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In re: Petition for Determination of Cost Effective Generation Alternative to Meet Need Prior to 2018 for Duke Energy Florida, Inc.

DOCKET NO. 140111-EI

FILED JUN 17, 2014

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DUKE ENERGY FLORIDA, INC.'S NOTICE OF FILING AFFIDAVITS IN SUPPORT OF FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION

Duke Energy Florida, Inc. ("DEF") hereby gives notice of filing the following affidavits

in support of Duke Energy Florida, Inc.'s First Request for Confidential Classification:

1. Affidavit of Benjamin M.H. Borsch in support of Duke Energy Florida, Inc.'s

First Request for Confidential Classification;

2. Affidavit of Kevin Delehanty in support of Duke Energy Florida, Inc.'s First

Request for Confidential Classification; and

3. Affidavit of Ed Scott in support of Duke Energy Florida, Inc.'s First Request for

Confidential Classification.

Respectfully submitted,

John T. Burnett Deputy General Counsel Dianne M. Triplett Associate General Counsel DUKE ENERGY FLORIDA, INC. Post Office Box 14042 St. Petersburg, FL 33733-4042 Telephone: (727) 820-5587 Facsimile: (727) 820-5519

AFD _ AFD _ ECO _ ENG _ GCL _ IDM _ TEL _ CLK

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/s/ Blaise N. Gamba

James Michael Walls Florida Bar No. 0706242 Blaise N. Gamba Florida Bar No. 0027942 CARLTON FIELDS JORDEN BURT, P.A. Post Office Box 3239 Tampa, FL 33601-3239 Telephone: (813) 223-7000 Facsimile: (813) 229-4133

CERTIFICATE OF SERVICE

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished to counsel and parties of record as indicated below via electronic mail this 16th day of June, 2014.

Michael Lawson Florida Public Service Commission Staff 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850 Phone: (850) 413-6199 Facsimile: (850) 413-6184 Email: <u>mlawson@psc.state.fl.us</u>

Jon C. Moyle, Jr. Karen A. Putnal Moyle Law Firm 118 North Gadsden Street Tallahassee, FL 32301 Phone: (850) 681-3828 Fax: (850) 681-8788 Email: jmoyle@moylelaw.com kputnal@moylelaw.com

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Gordon D. Polozola General Counsel – South Central Region NRG Energy, Inc. 112 Telly Street New Roads, LA 70760 Phone: (225) 618-4084 Email: Gordon.Polozola@nrgenergy.com <u>/s/ Blaise N. Gamba</u> Attorney

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In re: Petition for Determination of Cost Effective Generation Alternative to Meet Need Prior to 2018 for Duke Energy Florida, Inc.

DOCKET NO. 140111-EI Submitted for filing: June 16, 2014

AFFIDAVIT OF BENJAMIN M.H. BORSCH IN SUPPORT OF DUKE ENERGY FLORIDA, INC.'S FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF FLORIDA

COUNTY OF PINELLAS

BEFORE ME, the undersigned authority duly authorized to administer oaths, personally appeared Benjamin M.H. Borsch, who being first duly sworn, on oath deposes and says that:

1. My name is Benjamin M.H. Borsch. I am over the age of 18 years old and I have been authorized by Duke Energy Florida, Inc. (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 the Director, IRP & Analytics – Florida. I am responsible for resource planning for Duke Energy Florida, Inc. I am responsible for directing the resource planning process in an integrated approach to finding the most cost-effective alternatives to meet the Company's obligation to serve its customers in Florida. As a result, we examine both supplyside and demand-side resources available and potentially available to the Company over its planning horizon, relative to the Company's load forecasts, and prepare and present the annual Duke Energy Florida Ten-Year Site Plan ("TYSP") documents that are filed with the Florida Public Service Commission ("FPSC" or the "Commission"), in accordance with the applicable statutory and regulatory requirements. In my capacity as the Director, IRP & Analytics –Florida,

I oversaw the completion of the Company's most recent TYSP document filed in April 2014 and the Company's 2013 TYSP. I was also responsible for the Company's evaluation of options to meet its needs for reliable electric power prior to 2018. I have read the RFP proposals received by the Company, I participated in DEF's evaluation of the proposals, and I am familiar with the details of each proposal and DEF's evaluation of them.

