



Dianne M. Triplett
ASSOCIATE GENERAL COUNSEL
Duke Energy Florida, LLC

February 23, 2016

VIA ELECTRONIC DELIVERY

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

Re: Docket 160017-EI
Duke Energy Florida, LLC's First Request for Confidential Classification

Dear Ms. Stauffer:

Attached is Duke Energy Florida, LLC's ("DEF") First Request for Confidential Classification of certain information provided in DEF's Response to Staff's First Data Request in the above-referenced matter. This filing includes:

- Exhibit A (confidential slipsheet only)
- Exhibit B (2 copies of redacted information)
- Exhibit C (justification matrix)
- Exhibit D (Affidavit of Adrian Acuna)

DEF's confidential Exhibit A that accompanies the above-referenced filing, has been submitted under separate cover.

Thank you for your assistance in this matter. If you have any questions, please feel free to contact me at (727) 820-4692.

Sincerely,

/s/ Dianne M. Triplett

Dianne M. Triplett

DMT:at
Attachments

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Duke Energy Florida, LLC,
for Approval of Depreciation Rates for Solar
Photovoltaic Generating Units

DOCKET NO. 160017-EI

FILED: February 23, 2016

**DUKE ENERGY FLORIDA, LLC'S FIRST REQUEST
FOR CONFIDENTIAL CLASSIFICATION**

Duke Energy Florida, LLC (“DEF” or the “Company”), pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), submits this First Request for Confidential Classification concerning DEF’s response and a confidential document provided in response to Staff’s First Data Request. Those confidential documents were filed in this docket on February 5, 2016 with DEF’s Notice of Intent to request confidential classification (DN 00720-16). This request is timely. *See* Rule 25-22.006(3)(a)1., F.A.C. In support of this request, DEF states:

1. As further explained below, DEF’s response to Staff’s First Data Request, Questions 2c and 3d, as well as the document provided in response to Staff’s First Data Request, Question 3e, contain “proprietary confidential business information” under section 366.093(3), F.S.

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 encompasses 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 bases 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 confidential warranty information provided by the solar equipment vendor, General Electric Co. (“GE”). GE has requested, and DEF has agreed, that DEF maintain this information as confidential. The release of the confidential GE performance warranty terms and the warranty document would violate DEF’s agreement with GE and adversely impact DEF’s competitive business interests. *See* § 366.093(3)(d), F.S.; Affidavit of Adrian Acuna at ¶ 5. The disclosure of that information to the public would also adversely impact the competitive business interest of parties contracting with DEF. *See* § 366.093(3)(e), F.S.; Affidavit of Adrian Acuna 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 Adrian Acuna at ¶ 7. The information has not been disclosed to the public, and the Company has treated and continues to treat the documents at issue as confidential. *See* Affidavit of Adrian Acuna 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 First Request for Confidential Classification be granted.

RESPECTFULLY SUBMITTED this 23rd day of February, 2016.

MATTHEW R. BERNIER
Senior Counsel
Duke Energy Florida, LLC
106 East College Avenue
Suite 800
Tallahassee, FL 32301
Telephone: (850) 521-1428

/s/ Dianne M. Triplett

DIANNE M. TRIPLETT
Associate General Counsel
Duke Energy Florida, LLC
299 First Avenue North
St. Petersburg, FL 33701
Telephone: (727) 820-4692

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail to the following this 23rd day of February, 2016.

/s/ Dianne M. Triplett

Attorney

Danijela Janjic
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
djanjic@psc.state.fl.us

Exhibit A

CONFIDENTIAL
FILED UNDER SEPARATE COVER

Exhibit B

REDACTED

Based on the information, DEF determined that 30 years is a reasonable estimate of the useful life of the project. Additionally, the PSC approved a 30 year life for similar sites at Florida Power & Light (Docket No. 080543-EI, Order No. PSC-08-0731-PAA-EI) and for Tampa Electric Company (Docket No. 150211-EI, Order No. PSC-15-0573-PAA-EI).

b. Please identify the vendors and industry groups referred to in the paragraph.

