

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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: July 23, 2014

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COMMISSION
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DUKE ENERGY FLORIDA, INC.'S FIFTH REQUEST FOR CONFIDENTIAL CLASSIFICATION REGARDING PORTIONS OF RESPONSES TO CALPINE CONSTRUCTION FINANCE COMPANY, L.P.'S THIRD SET OF INTERROGATORIES AND THIRD REQUEST FOR PRODUCTION

Duke Energy Florida, Inc. ("DEF" or the "Company"), pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006(3), Florida Administrative Code ("F.A.C."), files this Request for Confidential Classification Regarding Portions of Duke Energy Florida, Inc.'s responses to Calpine Construction Finance Company, L.P.'s Third Set of Interrogatories (No. 12-15) and Third Request for Production of Documents (Nos. 3-4). Specifically, DEF is seeking confidential classification of its response to Interrogatory No. 13(b) and Request for Production No. 4. Unredacted versions of the documents discussed above are being filed under seal with the Commission as Appendix A on a confidential basis to keep the competitive business information in those documents confidential.

With respect to the confidential information contained in the responses to Calpine's discovery requests, DEF filed its Notice of Intent to Request Confidential Classification on July 2, 2014 (Document No. 03454-14). Pursuant to Rule 25-22.006(3), Florida Administrative Code, this request is timely. DEF hereby submits the following in support of its confidentiality request.

COM _____
AFD |
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ECO 2
ENG 2 + Ex B
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BASIS FOR CONFIDENTIAL CLASSIFICATION

Section 366.093(1), Florida Statutes, provides that “any records received by the Commission which are shown and found by the Commission to be proprietary confidential business information shall be kept confidential and shall be exempt from [the Public Records Act].” § 366.093(1), Fla. Stat. Proprietary confidential business information means information that is (i) intended to be and is treated as private confidential information by the Company, (ii) because disclosure of the information would cause harm, (iii) either to the Company’s ratepayers or the Company’s business operation, and (iv) the information has not been voluntarily disclosed to the public. § 366.093(3), Fla. Stat. Specifically, “information concerning bids or other contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or services on favorable terms” is defined as proprietary confidential business information. § 366.093(3)(d), Fla. Stat. Additionally, subsection 366.093(3)(e) defines “information relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information,” as proprietary confidential business information.

DEF is requesting confidential classification of the responsive information to Calpine’s Third Set of Interrogatories to Duke Energy Florida, Inc. Nos. 12-15 and Request for Production Nos. 3-4, specifically as noted above and in the supporting affidavit of Borsch ¶ 4, because the response contains proprietary and confidential competitive business information, internal workpapers, information reports, including information concerning contractual data and competitively sensitive commercial information and potential supplier data, the disclosure of which would adversely impact DEF’s competitive business interests. Affidavit of Borsch, ¶ 5. The Company must be able to assure these vendors that sensitive business information will be kept confidential. Indeed, most of the contracts at issue contain confidentiality provisions that

prohibit the disclosure of the terms of the contract to third parties. Id. If third parties were made aware of confidential contractual terms and conditions that the Company has with other parties, they may offer DEF less competitive contractual terms and conditions in any future contractual negotiations. Without DEF's measures to maintain the confidentiality of sensitive terms in these proposals and contracts between DEF and these vendors, the Company's efforts to obtain competitive contracts would be undermined. Affidavit of Borsch, ¶ 6.

Confidentiality Procedures

Strict procedures are established and followed to maintain the confidentiality of the terms of all of the confidential documents and information at issue, including restricting access to those persons who need the information and documents to assist the Company. See Affidavit of Borsch, ¶ 7.

At no time has the Company publicly disclosed the confidential information or documents at issue; DEF has treated and continues to treat the information and documents at issue as confidential. See Affidavit of Borsch, ¶ 8. DEF requests this information be granted confidential treatment by the Commission.

Conclusion

The competitive, confidential information at issue in this Request fits the statutory definition of proprietary confidential business information under Section 366.093, Florida Statutes, and Rule 25-22.006, F.A.C., and therefore that information should be afforded confidential classification. In support of this motion, DEF has enclosed the following:

(1) A separate, sealed envelope containing one copy of the confidential Appendix A to DEF's Fifth Request for Confidential Classification which DEF intends to request confidential classification with the appropriate section, pages, or lines containing the confidential information

highlighted. **This information should be accorded confidential treatment pending a decision on DEF's Request by the Commission;**

(2) Two copies of the documents with the information for which DEF intends to request confidential classification redacted by section, pages, or lines where appropriate as Appendix B; and,

(3) A justification matrix of the confidential information contained in Appendix A supporting DEF's Request, as Appendix C.

