



Matthew R. Bernier
Associate General Counsel
Duke Energy Florida, LLC.

September 27, 2017

VIA ELECTRONIC FILING

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

Re: *Application for limited proceeding to approve 2017 second revised and restated settlement agreement, including certain rate adjustments, by Duke Energy Florida, LLC; Docket No. 20170183-EI*

Dear Ms. Stauffer:

Please find enclosed for electronic filing, on behalf of Duke Energy Florida, LLC ("DEF"), DEF's Request for Confidential Classification filed in connection to its response to Staff's First Data Request filed on September 14, 2017.

The filing includes the following:

- DEF's Request for Confidential Classification
- Slipsheet for confidential Exhibit A
- Redacted Exhibit B (on CD to the parties)
- Exhibit C (justification matrix), and
- Exhibit D (affidavit of Joseph McCallister)

DEF's confidential Exhibit A (document no. 07668-2017), that accompanies the above-referenced filing was filed with DEF's Notice of Intent to Request Confidential Classification on September 14, 2017, and remains on file with the Clerk.

Thank you for your assistance in this matter. Please feel free to call me at (850) 521-1428 should you have any questions concerning this filing.

Respectfully,

s/Matthew R. Bernier

Matthew R. Bernier

Matthew.Bernier@duke-energy.com

MRB/mw
Enclosures

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Limited Proceeding to
Approve 2017 Second Revised and Restated
Settlement Agreement, including certain
Rate Adjustments by Duke Energy Florida, LLC

Docket No. 20170183-EI

Filed: September 27, 2017

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

Duke Energy Florida, LLC, (“DEF” or “Company”), pursuant to Section 366.093, Florida Statutes (F.S.), and Rule 25-22.006, Florida Administrative Code (F.A.C.), submits this Request for Confidential Classification (the “Request”) for certain information provided in response to Staff of the Florida Public Service Commission’s (“Staff”) First Data Request (Nos. 1-4). The confidential documents were filed in this docket on September 14, 2017 with DEF’s Notice of Intent to Request Confidential Classification. This request is timely. *See* Rule 25-22.006(3)(a)1., F.A.C. In support of this Request, DEF states:

1. DEF’s response to Staff’s First Data Request, specifically question 4 (a-d), contains “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. As referenced above, Composite Exhibit A was submitted separately in a sealed envelope labeled “CONFIDENTIAL” on

September 14, 2017 (document no. 07668-2017). 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 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 contains sensitive business information, such as hedging transactions and volume hedged, the disclosure of which would impair the Company’s or its affiliates’ efforts to negotiate contracts on favorable terms. *See* § 366.093(3)(d), F.S.; Affidavit of Joseph McCallister at ¶¶ 5 and 6. Furthermore, the information at issue relates to specific financial trade information, the disclosure of which would impair DEF’s competitive business interests. *See* § 366.093(3)(e), F.S.; Affidavit of Joseph McCallister at ¶¶ 4 and 5. 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 Joseph McCallister at ¶ 7. The information has not been disclosed to the public, and the Company has treated and continues to treat the information at issue as confidential. *See* Affidavit of Joseph McCallister 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 27th day of September, 2017.

Respectfully submitted,

s/Matthew R. Bernier

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Duke Energy Florida, LLC
Docket No.: 20170183-EI
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 27th day of September, 2017.

s/Matthew R. Bernier

Attorney

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Exhibit A

“CONFIDENTIAL”

Submitted under separate cover on September 14, 2017
Document No. 07668-2017

Exhibit B

Copy-1

REDACTED

3. Please refer to paragraph 11 of the 2017 Settlement Agreement.

- a. In the last sentence of this paragraph it is stated, in part, that “there will never be any LNP-related costs of any type or nature whatsoever recovered from DEF’s retail ratepayers.” Is it the intent of the parties that if there are any on-going activities or costs (such as environmental testing, monitoring, or reporting) that are a condition of the State’s Levy Site Certification, these types of cost would be included in the above-quoted statement?

RESPONSE

Yes, it is the intent of the parties that “there will never be any LNP-related costs of any type or nature whatsoever recovered from DEF’s retail ratepayers,” which would include any further costs associated with the Site Certification, which are not expected.

4. Please refer to paragraph 22 of the 2017 Settlement Agreement, addressing that DEF will not enter into new financial natural gas hedging contracts through the term of this agreement.

- a. Please identify the volume of natural gas for delivery in 2018 that will be purchased under previously-executed hedging contracts.

REDACTED

RESPONSE

As of September 8, 2017, DEF previously financially hedged approximately [REDACTED] for periods that settle in 2018.

- b. Please identify the volume of natural gas for delivery in 2019 that will be purchased under previously-executed hedging contracts.

REDACTED

RESPONSE

As of September 8, 2017, DEF previously financially hedged approximately [REDACTED] for periods that settle in 2019.

- c. Please identify the volume of natural gas for delivery in 2020 that will be purchased under previously-executed hedging contracts.

REDACTED

RESPONSE

As of September 8, 2017, DEF [REDACTED] for periods that settle in 2020.

- d. Please identify the month and year when all previously-executed hedging contracts will be fulfilled.

REDACTED

RESPONSE

As of September 8, 2017, DEF [REDACTED]

[REDACTED] For a detailed list of outstanding open hedges, please see DEF's response to Sierra Club's 1st of interrogatories (1-18), question #5, served in Docket No. 20170057-EI.

Exhibit B

Copy-2

REDACTED

3. Please refer to paragraph 11 of the 2017 Settlement Agreement.

- a. In the last sentence of this paragraph it is stated, in part, that “there will never be any LNP-related costs of any type or nature whatsoever recovered from DEF’s retail ratepayers.” Is it the intent of the parties that if there are any on-going activities or costs (such as environmental testing, monitoring, or reporting) that are a condition of the State’s Levy Site Certification, these types of cost would be included in the above-quoted statement?