RESPONSE:

Please refer to the response to question 2a above.

c. Please specify the warranty terms for each solar facility discussed in this paragraph including the years covered and the corresponding energy output warranted.

RESPONSE: **REDACTED**

The Perry Solar Facility has the following warranties:

- Panels- Ten year functional capability warranty and 25 year performance guarantee. Panel manufacturer guarantees that the actual output will amount to at least 97% of effective output during the first year after purchase and then the effective output will decline annually by no more than 0.7% for a period of 24 years, so that by the end of the 25th year after purchase an actual output of at least 80.2 % of effective output will be achieved.
- Racking- 20 year warranty (defects and workmanship).
- Inverter & Transformer- ■ year warranty (defects, workmanship, services) and ■ year warranty for software.

The Osceola Solar Facility has the following warranties:

- Panels- Ten year functional capability warranty and 25 year performance guarantee. Panel manufacturer guarantees that the actual output will amount to at least 97% of effective output during the first year after purchase and then the effective output will decline annually by no more than 0.7% for a period of 24 years, so that by the end of the 25th year after purchase an actual output of at least 80.2 % of effective output will be achieved.
- Racking- 25 year warranty (defects and workmanship).
- Inverter & Transformer- ■ year warranty (defects, workmanship, services) and ■ year warranty for software.

d. Please specify the solar technology (e.g.: rooftop PV, stand-alone fixed PV, PV with tracking) used for each facility discussed in the paragraph.

RESPONSE:

Both the Osceola Solar Facility and Perry Solar Facility will use fixed-panel stand-alone solar PV equipment.

3. Paragraph 4 mentions “...generating units and associated equipment.”
- a. Please identify the major components of generating units, and ‘associated equipment,’ such as PV modules, support structure, etc., by FERC account.

RESPONSE:

The major components and associated FERC account are as follows:

<u>Component</u>	<u>FERC Account</u>
Solar Panel	Account 344 – Generators
Racking System	Account 344 – Generators
Inverter and Transformer	Account 345 – Accessory Electric Equipment

Please note that the above components are the major components of the solar facilities. Other FERC accounts, such as account 341 Structures and Improvements and 343 Other Generation Plant, may be used for smaller components depending on the specific details for a project. Additionally, DEF will establish sub-accounts associated with each FERC account used for the solar assets (i.e. 344.xx-Generators, 345.xx-Accessory Electric Equipment, etc.).

- b. What is the design life of each such component? Please provide supporting documentation.

RESPONSE:

Please refer to information provided in response to question 2. The design life of the panels and racking system is 30 years based on industry studies and manufacturer warranties. The life for inverters can generally range between 10-15 years; however, DEF plans to maintain these components throughout the expected service life of the facility, (i.e. 30 years).

- c. What is the expected service life of each such component? Please explain.

RESPONSE:

The expected service life of each component is 30 years.

- d. What are the warranties associated with each such component? Please explain.

RESPONSE:

REDACTED

Panels are warranted for functional capability, mechanical adverse effect, clouding or discoloration of glass, cable and connector plug operation, frames will not freeze up, and energy production. Racking equipment is warranted to be free from defects in materials and workmanship. Inverters and transformers are warranted to [REDACTED]

SLIP SHEET FOR REDACTED PAGES

Bates Numbers: 160017-DEF-0008

through 160017-DEF-0011

Exhibit B

REDACTED

(2nd copy)

Based on the information, DEF determined that 30 years is a reasonable estimate of the useful life of the project. Additionally, the PSC approved a 30 year life for similar sites at Florida Power & Light (Docket No. 080543-EI, Order No. PSC-08-0731-PAA-EI) and for Tampa Electric Company (Docket No. 150211-EI, Order No. PSC-15-0573-PAA-EI).

b. Please identify the vendors and industry groups referred to in the paragraph.