WHEREFORE, DEF respectfully requests that the redacted portions of DEF's response to Calpine's Third Set of Interrogatories (Nos. 12-15) and Request for Production (Nos. 3-4) be classified as confidential for the reasons set forth above.

Respectfully submitted this 23th day of July, 2014.

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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 and overnight mail this 23rd day of July, 2014.

/s/ Blaise N. Gamba

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DOCKET 140111-EI

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

Duke Energy Florida, Inc.'s
Fifth
Request for Confidential Classification

EXHIBIT B

13. Please provide the following information regarding firm purchased power:

- a. Please detail the assumptions made by Duke regarding firm purchased power used in determining need for both the Citrus County Combined Cycle Plant and the Suwannee Simple Cycle and Hines Chillers Power Uprate projects. How is the 2,117 MW of firm purchased power noted in Chapter 1 of the Duke Florida 2014 Ten-Year Site Plan expected to change over the analysis period for the Citrus County CC, Suwannee Simple Cycle, and Hines Chillers projects?

RESPONSE:

The 2,117 MW of firm purchased power identified in the TYSP is based on DEF's existing PPA contracts with various IPP and utility providers. Included in that quantity are DEF's two current contracts with Southern Company affiliates which expire in 2016 and which will be replaced by the recently executed contract with Southern company through the spring of 2021. DEF's other two major contracts encompassed in the 2,117 MW have been in force since before 2010 and expire in 2024 and 2027. The expirations of these contracts are reflected in DEF's responses to other questions in this Docket including Calpine's question #5.

- b. (i) Please provide details regarding the 2016 PPA that Duke agreed to with the Southern Company and that is included in Duke's Base Generation Expansion Plan. The requested details include, at a minimum, the terms of the PPA (believed to be 5 years), the amount of capacity that Duke is committed to purchase (or pay for, whether used or not) for each year of the PPA, any requirements as to amounts of energy that Duke is required to purchase for each year of the PPA, any options that Duke has to reduce its capacity commitment or energy purchases or both over the term of the PPA, termination provisions, and any information regarding the heat rate or rates used in determining the energy prices to be paid by Duke for energy purchased under the PPA. (ii) How will this PPA impact the 2,117 MW of firm purchase power noted in Chapter 1 of the Duke Florida 2014 Ten-Year Site Plan?

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RESPONSE:

