BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 130001-EI

Filed: August 2, 2013

DUKE ENERGY FLORIDA, INC.'S NOTICE OF FILING

Duke Energy Florida, Inc. ("DEF"), hereby gives notice of filing the Affidavits of Joseph McCallister and Thomas G. Foster in Support of Duke Energy Florida's Request for Confidential Classification.

Respectfully submitted,

Dianne M. Triplett

Associate General Counsel

Matthew Bernier

Associate General Counsel

Duke Energy Florida, Inc.

Post Office Box 14042

St. Petersburg, Florida 33733

Telephone: 727.820.4692

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ECO ENG GCL IDM TEL CLK

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 2nd day of August, 2013.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 130001-EI

Dated: August 2, 2013

AFFIDAVIT OF JOSEPH McCALLISTER 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 Joseph McCallister, who being first duly sworn, on oath deposes and says that:

- 1. My name is Joseph McCallister. 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 facts attested to in my affidavit are based upon my personal knowledge.
- 2. I am responsible for Natural Gas, Oil and Emissions in the Fuel Procurement Section of Fuels and Systems Optimization Department for Duke Energy. This unit is responsible for any natural gas and emission allowance acquisition for Duke Energy Indiana (DEI), Duke Energy Kentucky (DEK), Duke Energy Carolinas (DEC), DEF and Duke Energy Progress ("DEP") systems. In addition, this position is responsible for the fuel oil acquisition for the DEF and DEP systems.

- 3. In this position, I am responsible, along with the other members of the section, for the management of the gas transportation, hedging activities, administration of gas contracts with various suppliers for DEI, DEK, DEC, DEF and DEP's electrical power generation facilities,
- 4. DEF is seeking confidential classification for information contained on certain pages and attachments in the 2014 Risk Management Plan submitted on August 1, 2012. A detailed description of the confidential information at issue is contained in confidential Exhibit A to DEF's Request for Confidential Classification 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 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 ratepayers. In order to obtain such contracts, however, sensitive business information, such as forecasted volumes, hedging percentages, internal policies and guidelines, collateral summaries and unrealized forecasted hedge values, must be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed confidential information such as forecasted costs, hedging volumes, hedging percentages, internal policies and guidelines, collateral summaries and unrealized forecasted hedge values. Without DEF's measures to maintain the confidentiality of sensitive terms, 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 a marginally competitive position against the disclosed volumes and percentages.

- 6. Additionally, the disclosure of confidential information in DEF's forecasted fuel volumes and hedging percentages, 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 ratepayers 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 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 <u>29</u> day of July, 2013.

(Signafure)
Joseph McCallister
Director Gas, Oil and Power
Fuels and Systems Optimization Department
Duke Energy
526 South Church Street, ECO1X
Charlotte, NC 28202

THE F	OREGOING INST	RUMENT was sworn to and subscribed before me t	his
29 day of Jul	y, 2013 by Joseph M	McCallister. He is personally known to me, or has	
		driver's license, or his	_ as
identification.			

(Serial Number, If Any)



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Kita & X	ale
(Signature)	
Rita G Kale	
(Printed Name)	
NOTARY PUBLIC, S	STATE OF NC
June 17, 2017	N
(Commission Expiration Date)	

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 130001-EI

Dated: August 2, 2013

AFFIDAVIT OF THOMAS G. FOSTER 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 Thomas G. Foster, who being first duly sworn, on oath deposes and says that:

- 1. My name is Thomas G. Foster. 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 facts attested to in my affidavit are based upon my personal knowledge.
- I am the Manager of Retail Riders and Rate Cases within the Rates and Regulatory Strategy Department. This department is responsible for regulatory planning and cost recovery for DEF.
- As the Manager of Retail Riders and Rate Cases, I am responsible, along with the other members of the section, for the production and review of the regulatory

financial reports of DEF and analysis of state, federal and local regulations and their impact on DEF.

- 4. DEF is seeking confidential classification for a portion of Exhibit No. ____ (TGF-2), specifically Schedule E12-B (Page 2 of 2), to the direct testimony of Thomas G. Foster filed on August 2, 2013. A detailed description of the confidential information at issue is contained in confidential Exhibit A to DEF's Request for Confidential Classification 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 competitive confidential business information of capacity suppliers DEF contracts with.
- 5. DEF negotiates with potential capacity suppliers to obtain competitive contracts for capacity purchase options that provide economic value and system reliability to DEF and its ratepayers. In order to obtain such contracts, however, DEF must be able to assure capacity suppliers that sensitive business information, such as the MW purchased, will be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed confidential terms such as the MW purchased. 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, persons or companies who otherwise would contract with DEF might decide not to do so if DEF did not keep those terms confidential. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts

between DEF and capacity suppliers, the Company's efforts to obtain competitive capacity contracts could be undermined.

- 6. Additionally, the disclosure of confidential information in DEF's capacity purchases could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors, DEF's efforts to obtain competitive capacity purchase options that provide economic value to both DEF and its ratepayers could be compromised by DEF's competitors changing their consumption or purchasing behavior within the relevant markets.
- 7. Upon receipt of confidential information from capacity 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 and contracts at issue as confidential.
 - 8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 31 day of July, 2013.

Thomas G. Foster

Manager - Retail Riders and Rate Cases

Rates and Regulatory Strategy

Duke Energy Florida

Post Office Box 14042

St. Petersburg, FL 33733

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this day of July, 2013 by Thomas G. Foster. He is personally known to me, or has ____ driver's license, or his produced his as identification.

(AFFIX NOTARIAL SEAL)



(Signature) SUZANNE H. MILLER (Printed Name)

NOTARY PUBLIC, STATE OF FLORIDA

EE 85 4446 (Serial Number, If Any)