RESPONSE:

Please refer to the response to question 2a above.

c. Please specify the warranty terms for each solar facility discussed in this paragraph including the years covered and the corresponding energy output warranted.

RESPONSE: **REDACTED**

The Perry Solar Facility has the following warranties:

- Panels- Ten year functional capability warranty and 25 year performance guarantee. Panel manufacturer guarantees that the actual output will amount to at least 97% of effective output during the first year after purchase and then the effective output will decline annually by no more than 0.7% for a period of 24 years, so that by the end of the 25th year after purchase an actual output of at least 80.2 % of effective output will be achieved.
- Racking- 20 year warranty (defects and workmanship).
- Inverter & Transformer- ■ year warranty (defects, workmanship, services) and ■ year warranty for software.

The Osceola Solar Facility has the following warranties:

- Panels- Ten year functional capability warranty and 25 year performance guarantee. Panel manufacturer guarantees that the actual output will amount to at least 97% of effective output during the first year after purchase and then the effective output will decline annually by no more than 0.7% for a period of 24 years, so that by the end of the 25th year after purchase an actual output of at least 80.2 % of effective output will be achieved.
- Racking- 25 year warranty (defects and workmanship).
- Inverter & Transformer- ■ year warranty (defects, workmanship, services) and ■ year warranty for software.

d. Please specify the solar technology (e.g.: rooftop PV, stand-alone fixed PV, PV with tracking) used for each facility discussed in the paragraph.

RESPONSE:

Both the Osceola Solar Facility and Perry Solar Facility will use fixed-panel stand-alone solar PV equipment.

3. Paragraph 4 mentions “...generating units and associated equipment.”
- a. Please identify the major components of generating units, and ‘associated equipment,’ such as PV modules, support structure, etc., by FERC account.

RESPONSE:

The major components and associated FERC account are as follows:

<u>Component</u>	<u>FERC Account</u>
Solar Panel	Account 344 – Generators
Racking System	Account 344 – Generators
Inverter and Transformer	Account 345 – Accessory Electric Equipment

Please note that the above components are the major components of the solar facilities. Other FERC accounts, such as account 341 Structures and Improvements and 343 Other Generation Plant, may be used for smaller components depending on the specific details for a project. Additionally, DEF will establish sub-accounts associated with each FERC account used for the solar assets (i.e. 344.xx-Generators, 345.xx-Accessory Electric Equipment, etc.).

- b. What is the design life of each such component? Please provide supporting documentation.

RESPONSE:

Please refer to information provided in response to question 2. The design life of the panels and racking system is 30 years based on industry studies and manufacturer warranties. The life for inverters can generally range between 10-15 years; however, DEF plans to maintain these components throughout the expected service life of the facility, (i.e. 30 years).

- c. What is the expected service life of each such component? Please explain.

RESPONSE:

The expected service life of each component is 30 years.

- d. What are the warranties associated with each such component? Please explain.

RESPONSE: **REDACTED**

Panels are warranted for functional capability, mechanical adverse effect, clouding or discoloration of glass, cable and connector plug operation, frames will not freeze up, and energy production. Racking equipment is warranted to be free from defects in materials and workmanship. Inverters and transformers are warranted to [REDACTED]

SLIP SHEET FOR REDACTED PAGES

Bates Numbers: 160017-DEF-0008

through 160017-DEF-0011

**DUKE ENERGY FLORIDA – EXHIBIT C - Docket 150171-EI
Confidentiality Justification**

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
DEF response to Staff’s First Data Request	<p>Page 3, question 2c, third bullet, first line, two numbers before the word “year” in that line.</p> <p>Page 3, question 2c, sixth bullet, first line, two numbers before the word “year” in that line.</p> <p>Page 4, question 3d, the last line of text on the page, all words following the third word.</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>
DEF response to Staff’s First Data Request	Attachment bearing Bates numbers 160017-DEF-0008 through 160017-DEF-0011, is entirely confidential.	<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
ADRIAN ACUNA**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Duke Energy Florida, LLC,
for Approval of Depreciation Rates for Solar
Photovoltaic Generating Units

DOCKET NO. 160017-EI

FILED: February 26, 2016

**AFFIDAVIT OF ADRIAN ACUNA IN SUPPORT OF
DUKE ENERGY FLORIDA'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 Adrian Acuna, who being first duly sworn, on oath deposes and says that:

1. My name is Adrian Acuna. 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 First Request for Confidential Classification. The facts attested to in my affidavit are based upon my personal knowledge.

