



**Matthew R. Bernier**  
ASSOCIATE GENERAL COUNSEL  
Duke Energy Florida, LLC

February 16, 2018

**VIA ELECTRONIC DELIVERY**

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

Re: Nuclear Cost Recovery Clause; Docket No. 20180009-EI

Ms. Stauffer:

Please find enclosed for electronic filing on behalf of Duke Energy Florida, LLC ("DEF"), DEF's Second Request for Extension of Confidential Classification concerning certain information contained in Florida Public Service Commission Staff-Generated Auditors' Report No. PA-14-01-001 (document no. 03125-14) filed in Docket No. 20140009-EI on June 19, 2014. Also attached is Revised Appendix D, Affidavit of Christopher M. Fallon in support of DEF's Request for Extension of Confidential Classification. The original Request included Appendices A, B, and C.

There are no changes to the original Request appendices: Appendix A consisting of the confidential unredacted documents; Appendix B containing two (2) redacted copies of the confidential documents; or Appendix C that contained a justification matrix in support of DEF's original Request. The aforementioned appendices remain on file with the Clerk.

Thank you for your assistance in this matter. If you have any questions, please feel free to contact me at (850) 521-1428.

Sincerely,

*/s/ Matthew R. Bernier*

Matthew R. Bernier

MRB:at  
Attachments

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

---

In Re: Nuclear Cost Recovery Clause

Docket No. 20180009-EI  
Submitted for Filing: February 16, 2018

---

**DUKE ENERGY FLORIDA'S SECOND  
REQUEST FOR EXTENSION OF 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.”), hereby submits this Second Request for Extension of Confidential Classification (“Request”) concerning portions of Audit Report No. PA-14-01-001 (the “Audit Report”). The Audit Report regards Florida Public Service Commission Staff (“Staff”) Auditors’ 2014 Review of Duke Energy Florida, LLC’s Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects. In support, DEF states as follows:

1. On June 19, 2014, DEF filed its Third Request for Confidential Classification concerning certain information contained in Audit Report No. PA-14-01-001 (document number 03125-14), which contains sensitive business information as it contains confidential proprietary business information.

2. The Commission granted DEF’s Third Request for Confidential Classification concerning the Audit Report in Order No. PSC-2014-0353-CFO-EI, dated July 9, 2014. The period of confidential treatment granted by that order was due to expire on January 8, 2016. To retain confidentiality of this Audit Report, DEF filed its First Request for Extension of Confidential Classification on December 22, 2015. DEF’s December 22, 2015 Request was granted by Order No. PSC-2016-0356-CFO-EI on August 26, 2016.

3. The period of confidential treatment granted by the August 26, 2016 order will expire on February 26, 2018. The information continues to warrant treatment as “proprietary confidential business information” within the meaning of Section 366.093(3), F.S. Accordingly, DEF is filing its Second Request for Extension of Confidential Classification.

4. DEF submits that the confidential information contained in confidential Appendix A to the December 22, 2015 Request continues to be “proprietary confidential business information” within the meaning of section 366.093(3), F.S. and continues to require confidential classification. *See* Affidavit of Christopher M. Fallon at ¶¶ 3-5, attached as Revised Appendix “D”. This information is intended to be and is treated as confidential by the Company. The information has not been disclosed to the public. Pursuant to section 366.093(1), F.S., such materials are entitled to confidential treatment and are exempt from the disclosure provisions of the Public Records Act. *See* Affidavit of Christopher M. Fallon ¶ 6.

4. Nothing has changed since the issuance of Order No. PSC-2016-0356-CFO-EI to render the information stale or public such that continued confidential treatment would not be appropriate. Upon a finding by the Commission that this information continues to be “proprietary confidential business information,” it should continue to be treated as such for an additional period of at least 18 months, and should be returned to DEF as soon as the information is no longer necessary for the Commission to conduct its business. *See* §366.093(4), F.S.

WHEREFORE, for the foregoing reasons, DEF respectfully requests that this Second Request for Extension of Confidential Classification be granted.

Respectfully submitted this 16<sup>th</sup> day of February, 2018.

*/s/ Matthew R. Bernier*

---

DIANNE M. TRIPLETT  
Deputy General Counsel  
DUKE ENERGY FLORIDA, LLC  
Post Office Box 14042  
St. Petersburg, Florida 33733-4042  
Telephone: (727) 820-4692  
Facsimile: (727) 820-5041  
Email: [dianne.triplett@duke-energy.com](mailto:dianne.triplett@duke-energy.com)

---

MATTHEW R. BERNIER  
Associate General Counsel  
DUKE ENERGY FLORIDA, LLC  
106 East College Avenue, Suite 800  
Tallahassee, Florida 32301  
Telephone: (850) 521-1428  
Facsimile: (727) 820-5041  
Email: [matthew.bernier@duke-energy.com](mailto:matthew.bernier@duke-energy.com)

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY a true and correct copy of the foregoing has been furnished via electronic mail to the following this 16<sup>th</sup> day of February, 2018.

