



Matthew R. Bernier
Associate General Counsel

August 4, 2021

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. 20210001-EI

Dear Mr. Teitzman:

Please find enclosed for electronic filing on behalf of Duke Energy Florida, LLC ("DEF"), DEF's Request for Confidential Classification for certain information provided in DEF's Response to Staff's First Data Request, specifically question 11. The filing includes the following:

- DEF's Request for Confidential Classification
- Slip-sheet for confidential Exhibit A
- Redacted Exhibit B (two copies)
- Exhibit C (justification matrix), and
- Exhibit D (affidavit of Jim McClay)

DEF's confidential Exhibit A that accompanies the above-referenced filing was submitted with DEF's Notice of Intent to Request Confidential Classification on July 14, 2021, under separate cover.

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. 20210001-EI

Dated: August 4, 2021

**DUKE ENERGY FLORIDA, LLC'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Duke Energy Florida, LLC, (“DEF” or “the 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 Staff’s First Data Request, dated July 14, 2021, 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:

1. DEF’s Response to Staff’s First Data Request, specifically question 11, contains “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 all the documents for which DEF seeks confidential treatment. Composite Exhibit A was submitted separately in a sealed envelope labeled “CONFIDENTIAL” on July 14, 2021. 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. The specific information for which confidential treatment is requested has been blocked out by opaque marker or other means.

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

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

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 specific commodity and transportation costs, the disclosure of which would impair the efforts of the Company to negotiate fuel supply contracts on favorable terms. *See* § 366.093(3)(d), F.S.; Affidavit of Jim McClay at ¶ 4-6. Furthermore, the information at issue relates to the competitive interests of DEF, the disclosure of which would impair their competitive businesses. *See* § 366.093(3)(e), F.S.; Affidavit of Jim McClay at ¶ 6. 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.

4. The information identified as Exhibit “A” is intended to be and is treated as confidential by the Company. *See* Affidavit of Jim McClay at ¶ 5. 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* Affidavit of Jim McClay at ¶ 7.

5. 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 4th day of August, 2021.

/s/ Matthew R. Bernier

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Attorneys for Duke Energy Florida, LLC

CERTIFICATE OF SERVICE

Docket No.: 20210001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail this 4th day of August, 2021, to all parties of record as indicated below.

/s/ Matthew R. Bernier

Attorney

<p>Suzanne Brownless Stefanie Jo Osborn Office of General Counsel FL Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 sbrownle@psc.state.fl.us sosborn@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>Russell A. Badders Gulf Power Company One Energy Place, Bin 100 Pensacola, FL 32520-0100 russell.badders@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>Anastacia Pirrello / Richard Gentry /C. Rehwinkel/S. Morse/Patty Christensen Office of Public Counsel 111 W. Madison St., Room 812 Tallahassee, FL 32399-1400 pirrello.anastacia@leg.state.fl.us gentry.richard@leg.state.fl.us Rehwinkel.charles@leg.state.fl.us Christensen.patty@leg.state.fl.us Morse.stephanie@leg.state.fl.us</p> <p>Maria Moncada Florida Power & Light Company 700 Universe Blvd. (LAW/JB) Juno Beach, FL 33408-0420 maria.moncada@fpl.com</p> <p>James Brew / Laura W. Baker Stone Law Firm White Springs/PCS Phosphate 1025 Thomas Jefferson St., N.W. Suite 800 West Washington, DC 20007 jbrew@smxblaw.com lwb@smxblaw.com</p> <p>Peter J. Mattheis Michael K. Lavanga Stone Mattheis Xenopoulos & Brew, PC Nucor 1025 Thomas Jefferson Street, NW Suite 800 West Washington, DC 20007-5201 pjm@smxblaw.com mkl@smxblaw.com</p>	<p>Mike Cassel Florida Public Utilities Company 208 Wildlight Avenue Yulee, FL 32097 mcassel@fpuc.com</p> <p>Jon C. Moyle, Jr. Moyle Law Firm, P.A. FIPUG 118 North Gadsden Street Tallahassee, FL 32301 jmoyle@moylelaw.com mqualis@moylelaw.com</p> <p>Paula K. Brown Regulatory Affairs Tampa Electric Company P.O. Box 111 Tampa, FL 33601-0111 regdept@tecoenergy.com</p> <p>Beth Keating Gunster, Yoakley & Stewart, P.A. FPUC 215 South Monroe Street, Suite 601 Tallahassee, FL 32301 bkeating@gunster.com</p>
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Exhibit A

“CONFIDENTIAL”

(Submitted on July 14, 2021, under separate cover.)