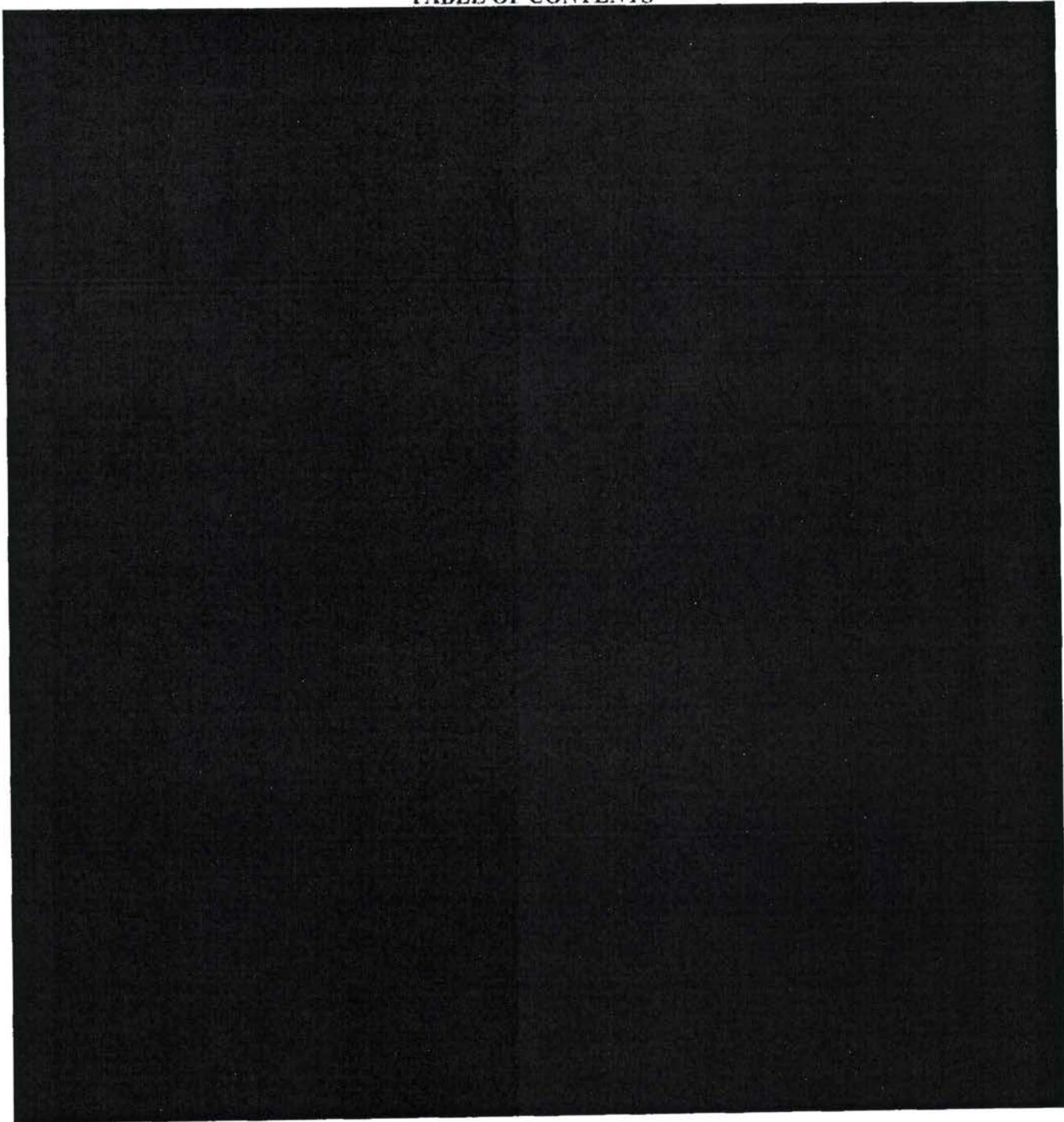
(i)

[REDACTED]



- (ii) In essence, this PPA offsets MW which would otherwise be lost from the referenced quantity. DEF currently has two contracts with Southern Company which in combination provide 413 MW of capacity. These contracts expire May 31, 2016. The 2016 PPA maintains the total purchased power capacity through 2021.