3. DEF is seeking confidential classification for portions of Exhibit BMHB-1 to my direct testimony filed on May 27, 2014. 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 DEF's confidential and proprietary internal strategies and analysis studies. This information would adversely impact DEF's competitive business interests if disclosed to third parties.

4. The disclosure of this information would impair the efforts of the Company to negotiate contracts on favorable terms, as well as violate contractual nondisclosure provisions of these bids. Specifically, if DEF's suppliers or competitors were made aware of DEF's internal strategies and analysis studies, they may adjust their behavior in the market place with respect to activity such as pricing and the acquisition and provision of goods, materials, and services. DEF must be able to ensure potential bidders that the terms of their bids will be kept confidential. If such assurances are not provided, potential bidders know that the terms of their bids are subject to public disclosure, they might withhold sensitive information necessary for the utility to fully understand and accurately assess the costs and benefits of their proposals. Persons or companies who otherwise would have submitted bids in response to the utility's RFP might not do so if

there is no assurance that their proposals would be protected from disclosure.

5. DEF negotiates with potential third party vendors to obtain competitive contracts for services that provide economic value to DEF and its ratepayers. In order to obtain such contracts, however, DEF must be able to assure these companies that sensitive business information will be kept confidential. DEF has kept confidential and has not publicly disclosed any of its confidential contract terms, including pricing. Absent such measures, these companies 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 would otherwise contract with DEF might decide not to do so if DEF did not keep those terms of their contracts confidential. Without DEF's measures to maintain the confidentiality, the Company's efforts to obtain competitive contracts would be undermined.

6. The information identified as Exhibit A is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public, and the Company has treated and continues to treat the information as confidential. Upon receipt of the proposals and contracts at issue, 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.

7. At no time since receiving or generating the bid proposals, contracts, and business analysis studies in question has the Company publicly disclosed that information. The Company has treated and continues to treat the information at issue as confidential.

8. This concludes my affidavit.

Dated the 13^{4} day of June, 2014.

(Signature) Benjamin M.H. Borsch Director - IRP & Analytics - Florida Duke Energy Florida, Inc. 299 First Avenue North St. Petersburg, FL 33701

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this Brad of June, 2014 by Benjamin M.H. Borsch. He is personally known to me, or has produced his as identification. aune

driver's license, or his

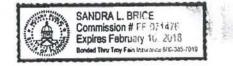
(Signature)

(AFFIX NOTARIAL SEAL)

(Printed Name) NOTARY PUBLIC, STATE OF_ 10/18

(Commission Expiration Date)

(Serial Number, If Any)





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In re: Petition for Determination of Cost Effective Generation Alternative to Meet Need Prior to 2018 for Duke Energy Florida, Inc.

DOCKET NO. 140111-EI Submitted for filing: June 16, 2014

AFFIDAVIT OF KEVIN DELEHANTY IN SUPPORT OF DUKE ENERGY FLORIDA, INC.'S FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

1. My name is Kevin Delehanty. 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 Director of Market Fundamentals. This section is responsible for providing DEF long-term fossil fuels commodity price forecasts for all the subsidiary electric utilities, including DEF. As the Director of Market Fundamentals, I am responsible for the long term commodity price component of the fuels forecast to DEF for its Integrated Resource Planning process.

4. DEF is seeking confidential classification for certain information provided in my Exhibits KD-1 and KD-2 to my direct testimony filed on May 27, 2014. 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 competitive business interests.

5. Exhibits KD-1 and KD-2 contain confidential and sensitive analysis reflecting the Company's internal strategies for developing the Fundamental Forecast, which is the long-term fuel price forecast the Company uses in its IRP process. If this information was disclosed to the public, it could adversely impact DEF's competitive interests. Without DEF's measures to maintain the confidentiality, the Company's efforts to obtain competitive contracts would be undermined.

