

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Nuclear Cost Recovery Clause

Docket No. 150009-EI

Submitted for Filing: May 21, 2015

**DUKE ENERGY FLORIDA'S NOTICE OF FILING**

Duke Energy Florida, Inc. ("DEF"), hereby gives notice of filing the Affidavits of Christopher M. Fallon and Mark R. Teague in Support of Duke Energy Florida's Third Request for Confidential Classification.

Respectfully submitted,

/s/ Blaise N. Gamba

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ENG \_\_\_\_\_  
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CLERK

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 and U.S. Mail this 21<sup>st</sup> day of May, 2015.

/s/ Blaise N. Gamba  
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**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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In re: Nuclear Cost Recovery Clause

Docket No. 150009-EI  
Submitted for Filing: May 21<sup>st</sup>, 2015

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**AFFIDAVIT OF CHRISTOPHER M. FALLON IN SUPPORT OF  
DUKE ENERGY FLORIDA, INC.'S THIRD REQUEST FOR CONFIDENTIAL  
CLASSIFICATION REGARDING PORTIONS OF THE TESTIMONIES AND  
EXHIBITS FILED AS PART OF THE COMPANY'S MAY 1, 2015  
ACTUAL/ESTIMATED AND PROJECTED 2016 COST FILINGS**

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

1. My name is Christopher M. Fallon. I am employed by Duke Energy Corporation ("Duke Energy") in the capacity of Vice President of Nuclear Development. I am over the age of 18 years old and I have been authorized to give this affidavit in the above-styled proceeding on Duke Energy Florida's ("DEF" or the "Company") behalf and in support of DEF's Third Request for Confidential Classification Regarding Portions of the Testimonies and Exhibits filed as Part of the Company's May 1, 2015 Actual/Estimated and Projected 2016 Costs Filings (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. DEF is seeking confidential classification of the following materials filed with the Florida Public Service Commission ("FPSC" or the "Commission") in this above referenced docket: (1) portions of the testimony of Mr. Thomas G. Foster and Exhibit No. \_\_ (TGF-3), (2) portions of my testimony and Exhibit No. \_\_ (CMF-7), and (3) portions of the testimony of Mr. Mark R. Teague.

3. Unredacted versions of the testimonies and exhibits at issue are contained in confidential Appendix A to DEF's Request and the confidential portions thereof are outlined in DEF's Justification Matrix that is attached to DEF's Request as Appendix C.

4. DEF is requesting confidential classification of the portions of the testimony and exhibit of Mr. Foster that contain confidential costs numbers and sensitive contractual financial information for the Levy Nuclear Project ("LNP") under the Engineering, Procurement, and Construction contract ("EPC Agreement") with Westinghouse Electric Company and Stone & Webster, Inc. (the "Consortium"), the disclosure of which would compromise DEF's competitive business interests or violate contractual confidentiality provisions.

5. DEF is also requesting confidential classification of the portions of my testimony and Exhibit No. \_\_ (CMF-7) that contains cost data that is competitively sensitive under the EPC Agreement.

6. Additionally, DEF is requesting confidentiality classification of Exhibit CMF-7 because this exhibit contains confidential settlement and ongoing commercial negotiation information between the DEF and third parties regarding the disposition of long lead time equipment ("LLE") for the LNP. This information would adversely impact DEF's competitive business interests, and ongoing LLE disposition process and negotiations regarding wind down, if disclosed to third parties.

7. Moreover, the Company must be able to assure these vendors that sensitive business information will be kept confidential during negotiations. Indeed, the contract at issue contains confidentiality provisions that prohibit the disclosure of the terms of the contract to third parties. If third parties were made aware of confidential contractual terms that the Company has with other parties, they may offer DEF less competitive terms in future contractual negotiations. Additionally, revealing LLE disposition terms to third parties may compromise DEF's ability to negotiate additional LLE dispositions on a favorable basis. Without DEF's measures to maintain

the confidentiality of sensitive terms in contracts between DEF and these nuclear contractors, the Company's efforts to obtain competitive contracts for the LNP would be undermined.

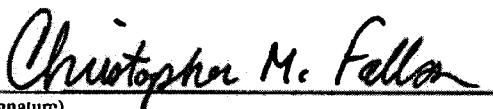
8. As stated above, most of the contracts at issue, and specifically the EPC Agreement, contain confidentiality provisions; therefore, DEF is requesting confidential classification of this information to avoid public disclosure that would violate the confidentiality agreements between DEF and the other parties. DEF has kept confidential and has not publicly disclosed the proprietary information at issue here.

9. Upon receipt of this confidential information, as with all confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided therein. Such procedures include, but are not limited to, restricting access to the documents and information to only those persons who require it to assist the Company. At no time since developing the information or entering into the contracts in question has DEF publicly disclosed the information; DEF has treated and continues to treat the information as confidential.

