Dianne M. Triplett Deputy General Counsel

July 31, 2018

### VIA ELECTRONIC FILING

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

> Re: Duke Energy Florida, LLC's Petition for Limited Proceeding to Approve First Solar Base Rate Adjustment; Docket No.

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 with Exhibit No. (MGS-2) and Exhibit No. (MGS-4), to the direct testimony of Matthew G. Stout. The filing includes the following:

- DEF's Request for Confidential Classification
- Slipsheet for confidential Exhibit A
- Redacted Exhibit B (two copies)
- Exhibit C (justification matrix), and
- Exhibit D (affidavit of Matthew G. Stout)

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. Please feel free to call me at (727) 820-4692 should you have any questions concerning this filing.

Sincerely,

s/ Dianne M. Triplett

Dianne M. Triplett

DMT/mw Enclosures



#### **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for a Limited Proceeding to approve First Solar Base Rate Adjustment, by Duke Energy Florida, LLC

Docket No.

Dated: July 31, 2018

### 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 its Request for Confidential Classification for the confidential information contained in Exhibit No. \_\_\_\_\_ (MGS-2) and Exhibit No. \_\_\_\_(MGS-4) to the direct testimony of Matthew G. Stout filed on July 31, 2018. In support of this Request, DEF states:

Certain information contained in Exhibit No. (MGS-2) and Exhibit No.
 (MGS-4), to the direct testimony of Matthew G. Stout 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 unredacted copies 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 versions, the information asserted to be confidential is highlighted 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.

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 contractual cost data. Pursuant to its contracts, DEF is obligated to maintain the confidentiality of this information, and therefore it qualifies for confidential classification. *See* § 366.093(3)(d), F.S.; Affidavit of Matthew G. Stout at ¶¶4-5. If DEF cannot assure contracting parties that it can maintain the confidentiality of contractual terms, those parties and other similarly situated parties may forego entering contracts with DEF, which would adversely impact DEF's competitive business interests and the interests of its customers. *See* § 366.093(3)(d), F.S.; Affidavit of Matthew G. Stout at ¶ 5.

4. Certain information must be protected because disclosure of that information would allow other parties and the public to compute the confidential information discussed above (e.g., cost subtotals and totals), and therefore that information must be protected from public disclosure in order to protect the confidential contractual information at issue. *See* § 366.093(3)(d) and (e), F.S.; Affidavit of Matthew G. Stout at ¶ 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.

5. The information identified as Exhibit "A" is intended to be and is treated as confidential by the Company. *See* Affidavit of Matthew G. Stout at  $\P$  6. 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 id*.

6. 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 31<sup>st</sup> day of July, 2018.

*s/Dianne M. Triplett* 

DIANNE M. TRIPLETT Deputy General Counsel Duke Energy Florida, LLC 299 First Avenue North St. Petersburg, FL 33701 T: 727. 820.4692 F: 727.820.5041 E: Dianne.Triplett@Duke-Energy.com

### MATTHEW R. BERNIER

Associate General Counsel Duke Energy Florida, LLC 106 E. College Avenue Suite 800 Tallahassee, FL 32301 T: 850.521.1428 F: 727.820.5041 E: Matthew.Bernier@Duke-Energy.com

# **Exhibit** A

# "CONFIDENTIAL"

(Submitted under separate cover)

# **Exhibit B**

# **REDACTED**

Duke Energy Florida Witness: Matthew Stout Exhibit No. \_\_\_\_ (MGS-2) Hamilton Project Costs Page 1 of 1

#### REDACTED

## Hamilton Project Estimated Installed Cost by

Estimated Costs (\$MM)		
Project Output (MW-ac)	74.9	
Major Equipment <sup>1</sup>		
Balance of System <sup>2</sup>		
Construction Management	1.1	
Development and Permitting <sup>3</sup>	5.9	
Transmission Interconnect <sup>4</sup>	0.1	
Total Installed Cost	\$113.1	
AFUDC	0.0	
Total with AFUDC	\$113.1	
Total (\$kW-ac)	1511	

1. Includes equipment such as solar panels and project transformer, and any other equipment that was not included in EPC contract.

2. Includes remaining equipment such as racking, posts, inverters, and collection cables and EPC services.

3. Includes items such as lease rental payments during construction, legal fees, development costs, development fees, and title insurance.

