemoine
(Signature)

Sheila Lemoine
(Printed Name)

NOTARY PUBLIC, STATE OF ~~FLORIDA~~
North Carolina

July 21, 2024
(Commission Expiration Date)

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)