10. This concludes my affidavit.

Further affiant sayeth not.

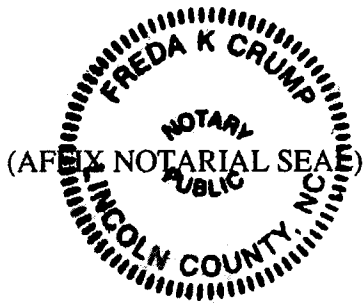
Dated this 18<sup>th</sup> day of May, 2015.



(Signature)

Christopher M. Fallon  
Vice President of Nuclear Development  
Duke Energy Corporation  
526 South Church Street, EC1  
Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 18 day of May, 2015 by Christopher M. Fallon. He is personally known to me, or has produced his North Carolina driver's license, or his \_\_\_\_\_ as identification.



Freda K. Crump  
(Signature)

FREDA K. Crump  
(Printed Name)

NOTARY PUBLIC, STATE OF \_\_\_\_\_

August 17, 2016  
(Commission Expiration Date)

\_\_\_\_\_  
(Serial Number. If Any)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Nuclear Cost Recovery  
Clause

Docket No. 150009-EI  
Submitted for Filing: May 21<sup>st</sup>, 2015

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**AFFIDAVIT OF MARK R. TEAGUE IN SUPPORT OF DUKE ENERGY FLORIDA, INC.'S  
THIRD REQUEST FOR CONFIDENTIAL CLASSIFICATION REGARDING PORTIONS OF  
THE TESTIMONIES AND EXHIBITS FILED AS PART OF THE  
COMPANY'S MAY 1, 2015 ACTUAL/ESTIMATED AND PROJECTED 2016 COST FILINGS**

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

1. My name is Mark R. Teague. I am employed by Duke Energy Business Services, LLC ("DEF" or the "Company") and serve as its Managing Director of Major Projects Sourcing in the Supply Chain department. I am over the age of 18 years old and I have been authorized by DEF to give this affidavit in the above-styled proceeding on DEF's behalf and in support of DEF's Third Request for Confidential Classification Regarding Portions of the Testimonies and Exhibits filed as Part of the Company's May 1, 2015 Actual/Estimated and Projected 2016 Cost Filings (the "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. DEF is seeking confidential classification of the following materials filed with the Florida Public Service Commission ("FPSC" or the "Commission") in the above referenced docket: (1) portions of my testimony; (2) portions of the testimony and exhibit of Mr. Thomas G. Foster; and (3) portions of the testimony and exhibit of Mr. Christopher M. Fallon.



3. Unredacted versions of the testimonies and exhibits at issue are contained in confidential Appendix A to DEF's Request and the confidential portions thereof are outlined in DEF's Justification Matrix that is attached to DEF's Request as Appendix C.

4. As to the Crystal River Unit 3 ("CR3") Extended Power Uprate ("EPU") project, DEF is requesting confidential classification of the portions of my testimony that contain confidential information on the disposition of EPU assets and the close-out of the EPU project.

5. Specifically, DEF is requesting confidential classification of portions of my testimony which reflects confidential information on ongoing negotiations and possible disposition plans for EPU equipment and materials.

6. Disclosure of any of this information would adversely impact DEF's competitive business interests. The Company must be able to assure third parties that sensitive business information, including negotiated terms and pricing, will be kept confidential. If third parties were made aware of confidential terms and conditions that the Company has with other parties, they may offer DEF less competitive terms or offers in any future negotiations. Without DEF's measures to maintain the confidentiality of sensitive terms between DEF and third parties, the Company's efforts to obtain competitive sales prices for EPU project equipment would be undermined.

7. Upon receipt of this confidential information, as with all confidential information, strict procedures are established and followed to maintain the confidentiality of the terms of the documents and information provided therein. Such procedures include, but are not limited to, restricting access to the documents and information to only those persons who require it to assist the Company. At no time since developing the information or entering into the contracts or

negotiations in question has DEF publicly disclosed such information; DEF has treated and continues to treat the information contained in the subject documents as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated this 20<sup>th</sup> day of MAY, 2015.

Mark R. Teague  
(Signature)

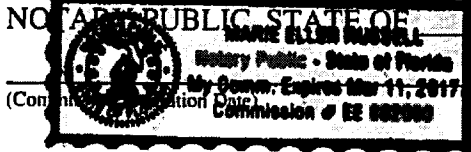
Mark R. Teague  
Managing Director of Major Projects Sourcing  
400 South Tryon Street  
Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 20<sup>th</sup> day of MAY, 2015 by Mark R. Teague. He is personally known to me, or has produced his NORTH CAROLINA driver's license, or his N/A mcb as identification.

Marie Ellen Russell  
(Signature)

Marie Ellen Russell  
(Printed Name)

(AFFIX NOTARIAL SEAL)



(Serial Number, If Any)