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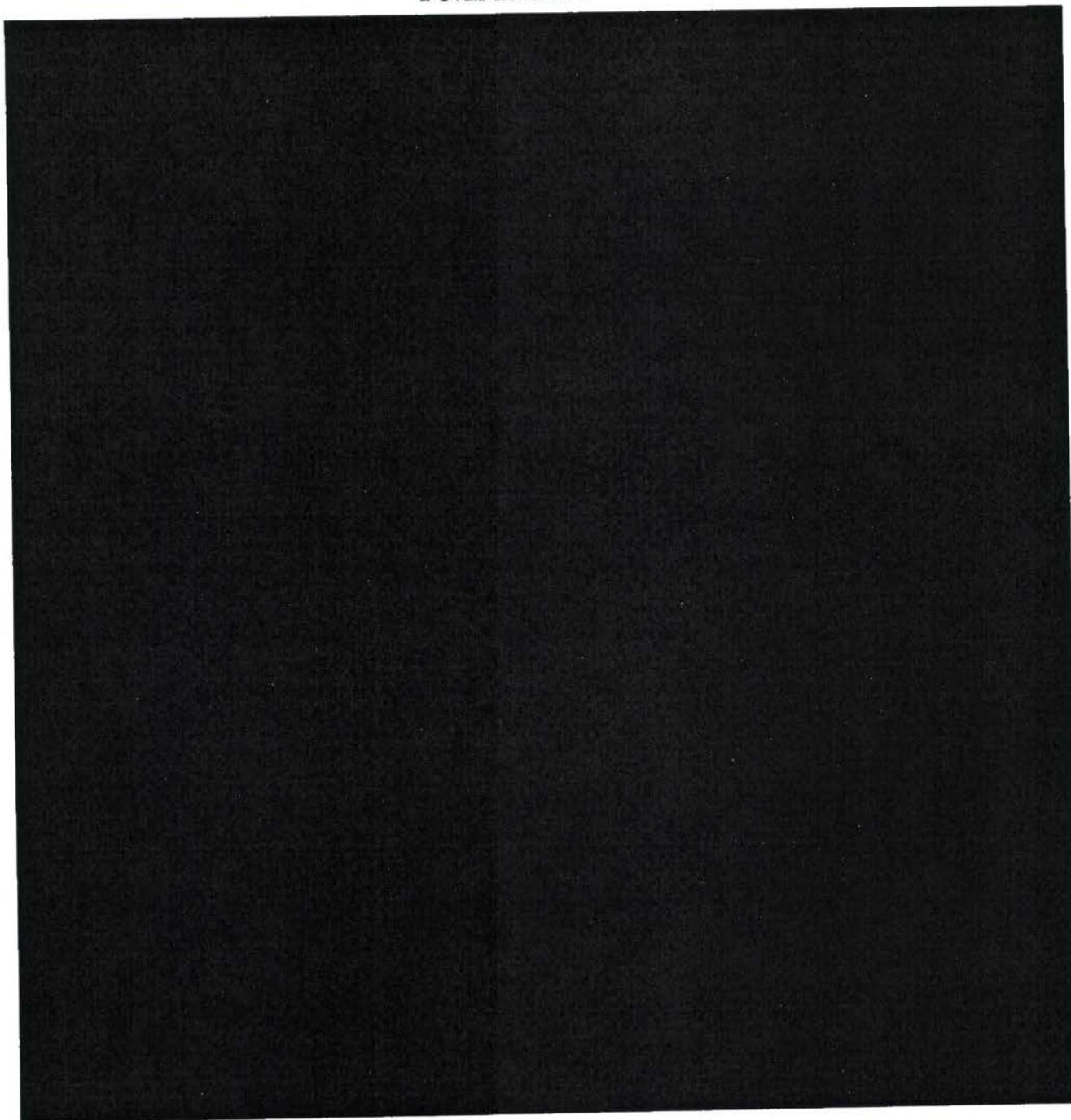
Documents bearing Bates Numbers
14LGBRA-CALPINE3-4-000003
through
14LGBRA-CALPINE3-4-000005
in their entirety

REDACTED

EXECUTION VERSION

CONFIDENTIAL

CONTRACT FOR THE PURCHASE OF
CAPACITY AND ENERGY
BETWEEN
SOUTHERN POWER COMPANY
AND
DUKE ENERGY FLORIDA, INC. D/B/A
DUKE ENERGY