2. I am a Lead Sourcing Specialist for Duke Energy Business Services, LLC, a service company affiliate of DEF.

3. In this role I am responsible, along with other members of this department, for the procurement of solar generating equipment for DEF's solar generation facilities, and the administration of DEF's solar vendor contracts with various solar equipment vendors.

4. DEF is seeking confidential classification for portions of DEF's responses to Questions 2c and 3d, along with a document provided in response to Question 3e. The confidential information at issue is contained in confidential Exhibit A to this Request and is outlined in DEF's Justification Matrix that is attached to DEF's First 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 and services on favorable terms.

5. Portions of DEF's responses to Questions 2c and 3d, along with a document provided in response to Question 3e, contain sensitive business information including warranty information provided by the solar equipment vendor, General Electric Co. ("GE"). DEF negotiated a contract with GE to provide inverter and transformer equipment at DEF's solar facilities. GE is a recognized and experienced solar equipment vendor and can provide DEF with reliable equipment utilized at DEF's solar generating facilities. Portions of DEF's response to Staff's First Data Request, Questions 2c and 3d, contains confidential information concerning GE's warranty specifications that would adversely impact DEF's competitive business interests if disclosed to the public. In addition, GE has requested and DEF has agreed, that the warranty document provided in response to Question 3e, remain confidential. In order to obtain specialized solar equipment, DEF must be able to assure solar equipment vendors that sensitive business information, such as performance warranty information will be kept confidential. With respect to the information at issue in this request, DEF has kept confidential and has not publicly disclosed confidential warranty specifications and similar competitive information. Absent such measures, solar equipment vendors who otherwise would contract with DEF might decide not to do so if DEF did not keep the terms of their contracts confidential. Without DEF's measures to

maintain the confidentiality of sensitive equipment warranties between DEF and third parties, the Company's efforts to obtain competitive warranties for its solar equipment could be compromised by competitors changing their position or behavior in future contractual negotiations.

6. Additionally, the above-referenced Bates numbered attachment contains sensitive business information which could adversely impact competitive business interests of the solar equipment vendors providing equipment and services to DEF for the solar generating units. GE has requested, and DEF has agreed, that DEF maintain this information as confidential. If GE and other solar equipment vendors could not be assured that DEF abided by its agreements to maintain information as confidential, GE and other potential third parties may be unwilling to negotiate solar equipment purchases in the future. Absent such confidentiality measures, third party solar equipment vendors would run the risk that sensitive business information that they provided in their warranties and contractual agreements with DEF would be made available to the public and, as a result, end up in possession of potential competitors. Faced with that risk, the efforts to competitively negotiate the sale of solar equipment with companies such as DEF could be undermined.

7. Upon receipt of confidential information from solar equipment vendors working with DEF, and with its own confidential information, strict procedures are established and followed to maintain the confidentiality 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 documents. At no time since receiving the information in question has the Company publicly disclosed this information. The Company has treated and continues to treat the warranty information at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 22 day of February, 2016.

Adrian Acuna

(Signature)

Adrian Acuna
Lead Sourcing Specialist
Duke Energy Business Services, LLC
550 South Tryon Street
Charlotte, NC

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 22 day of February, 2016 by ADRIAN ACUNA. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.



Deborah G. Thrap
(Signature)

Deborah G. Thrap
(Printed Name)

NOTARY PUBLIC, STATE OF _____

4/25/2017
(Commission Expiration Date)

19970910128
(Serial Number, If Any)