6. Upon receipt of confidential information from suppliers and transportation providers, 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 information in question has the Company publicly disclosed that information. The Company has treated and continues to treat the information at issue as confidential.

7. This concludes my affidavit.

Dated the <u>13</u> day of June, 2014.

in Delilanty (Signature)

Kevin Delehanty Director of Market Fundamentals Duke Energy Business Services, LLC 550 S. Tryon Street Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 13th day of June, 2014 by Kevin Delehanty. He is personally known to me, or has produced his driver's license, or his ______as identification.

Dancy H. Jaylor (Signature) <u>Nancy H. Taylor</u> (Printed Name) NOTARY PUBLIC, STATE OF <u>North Carolina</u>

(Commission Expiration Date)

(Serial Number, If Any)



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In re: Petition for Determination of Cost Effective Generation Alternative to Meet Need Prior to 2018 for Duke Energy Florida, Inc.

DOCKET NO. 140111-EI Submitted for filing: June 16, 2014

AFFIDAVIT OF ED SCOTT IN SUPPORT OF DUKE ENERGY FLORIDA, INC.'S FIRST REQUEST FOR CONFIDENTIAL CLASSIFICATION

STATE OF FLORIDA

COUNTY OF PINELLAS

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

1. My name is Ed Scott. I am over the age of 18 years old and I have been authorized by Duke Energy Florida, Inc. (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 Director – Transmission Planning Florida. As the Director of Transmission Planning Florida, I am responsible for ensuring that long-range transmission plans, studies and assessments are performed in accordance with all applicable Federal Energy

Regulatory Commission ("FERC"), North American Electric Reliability Corporation ("NERC"), Florida Reliability Coordinating Council ("FRCC"), and DEF planning standards and requirements.

3. DEF is seeking confidential classification for portions of Exhibit ES-3 to my direct testimony filed on May 27, 2014. 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 a description of the potential generating facility acquisitions evaluated for transmission cost impacts to the DEF transmission system and DEF's confidential and internal strategies and analysis studies. If third parties were to know DEF's specific transmission needs, they could increase the price of those goods and services. This information would adversely impact DEF's competitive business interests if disclosed to third parties.

4. The disclosure of this information would impair the efforts of the Company to negotiate contracts on favorable terms. Specifically, if DEF's suppliers or competitors were made aware of DEF's internal strategies and analysis studies, they may adjust their behavior in the market place with respect to activity such as pricing and the acquisition and provision of goods, materials, and services.

5. DEF negotiates with potential third party vendors to obtain competitive contracts for services that provide economic value to DEF and its ratepayers. In order to obtain such contracts, however, DEF must be able to assure these companies that sensitive business information will be kept confidential. DEF has kept confidential and has not publicly disclosed any of its confidential contract terms, including pricing. Absent such measures, these companies 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 would otherwise contract with DEF might decide not to do so if DEF did not keep those terms of their contracts confidential.

6. The information identified as Exhibit A is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public, and the

Company has treated and continues to treat the information as confidential. Upon receipt of the bid proposals and contracts at issue, 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.

7. At no time since receiving or generating the bid proposals, contracts, and business analysis studies in question has the Company publicly disclosed that information. The Company has treated and continues to treat the information at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the <u>13</u> day of June, 2014.

(Signature)

Ed Scott Director - Transmission Planning Florida Duke Energy Florida, Inc. 6565 38th Avenue N. St. Petersburg, FL 33710

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this/3 day of June, 2014 by Ed Scott. He is personally known to me, or has produced his driver's license, or his as identification.

(Signature)

(Printed Name) NOTARY PUBLIC, STATE OF $\checkmark \checkmark$

(Commission Expiration Date)

EE Shlax

(Serial Number, If Any)

(AFFIX NOTARIAL SEAL)