Exhibit B

REDACTED

(two copies)

Natural Gas Costs - Embedded in Current 2021 Fuel Rates

Month	System		
	System Commodity Costs	Transportation Costs	System Fuel Costs
1/1/2021	\$ 43,837,886	\$ 32,556,387	\$ 76,394,273
2/1/2021	\$ 38,992,459	\$ 29,449,363	\$ 68,441,822
3/1/2021	\$ 39,331,967	\$ 32,404,829	\$ 71,736,796
4/1/2021	\$ 43,522,173	\$ 31,700,538	\$ 75,222,711
5/1/2021	\$ 50,965,552	\$ 35,780,877	\$ 86,746,429
6/1/2021	\$ 58,059,473	\$ 34,940,434	\$ 92,999,907
7/1/2021	\$ 63,611,457	\$ 36,069,752	\$ 99,681,209
8/1/2021	\$ 63,030,145	\$ 36,115,766	\$ 99,145,911
9/1/2021	\$ 59,805,175	\$ 35,071,726	\$ 94,876,901
10/1/2021	\$ 50,248,933	\$ 32,566,602	\$ 82,815,535
11/1/2021	\$ 38,185,702	\$ 31,114,852	\$ 69,300,554
12/1/2021	\$ 44,679,302	\$ 32,424,551	\$ 77,103,853
	<u>\$ 594,270,224</u>	<u>\$ 400,195,677</u>	<u>\$ 994,465,901</u>

Natural Gas Costs - Actual-Estimate Underlying MCC Petition

Month	System		
	System Commodity Costs	Transportation Costs	System Fuel Costs
1/1/2021			\$ 81,334,212
2/1/2021			\$ 70,298,733
3/1/2021			\$ 78,097,880
4/1/2021			\$ 69,902,652
5/1/2021			\$ 94,560,786
6/1/2021	\$ 59,503,765	\$ 34,751,304	\$ 94,255,069
7/1/2021	\$ 72,515,606	\$ 34,717,755	\$ 107,233,361
8/1/2021	\$ 75,612,940	\$ 33,743,874	\$ 109,356,814
9/1/2021	\$ 68,010,448	\$ 34,782,248	\$ 102,792,696
10/1/2021	\$ 54,398,055	\$ 32,487,102	\$ 86,885,157
11/1/2021	\$ 50,961,624	\$ 30,331,860	\$ 81,293,484
12/1/2021	\$ 50,624,102	\$ 31,303,917	\$ 81,928,019
	<u>\$ 678,619,916</u>	<u>\$ 379,318,947</u>	<u>\$ 1,057,938,863</u>

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Exhibit C

DUKE ENERGY FLORIDA Confidentiality Justification Matrix

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
Exhibit No. ____ (JM-1T) to the Direct Testimony of Jim McClay	Page 1: Monthly breakdown of hedging savings/costs, volumes & percent hedged by commodity for 2018. Pages 2-23: DEF Gas Hedging Status as of December 2018-all information in columns titled- "volume", "fixed prices (\$/MMBtu)", "savings/costs on hedges", and "% hedged".	§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 JIM MCCLAY

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 20210001-EI

Dated: August 4, 2021

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

STATE OF NORTH CAROLINA

COUNTY OF GASTON

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 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 in the Trading and Dispatch Department. This section is responsible for natural gas, fuel oil and emission allowance activity 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 the gas and oil procurement, transportation, hedging activities and administration of gas and oil contracts with various suppliers for DEI's, DEK's, DEC's, DEF's and DEP's electrical power generation facilities.

4. DEF is seeking confidential classification for information contained my its Response to Staff's First Data Request, specifically question 11. A detailed description of 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 competitive business interests and efforts to contract for goods or services on favorable terms.

5. 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, sensitive business information, such as specific commodity and transportation costs, must be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed this confidential information. Without DEF's measures to maintain the confidentiality of sensitive information, the Company's efforts to obtain competitive fuel supply contracts could be undermined, because potential fuel suppliers could simply offer the highest prices that would allow them to maintain marginally competitive position against the disclosed costs.

6. Additionally, the disclosure of confidential commodity and transportation 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 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 30 day of July, 2021.

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

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 30 day of July, 2021 by James McClay. He is personally known to me, or has produced his NCID driver's license, or his — as identification.

(AFFIX NOTARIAL SEAL)



Lisa A Zatorski
(Signature)
Lisa A Zatorski
(Printed Name)
NOTARY PUBLIC, STATE OF _____
3-19-23
(Commission Expiration Date)

(Serial Number, If Any)