/s/ Matthew R. Bernier  
Attorney

<p>Kyesha Mapp Office of the General Counsel Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850 <a href="mailto:kmapp@psc.state.fl.us">kmapp@psc.state.fl.us</a></p> <p>James W. Brew / Laura A. Wynn Stone Law Firm 1025 Thomas Jefferson Street, N.W. Eighth Floor, West Tower Washington, DC 20007 <a href="mailto:jbrew@smxblaw.com">jbrew@smxblaw.com</a> <a href="mailto:law@smxblaw.com">law@smxblaw.com</a></p>	<p>J.R. Kelly / Charles J. Rehwinkel / Patricia Christensen / Erik Sayler Office of Public Counsel c/o The Florida Legislature 111 West Madison Street, Room 812 Tallahassee, FL 32399-1400 <a href="mailto:kelly.jr@leg.state.fl.us">kelly.jr@leg.state.fl.us</a> <a href="mailto:rehwinkel.charles@leg.state.fl.us">rehwinkel.charles@leg.state.fl.us</a> <a href="mailto:christensen.patty@leg.state.fl.us">christensen.patty@leg.state.fl.us</a> <a href="mailto:sayler.erik@leg.state.fl.us">sayler.erik@leg.state.fl.us</a></p> <p>Jon C. Moyle, Jr. Moyle Law Firm, P.A. 118 North Gadsden Street Tallahassee, FL 32301 <a href="mailto:jmoyle@moylelaw.com">jmoyle@moylelaw.com</a></p>
--	---

# **Appendix A**

**“CONFIDENTIAL”**

**(on file)**

**Appendix B**  
**“Redacted”**  
**(on file)**

**Appendix C**  
**(Justification matrix)**  
**(on file)**

**Updated Appendix D**  
**Affidavit of**  
**Christopher M. Fallon**

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

---

In Re: Nuclear Cost Recovery Clause

Docket No. 20180009-EI

---

**AFFIDAVIT OF CHRISOPHER M. FALLON IN SUPPORT OF  
DUKE ENERGY FLORIDA'S  
REQUEST FOR EXTENSION OF CONFIDENTIAL CLASSIFICATION**

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 Renewables and Commercial Portfolio. Until November 2016, I was Duke Energy's Vice President of Nuclear Development, and as such, I was responsible for the Levy Nuclear Power Plant Project ("LNP"). 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 (hereinafter "DEF" or the "Company") behalf and in support of DEF's Request for Extension of Confidential Classification (the "Request") concerning portions of Audit Report No. PA-14-01-001 (the "Audit Report"). The Audit Report regards Florida Public Service Commission Staff ("Staff") Auditors' 2014 Review of DEF's Project Management Internal Controls for Nuclear Plant Uprate and Construction Projects. The facts attested to in my affidavit are based upon my personal knowledge.

2. As Vice President of Nuclear Development, I was responsible for licensing and engineering design for the LNP, including the direct management of the Engineering, procurement and Construction (“EPC”) Agreement with Westinghouse Electric Company Co., LLC (“WEC”) and Stone & Webster, Inc. (“S&W”) (collectively, the “Consortium”).

3. DEF is seeking an extension of confidential classification for certain portions of Audit Report No. PA-14-01-001 filed by Commission Staff in Docket No. 20140009-EI. There are no changes to the information contained in DEF's confidential Appendix A, redacted Appendix B, and justification matrix Appendix C. The referenced appendices are on file with the Clerk. DEF is requesting an extension of confidential classification of this information because it contains proprietary and confidential information received from third-party vendors pursuant to contractual agreements with those vendors. Those agreements contain non-disclosure provisions that limit the use and forbid the dissemination of the information. The disclosure of which would impair the Company's efforts to contract for goods and services on favorable terms. The Company requires this information for use in analyzing the continued feasibility of its projects and to aid its management in long-term planning. The Company and its customers would be harmed if DEF were not able to contract for the use of this information on favorable terms.

4. The disclosure of this information would compromise DEF's competitive business interests and in certain instances violate continuing contractual confidentiality provisions with DEF's vendors under the EPC Agreement, as well as cost numbers and information relating to on-going litigation with Westinghouse Electric Co., LLC.

5. Additionally, portions of the Audit Report reflect the Company's internal strategies for evaluating its projects, risk evaluations, as well as contractual pricing arrangements

between DEF and providers of equipment and services for the LNP and would adversely impact DEF's competitive business interests and impede on-going negotiations if disclosed to the public. DEF must be able to assure these vendors that sensitive business information, such as the pricing, payment, and quantity terms of their contracts, will be kept confidential. Indeed, most of the contracts at issue contain confidentiality provisions that prohibit disclosure of contractual terms to third parties. If third parties were made aware of confidential contractual terms that DEF has with other parties, they may offer less competitive contractual terms in future contractual negotiations. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and these nuclear contractors, the Company's efforts to negotiate and obtain competitive contracts for the LNP would be undermined. Absent such measures, DEF would run the risk that sensitive business information regarding what the Company is willing to pay for (or sell) necessary equipment, goods, supplies and real property would be made available to the public and, as a result, other potential sellers or buyers of similar materials and services could change their position in their negotiations to the detriment of DEF.

6. Upon receipt of all this 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. At no time has the Company publicly disclosed the information at issue. The Company has treated and continues to treat the information at issue as confidential.

7. This concludes my affidavit.

Further affiant sayeth not.

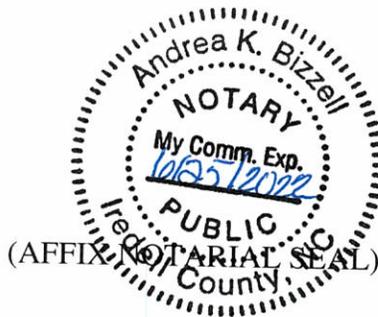
Dated the 14<sup>th</sup> day of February, 2018.

Christopher M. Fallon

(Signature)

Christopher M. Fallon

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 14<sup>th</sup> day of February 2018 by Christopher M. Fallon. He is personally known to me, or has produced his \_\_\_\_\_ driver's license, or his \_\_\_\_\_ as identification.



Andrea K. Bizzell

(Signature)

Andrea K. Bizzell

(Printed Name)

NOTARY PUBLIC, STATE OF NC

6/25/2022

(Commission Expiration Date)

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