Duke Energy Florida Witness: Matthew Stout Exhibit No. \_\_\_\_ (MGS-4) Columbia Project Costs Page 1 of 1

#### REDACTED

## Columbia Solar Project Estimated Installed Cost by Category

Estimated Costs (\$MM)		
Project Output (MW-ac)	74.9	
Major Equipment <sup>1</sup>		
Balance of System <sup>2</sup>		
Construction Management	1.1	
Development and Permitting <sup>3</sup>	5.8	
Transmission Interconnect <sup>4</sup>	0.1	
Total Installed Cost	\$105.6	
AFUDC	3.9	
Total with AFUDC	\$109.4	
Total (\$kW-ac)	1461	

1. Includes equipment such as solar panels and project transformer, and any other equipment that was not included in EPC contract.

- 2. Includes remaining equipment such as racking, posts, inverters, and collection cables and EPC services.
- 3. Includes items such as lease rental payments during construction, legal fees,

development costs, development fees, and title insurance.

Duke Energy Florida Witness: Matthew Stout Exhibit No. \_\_\_\_ (MGS-2) Hamilton Project Costs Page 1 of 1

#### REDACTED

## Hamilton Project Estimated Installed Cost by

Estimated Costs (\$MM)		
Project Output (MW-ac)	74.9	
Major Equipment <sup>1</sup>		
Balance of System <sup>2</sup>		
Construction Management	1.1	
Development and Permitting <sup>3</sup>	5.9	
Transmission Interconnect <sup>4</sup>	0.1	
Total Installed Cost	\$113.1	
AFUDC	0.0	
Total with AFUDC	\$113.1	
Total (\$kW-ac)	1511	

1. Includes equipment such as solar panels and project transformer, and any other equipment that was not included in EPC contract.

2. Includes remaining equipment such as racking, posts, inverters, and collection cables and EPC services.

3. Includes items such as lease rental payments during construction, legal fees, development costs, development fees, and title insurance.

Duke Energy Florida Witness: Matthew Stout Exhibit No. \_\_\_\_ (MGS-4) Columbia Project Costs Page 1 of 1

#### REDACTED

## Columbia Solar Project Estimated Installed Cost by Category

Estimated Costs (\$MM)		
Project Output (MW-ac)	74.9	
Major Equipment <sup>1</sup>		
Balance of System <sup>2</sup>		
Construction Management	1.1	
Development and Permitting <sup>3</sup>	5.8	
Transmission Interconnect <sup>4</sup>	0.1	
Total Installed Cost	\$105.6	
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1. Includes equipment such as solar panels and project transformer, and any other equipment that was not included in EPC contract.

- 2. Includes remaining equipment such as racking, posts, inverters, and collection cables and EPC services.
- 3. Includes items such as lease rental payments during construction, legal fees,

development costs, development fees, and title insurance.