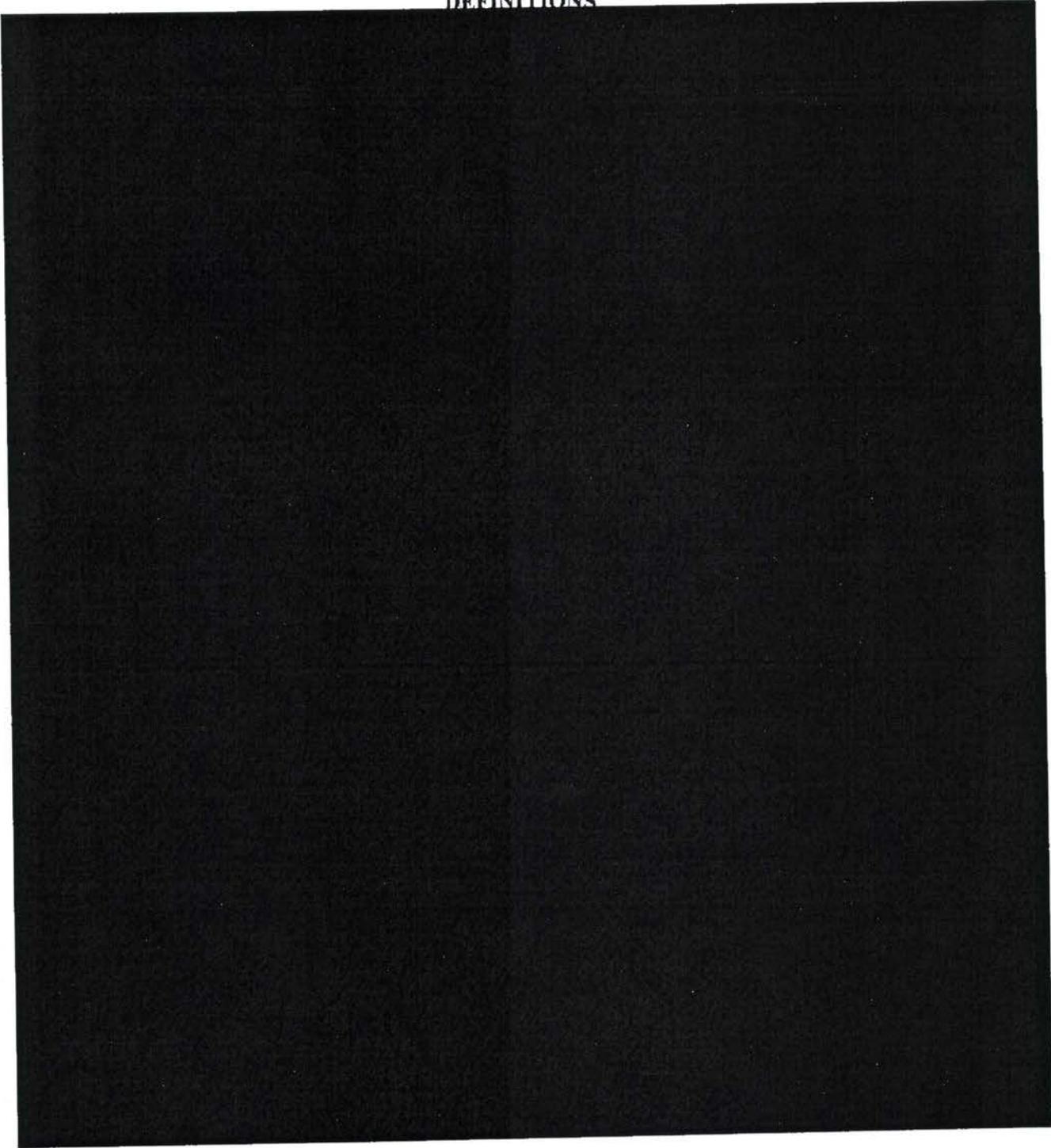
EXECUTION VERSION

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CONFIDENTIAL

ARTICLE 1

DEFINITIONS



DOCKET 140111-EI

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

Duke Energy Florida, Inc.'s
Fifth
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Documents bearing Bates Numbers
14LGBRA-CALPINE3-4-000008
through
14LGBRA-CALPINE3-4-000139
in their entirety

DUKE ENERGY FLORIDA
DOCKET NO. 140111-EI
Fifth Request for Confidential Classification
Confidentiality Justification Matrix

DOCUMENT	PAGE/LINE/ COLUMN	JUSTIFICATION
<p>Duke Energy Florida, Inc.'s Response to Calpine Construction Finance Company, L.P.'s Third Set of Interrogatories No. 13(b)(i)</p>	<p>All information in response</p>	<p>§366.093(3)(d), Fla. Stat. The document portions in question contain confidential contractual information, the disclosure of which would impair DEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>
<p>Duke Energy Florida, Inc.'s Response to Calpine Construction Finance Company, L.P.'s First Request for Production No. 4, 14LGBRA-CALPINE3-4-000001 through 14LGBRA-CALPINE3-4-000139</p>	<p>Page 2, all information on page exclusive of header; Page 3 through 5 in their entirety; Pages 6 and 7, all information on page exclusive of header; Pages 06 through 139 in their entirety</p>	<p>§366.093(3)(a), Fla. Stat. The document in question contains proprietary confidential information relating to trade secrets, the disclosure of which would impair DEF's business operations.</p> <p>§366.093(3)(d), Fla. Stat. The document in question contains confidential contractual information, the disclosure of which would impair DEF's efforts to contract for goods or services on favorable terms.</p> <p>§366.093(3)(e), Fla. Stat. The document portions in question contain confidential information relating to competitive business interests, the disclosure of which would impair the competitive business of the provider/owner of the information.</p>