

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

November 25, 2020

VIA ELECTRONIC FILING

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. 20200001-EI*

Dear Mr. Teitzman:

Please find enclosed for electronic filing on behalf of Duke Energy Florida, LLC ("DEF"), DEF's Request for Extension of Confidential Classification concerning certain information contained in Exhibit No. JM-1T to the direct testimony of James McClay, filed in docket no. 20190001-EI and Revised Exhibit D, Affidavit of James McClay (unverified). The original Request included Exhibits A, B, and C.

There are no changes to the original Request's Exhibit A consisting of the confidential unredacted documents, Exhibit B containing two (2) redacted copies of the confidential document, or Exhibit C containing a justification table in support of DEF's original Request. The aforementioned exhibits remain on file with the Clerk.

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 Associate General Counsel <u>Matt.Bernier@duke-energy.com</u>

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. 2020001-EI

Dated: November 25, 2020

DUKE ENERGY FLORIDA, LLC'S REQUEST FOR EXTENSION OF 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 Extension of Confidential Classification for certain information provided in the direct testimony of James McClay and Exhibit No. ____ (JM-1T), in docket number 20190001-EI. In support of this Request, DEF states:

1. On April 3, 2019, DEF filed a Request for Confidential Classification for certain information provided in Exhibit No. ____ (JM-1T) and the direct testimony of James McClay (document number 03487-2019), which includes sensitive business information such as hedging percentages, hedging savings/costs and volumes.

2. DEF's April 3, 2019, Request was granted by Order No. PSC-2019-0196-CFO-EI on May 30, 2019. The period of confidential treatment granted by that order will expire on November 30, 2020. The information continues to warrant treatment as "proprietary confidential business information" within the meaning of Section 366.093(3), F.S. Accordingly, DEF is filing its Request for Extension of Confidential Classification.

3. DEF submits that the information provided in the direct testimony of James McClay and Exhibit No. JM-1T identified in Exhibit "A" and Exhibit "C" to the April 3, 2019

Request¹ continues to be "proprietary confidential business information" within the meaning of section 366.093(3), F.S. and continues to require confidential classification. *See* Affidavit of James McClay at ¶ 5 attached as Revised Exhibit "D". This information is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public. Pursuant to section 366.093(1), F.S., such materials are entitled to confidential treatment and are exempt from the disclosure provisions of the Public Records Act. *See* Affidavit of James McClay at ¶ 5-7.

4. Nothing has changed since the issuance of Order No. PSC-2019-0196-CFO-EI to render the information stale or public such that continued confidential treatment would not be appropriate. Upon a finding by the Commission that this information continues to be "proprietary confidential business information," it should continue to be treated as such for an additional period of at least 18 months, and should be returned to DEF as soon as the information is no longer necessary for the Commission to conduct its business. See §366.093(4), F.S.

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

RESPECTFULLY SUBMITTED this 25th day of November, 2020.

s/Matthew R. Bernier

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¹DEF hereby incorporates Exhibits A, B, and C to the original Request, Document no. 03487-2019 submitted on April 3, 2019 in Docket No. 20190001-EI as if attached hereto.

MATTHEW R. BERNIER

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Attorneys for Duke Energy Florida, LLC

Duke Energy Florida, LLC Docket No.: 20200001 CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail this 25th day of November, 2020 to all parties of record as indicated below. *s/Matthew R. Bernier*

Attorney

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Exhibit A

"CONFIDENTIAL"

(on file)

Exhibit B

REDACTED (on file)

Exhibit C

DUKE ENERGY FLORIDA Confidentiality Justification Matrix (on file)

Revised Exhibit D

AFFIDAVIT OF JAMES MCCLAY

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor.

Docket No. 2020001-EI

Dated: November 25, 2020

AFFIDAVIT OF JAMES MCCLAY IN SUPPORT OF DUKE ENERGY FLORIDA, LLC'S REQUEST FOR EXTENSION OF CONFIDENTIAL CLASSIFICATION

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

1. My name is James McClay. 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 Extension of Confidential Classification (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. I am the Director of Natural Gas, Oil and Emissions of the Fuels and Systems Optimization Department. This section is responsible for hourly trading, financial hedging activities, oil procurement and natural gas procurement and scheduling needed to support the gas generation needs for the Duke Energy Indiana ("DEI"), Duke Energy Kentucky ("DEK"), Duke Energy Carolinas ("DEC"), Duke Energy Progress ("DEP"), and DEF Systems.

3. As the Director of Natural Gas, Oil and Emissions, I am responsible, along with the other members of the section, for the management of Southeast power trading, Midwest financial activities, oil procurement and natural gas group procurement, scheduling and hedging activities for Duke Energy regulated generation fleet.

4. DEF is seeking an extension of confidential classification for information provided in Exhibit No. ____ (JM-1T) to my direct testimony filed on April 3, 2019 in docket 20190001-EI. There are no changes to the information contained in DEF's confidential Exhibit A, redacted Exhibit B, and Justification Matrix, Exhibit C. The referenced Exhibits are on file with the Clerk. DEF is requesting an extension of 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.

5. The confidential information at issue relates to DEF's actual hedging results, including information from individual hedging transactions, such as the volume of fuel hedged and the savings/costs of each transaction. DEF negotiates with potential fuel suppliers to obtain competitive contracts for fuel options that provide economic value to DEF and its customers. In order to obtain such contracts, however, DEF must be able to assure fuel suppliers that sensitive business information, such as bid evaluations, pricing, and quantities of fuel, will be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed confidential information pertaining to contracts for natural gas. Absent such measures,

suppliers would run the risk that sensitive business information that they provided in their bids/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, persons or companies who otherwise would 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 between DEF and fuel suppliers, the Company's efforts to obtain competitive fuel supply contracts could be undermined.

6. Additionally, the disclosure of confidential information could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors, DEF's efforts to obtain competitive fuel supply options that provide economic value to both DEF and its customers could be compromised by DEF's competitors changing their consumption or purchasing behavior within the relevant markets.

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

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the _____ day of _____, 2020.

(Signature) James McClay Director, Natural Gas, Oil and Emissions Fuels Procurement Department Duke Energy 526 South Church Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this _____ day of ______, 2020 by James McClay. He is personally known to me, or has produced his ______ driver's license, or his ______ as identification.

(Signature)

(AFFIX NOTARIAL SEAL)

(Printed Name) NOTARY PUBLIC, STATE OF _____

(Commission Expiration Date)

(Serial Number, If Any)