RESPONSE

Yes, it is the intent of the parties that “there will never be any LNP-related costs of any type or nature whatsoever recovered from DEF’s retail ratepayers,” which would include any further costs associated with the Site Certification, which are not expected.

4. Please refer to paragraph 22 of the 2017 Settlement Agreement, addressing that DEF will not enter into new financial natural gas hedging contracts through the term of this agreement.

- a. Please identify the volume of natural gas for delivery in 2018 that will be purchased under previously-executed hedging contracts.

REDACTED

RESPONSE

As of September 8, 2017, DEF previously financially hedged approximately [REDACTED] for periods that settle in 2018.

- b. Please identify the volume of natural gas for delivery in 2019 that will be purchased under previously-executed hedging contracts.

REDACTED

RESPONSE

As of September 8, 2017, DEF previously financially hedged approximately [REDACTED] for periods that settle in 2019.

- c. Please identify the volume of natural gas for delivery in 2020 that will be purchased under previously-executed hedging contracts.

REDACTED

RESPONSE

As of September 8, 2017, DEF [REDACTED] for periods that settle in 2020.

- d. Please identify the month and year when all previously-executed hedging contracts will be fulfilled.

REDACTED

RESPONSE

As of September 8, 2017, DEF [REDACTED]

[REDACTED] For a detailed list of outstanding open hedges, please see DEF's response to Sierra Club's 1st of interrogatories (1-18), question #5, served in Docket No. 20170057-EI.

Exhibit C

DUKE ENERGY FLORIDA Confidentiality Justification Matrix

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
DEF's Response to Staff's First Data Request (Nos. 1-4)	Question 4 (a-d): a. the information in the response after "approximately" and before "for periods". b. the information in the response after "approximately" and before "for periods". c. The information in the response after "DEF" and before "for periods". d. The information in the response after "DEF" and before "For a".	§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. §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.

Exhibit D

AFFIDAVIT OF JOSEPH MCCALLISTER

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Limited Proceeding to
Approve 2017 Second Revised and Restated
Settlement Agreement, including certain
Rate adjustments by Duke Energy Florida, LLC

Docket No. 20170183-EI

Dated: September 27, 2017

**AFFIDAVIT OF JOSEPH McCALLISTER IN SUPPORT OF
DUKE ENERGY FLORIDA, LLC'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION**

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

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

1. My name is Joseph McCallister. 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 "Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. I am the Director of Natural Gas, Oil and Emissions in the Fuel Procurement Department. This section is responsible for natural gas, fuel oil and emission allowance activity for the Duke Energy Indiana ("DEI"), Duke Energy

Kentucky (“DEK”), Duke Energy Carolinas (“DEC”), Duke Energy Progress (“DEP”), and DEF Systems.

3. As the Director of Natural Gas, Oil and Emissions, I am responsible, along with the other members of the section, for the management of the gas and oil procurement, transportation, hedging activities and administration of gas and oil contracts with various suppliers for DEF’s, DEI’s, DEK’s, DEC’s, and DEP’s electrical power generation facilities.

4. DEF is seeking confidential classification certain information provided in response to Staff of the Florida Public Service Commission’s (“Staff”) First Data Request (Nos. 1-4), specifically question 4 (a-d), filed on September 14, 2017 in this docket. The confidential information at issue is contained in confidential Exhibit A filed on September 14, 2017 with DEF’s Notice of Intent to Request Confidential Classification and is outlined in DEF’s Justification Matrix attached to the Request 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. The confidential information at issue relates to DEF’s specific trade information, hedging transactions, and volumes hedged. DEF negotiates with potential fuel suppliers to obtain competitive contracts for fuel options that provide economic value to DEF and its customers. In order to obtain such contracts, however, DEF must be able to assure fuel suppliers that sensitive business information will be kept confidential. Furthermore, DEF must be able to keep sensitive business information such as trade volumes and dates confidential. With respect to the information at issue in this Request,

DEF has kept confidential and has not publicly disclosed confidential information pertaining to fuel supply contracts or trading information. Absent such measures, market competitors and suppliers would have access to sensitive business information DEF uses to plan and execute its fuel procurement processes and alter their behavior to the detriment of DEF and its customers. 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 trade information and terms in contracts between DEF and fuel suppliers, the Company's efforts to obtain competitive contracts could be undermined.

6. Additionally, the disclosure of confidential information 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 customers could be compromised by DEF's competitors changing their consumption or purchasing behavior within the relevant markets.

7. Upon receipt of confidential information, 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. 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.

8. This concludes my affidavit.

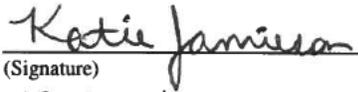
Further affiant sayeth not.

Dated the 25th day of September, 2017.



(Signature)
Joseph McCallister
Director – Natural Gas, Oil and Emissions
Fuels Procurement Department
Duke Energy
526 South Church
Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 25 day of September, 2017 by Joseph McCallister. He is personally known to me, or has produced his _____ driver's license, or his _____ as identification.

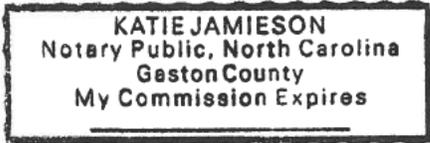


(Signature)
Katie Jamieson

(Printed Name)
NOTARY PUBLIC, STATE OF NC
June 14, 2021

(Commission Expiration Date)

(AFFIX NOTARIAL SEAL)



(Serial Number, If Any)