## Exhibit C

### DUKE ENERGY FLORIDA Confidentiality Justification Matrix

DOCUMENT/RESPONSES	PAGE/LINE	JUSTIFICATION
Exhibit No(MGS-2),	The estimated costs for	§366.093(3)(d), F.S.
(Page 1 of 1), to the direct	rows titled "Major	The document in question
testimony of Matthew G.	Equipment" and Balance of	contains confidential
Stout	System" contain	information, the disclosure of
	confidential contractual	which would impair DEF's
	costs.	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.
<b>DOCUMENT/RESPONSES</b>	PAGE/LINE	JUSTIFICATION
	PAGE/LINE The estimated costs for	<b>JUSTIFICATION</b> §366.093(3)(d), F.S.
<b>DOCUMENT/RESPONSES</b> Exhibit No(MGS-4), (Page 1 of 1) to the direct		
Exhibit No(MGS-4),	The estimated costs for	§366.093(3)(d), F.S.
Exhibit No(MGS-4), (Page 1 of 1) to the direct	The estimated costs for rows titled "Major	§366.093(3)(d), F.S. The document in question
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of	§366.093(3)(d), F.S. The document in question contains confidential
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain	§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain confidential contractual	§366.093(3)(d), F.S. The document in question contains confidential information, the disclosure of which would impair DEF's
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain confidential contractual	§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
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain confidential contractual	§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.
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain confidential contractual	<ul> <li>§366.093(3)(d), F.S.</li> <li>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.</li> <li>§366.093(3)(e), F.S.</li> </ul>
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain confidential contractual	<ul> <li>§366.093(3)(d), F.S.</li> <li>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.</li> <li>§366.093(3)(e), F.S.</li> <li>The document in question</li> </ul>
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain confidential contractual	<ul> <li>§366.093(3)(d), F.S.</li> <li>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.</li> <li>§366.093(3)(e), F.S.</li> <li>The document in question contains confidential</li> </ul>
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain confidential contractual	<ul> <li>§366.093(3)(d), F.S.</li> <li>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.</li> <li>§366.093(3)(e), F.S.</li> <li>The document in question contains confidential information relating to</li> </ul>
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain confidential contractual	<ul> <li>§366.093(3)(d), F.S.</li> <li>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.</li> <li>§366.093(3)(e), F.S.</li> <li>The document in question contains confidential information relating to competitive business interests,</li> </ul>
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain confidential contractual	<ul> <li>§366.093(3)(d), F.S.</li> <li>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.</li> <li>§366.093(3)(e), F.S.</li> <li>The document in question contains confidential information relating to competitive business interests, the disclosure of which would</li> </ul>
Exhibit No(MGS-4), (Page 1 of 1) to the direct testimony of Matthew G.	The estimated costs for rows titled "Major Equipment" and Balance of System" contain confidential contractual	<ul> <li>§366.093(3)(d), F.S.</li> <li>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.</li> <li>§366.093(3)(e), F.S.</li> <li>The document in question contains confidential information relating to competitive business interests, the disclosure of which would impair the competitive</li> </ul>

# Exhibit D AFFIDAVIT OF MATTHEW G. STOUT

#### **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Petition for a Limited Proceeding to Approve First Solar Base Rate Adjustment, By Duke Energy Florida, LLC

Docket No.

Dated: July 31, 2018

### AFFIDAVIT OF MATTHEW G. STOUT 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 Matthew G. Stout, who being first duly sworn, on oath deposes and says that:

1. My name is Matthew G. Stout. I am over the age of 18 years old and I have been authorized by Duke Energy Florida, LLC (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 Managing Director of Business Development for Wind and Solar Development within the RGD Business Development Department. This department is responsible for the development of new solar facilities for DEF.

3. As the Managing Director of Business Development for Wind and Solar Development, I am responsible, along with the other members of the department, for

conducting solar development activities including project siting, land acquisition, resource assessment, permitting, obtaining interconnection rights, project layout and design, and arranging contracts for engineering, procurement and construction, as well as originating, structuring, and executing transactions to acquire rights to existing solar development projects.

4. DEF is seeking confidential classification for information contained in Exhibit No. \_\_\_\_ (MGS-2), Page 1 of 1 and Exhibit No. \_\_\_\_ (MGS-4), Page 1 of 1, to my direct testimony filed on July 31, 2018. The confidential information at issue is contained in confidential Exhibit A to DEF's Request 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 and services on favorable terms.

5. Additionally, the disclosure of confidential information between DEF and its suppliers or information contained in DEF's contracts, proposals, and other such documents could adversely impact DEF's competitive business interests. If such information was disclosed to DEF's competitors or prospective suppliers in the marketplace, DEF's efforts to obtain competitive contracts that provide economic value to both DEF and its customers could be compromised by DEF's competitors or prospective suppliers changing their position within the relevant markets. Absent such measures, suppliers would run the risk that sensitive business information that they provided in their 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, companies

who would otherwise contract with DEF might not do so if DEF did not keep the terms of their contracts confidential. Without DEF's measures to maintain the confidentiality of sensitive terms in contracts between DEF and suppliers, the Company's efforts to obtain competitive contracts could be undermined.

6. Upon receipt of confidential information from 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 or contracts. 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  $30^{+h}$  day of July, 2018.

Matthew G. Stout Managing Director of Business Development for Wind and Solar Development RGD Business Development Department Duke Energy 400 South Tryon Charlotte, North Carolina 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this <u>30</u><sup>th</sup> day of July, 2018, by Matthew G. Stout. He is personally known to me, or has produced his \_\_\_\_\_\_ driver's license, or his <u>Duke Energy I.b.</u> as identification.



00 (Signature)

Lisa S. Moore (Printed Name) NOTARY PUBLIC, STATE OF NORTH CAROLINA

04/13/2019 (Commission Expiration Date)

(Serial Number, If Any)