



John T. Burnett  
Deputy General Counsel  
Duke Energy Florida, Inc.

August 13, 2014

**VIA OVERNIGHT MAIL**

Ms. Carlotta Stauffer, Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Docket No. 140001

**REDACTED**

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COMMISSION  
CLERK

Dear Ms. Stauffer:

Please find enclosed for filing on behalf of Duke Energy Florida, Inc. ("DEF"), an original and (7) copies of DEF's Request for Confidential Classification filed in connection with DEF's January -July 2014 Hedging Activity Supplemental Report. The filing includes:

- DEF's Request for Confidential Classification
- Slipsheet for confidential Exhibit A
- Slipsheet for redacted Exhibit B
- Exhibit C (justification matrix), and
- Exhibit D (affidavit)

At your direction, Exhibits A and B are submitted under separate cover.

Thank you for your assistance in this matter. Please feel free to call me at (727) 820-5184 should you have any questions concerning this filing.

Respectfully,

John T. Burnett

JTB/mw  
Enclosures

cc: Certificate of Service

COM	
AFD	2
APA	1
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

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Docket No. 140001-EI

Dated: August 13, 2014

**DUKE ENERGY FLORIDA INC.'S  
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Duke Energy Florida, Inc., (“DEF” or “Company”), pursuant to Section 366.093, Florida Statutes (F.S.) and Rule 25-22.006, Florida Administrative Code, submits this Request for Confidential Classification for certain information provided in Attachments A and B to DEF’s Hedging Report for the period January 2014 through July 2014 filed on August 13, 2014. In support of this Request, DEF states:

1. Hedging Attachments A and B contain information that is “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 is being submitted separately in a sealed envelope labeled “CONFIDENTIAL.” 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 basis 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 the actual hedging data for January 2014 through July 2014, such as volumes, hedging costs, and hedging gains/losses, the disclosure of which would impair the efforts of the Company or its affiliates to negotiate fuel supply contracts on favorable terms. *See* § 366.093(3)(d), F.S.; Affidavit of James McClay at ¶ 5. Furthermore, the information at issue relates to the competitive interests of DEF and its fuel suppliers, the disclosure of which would impair their competitive businesses. § 366.093(3)(e), F.S.; Affidavit of James 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.

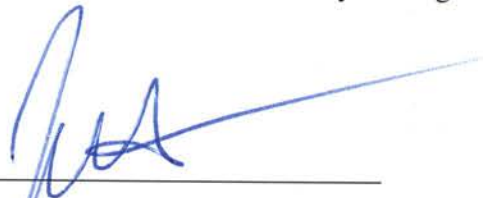
4. The information identified as Exhibit “A” is intended to be and is treated as confidential by the Company. *See* Affidavit of James McClay at ¶ 7. The information has not been disclosed to the public, and the Company has treated and continues to treat the information and contracts at issue as confidential. *See* Affidavit of James 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 13<sup>th</sup> day of August, 2014.



JOHN T. BURNETT  
Deputy General Counsel  
DIANNE M. TRIPLETT  
Associate General Counsel  
MATTHEW R. BERNIER  
Senior Counsel  
Duke Energy Florida, Inc.  
Post Office Box 14042  
St. Petersburg, Florida 33733-4042  
Telephone: 727-820-5587  
Facsimile: 727-820-5519  
Email:  
[John.Burnett@Duke-Energy.com](mailto:John.Burnett@Duke-Energy.com)  
[Dianne.Triplett@Duke-Energy.com](mailto:Dianne.Triplett@Duke-Energy.com)  
[Matthew.Bernier@Duke-Energy.com](mailto:Matthew.Bernier@Duke-Energy.com)

Attorneys for  
DUKE ENERGY FLORIDA, INC.

**Duke Energy Florida, Inc.**

Docket No.: 140001

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail this 13th day of August, 2014 to all parties of record as indicated below.

  
\_\_\_\_\_  
Attorney

Martha Barrera, Esq.  
Office of General Counsel  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850  
[mbarrera@psc.state.fl.us](mailto:mbarrera@psc.state.fl.us)

James D. Beasley, Esq.  
Jeffrey Wahlen, Esq.  
Ausley & McMullen Law Firm  
P.O. Box 391  
Tallahassee, FL 32302  
[jbeasley@ausley.com](mailto:jbeasley@ausley.com)  
[jwahlen@ausley.com](mailto:jwahlen@ausley.com)  
[adaniels@ausley.com](mailto:adaniels@ausley.com)

John T. Butler, Esq.  
Florida Power & Light Co.  
700 Universe Boulevard  
Juno Beach, FL 33408  
[John.butler@fpl.com](mailto:John.butler@fpl.com)

Kenneth Hoffman  
Florida Power & Light  
215 S. Monroe Street, Ste. 810  
Tallahassee, FL 32301-1859  
[Ken.hoffman@fpl.com](mailto:Ken.hoffman@fpl.com)

Jeffrey A. Stone, Esq.  
Russell A. Badders, Esq.  
Steven R. Griffin  
Beggs & Lane Law Firm  
P.O. Box 12950  
Pensacola, FL 32591  
[jas@beggslane.com](mailto:jas@beggslane.com)  
[rab@beggslane.com](mailto:rab@beggslane.com)  
[srg@beggslane.com](mailto:srg@beggslane.com)

Ms. Paula K. Brown  
Tampa Electric Company  
P.O. Box 111  
Tampa, FL 33601  
[regdept@tecoenergy.com](mailto:regdept@tecoenergy.com)

Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 S. Monroe St., Ste 618  
Tallahassee, FL 32301  
[bkeating@gunster.com](mailto:bkeating@gunster.com)

J.R.Kelly/Charles Rehwinkel  
Office of Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, #812  
Tallahassee, FL 32399  
[Kelly.jr@leg.state.fl.us](mailto:Kelly.jr@leg.state.fl.us)  
[Rehwinkel.charles@leg.state.fl.us](mailto:Rehwinkel.charles@leg.state.fl.us)

Cheryl Martin  
Florida Public Utilities Company  
1641 Worthington Road, Suite 220  
West Palm Beach, FL 33409  
[Cheryl.Martin@fpuc.com](mailto:Cheryl.Martin@fpuc.com)

James W. Brew, Esq.  
c/o Brickfield Law Firm  
1025 Thomas Jefferson St., NW  
8<sup>th</sup> Floor, West Tower  
Washington, DC 20007  
[jbrew@bbrslaw.com](mailto:jbrew@bbrslaw.com)  
[ataylor@bbrslaw.com](mailto:ataylor@bbrslaw.com)

Jon C. Moyle, Jr.  
Moyle Law Firm, PA  
118 North Gadsden Street  
Tallahassee, FL 32301  
[jmoyle@moylelaw.com](mailto:jmoyle@moylelaw.com)

Robert Scheffel Wright  
John T. LaVia, III  
c/o Gardner, Bist, Wiener Law Firm  
1300 Thomaswood Drive  
Tallahassee, FL 32308  
[schef@gbwlegal.com](mailto:schef@gbwlegal.com)  
[jlavia@gbwlegal.com](mailto:jlavia@gbwlegal.com)

Mr. Robert L. McGee  
Gulf Power Company  
One Energy Place  
Pensacola, FL 32520-0780  
[rlmcgee@southernco.com](mailto:rlmcgee@southernco.com)

# **Exhibit A**

**“CONFIDENTIAL”**

**(Provided under separate cover)**

# **Exhibit B**

**REDACTED**

**(Provided under separate cover)**

**DUKE ENERGY FLORIDA  
Confidentiality Justification Matrix**

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
<p>January – July 2014 Hedging Data “Attachment A”</p>	<p>Attachment A – <b>Page 1 of 1</b> “Hedging Summary”: volumes, hedging costs, and hedging gains /losses.</p>	<p>§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.</p> <p>§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.</p>
<p>January – July 2014 Hedging Data “Attachment B”</p>	<p>Attachment B – “Hedging Details”, <b>Page 2 of 13</b>: savings/costs on hedges &amp; hedged volumes per month (Jan-14 thru July-14) for financial, physical &amp; total hedges by month (for natural gas, #6 oil, #2 oil, gas storage, heating oil- river barge, &amp; heating oil- rail).</p> <p>Attachment B – “Hedging Details”, <b>Pages 3-13</b>: volumes, fixed prices, and savings/costs on hedges for months January 2014 thru July 2014 by commodity.</p>	<p>§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.</p> <p>§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.</p>



**Exhibit D**  
**AFFIDAVIT OF**  
**JAMES MCCLAY**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

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Docket No. 140001-EI

Dated: August 13, 2014

**AFFIDAVIT OF JAMES MCCLAY 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 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 facts attested to in my affidavit are based  
upon my personal knowledge.

2. I am the Manager of Gas Trading in the Gas, Oil, and Power Department.  
This section is responsible for natural gas procurement and scheduling needed to support  
the gas generation needs for Duke Energy Indiana (DEI), Duke Energy Kentucky (DEK),  
Duke Energy Carolinas (DEC), Duke Energy Progress (DEP), and DEF Systems.

3. As the Manager of Gas Trading, I am responsible, along with the other  
members of the section, for natural gas and oil procurement, scheduling, hedging

activities in the Gas, Oil and Power Department for the Duke Energy regulation fleet for DEI, DEK, DEC, DEF and DEP.

4. DEF is seeking confidential classification for certain information contained in Attachments A and B of the hedging data for the period January 2014 through July 2014 filed on August 13, 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 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, DEF must be able to assure fuel suppliers that sensitive business information, such as volumes and hedging costs, will be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed confidential contract terms such as volumes, hedging costs and itemized hedging gains/losses. 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 in the DEF's fuel supply contracts, 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 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 12 day of August, 2014.

James McClay  
(Signature)  
James McClay  
Manager – Gas, Oil and Power Department  
Duke Energy  
526 South Church  
Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 12 day of August, 2014 by James McClay. He is personally known to me, or has produced his \_\_\_\_\_ driver's license, or his Duke Energy as identification.



Rita G Kale  
(Signature)  
Rita G Kale  
(Printed Name)  
NOTARY PUBLIC, STATE OF NC  
6/17/2017  
(Commission Expiration Date)  
\_\_\_\_\_  
(Serial Number, If Any)