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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost Recovery clause with generating Performance incentive factor Docket No. 20220001-EI

Dated: July 25, 2022

NOTICE OF FILING AFFIDAVIT IN SUPPORT OF DEF'S SECOND REQUEST FOR EXTENSION OF CONFIDENTIAL CLASSIFICATION

Duke Energy Florida, LLC, ("DEF") by and through their undersigned counsel, hereby

gives notice of filing the Affidavit of James McClay in support of DEF's Second Request for

Extension of Confidential Classification, submitted for filing on April 19, 2022.

Respectfully submitted this 25th day of July, 2022.

s/ Matthew R. Bernier

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CERTIFICATE OF SERVICE

Docket No. 20220001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via electronic mail to the following this 25th day of July, 2022.

<u>s/ Matthew R. Bernier</u> Attorney

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and purchased power cost recovery clause with generating performance incentive factor.

Docket No. 20220001-

EI Dated: May 3, 2022

AFFIDAVIT OF JAMES MCCLAY IN SUPPORT OF DUKE ENERGY FLORIDA, LLC'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 James McClay, who being first duly sworn, on oath deposes and says that:

1. My name is James McClay. 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 Extension of Confidential Classification (Request). The facts attested to inmy affidavit are based upon my personal knowledge.

2. I am the Managing Director of Natural Gas Trading. This section is responsible for natural gas, power, 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 Managing Director of Trading, 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 DEI's, DEK's, DEC's, DEF's and DEP's electrical power generation facilities.

4. DEF is seeking a Second Extension of confidential classification for certain information contained in Staff's Hedging Audit Work papers, Audit Control No. 2018-058-2-1 (document no. 06164-2018), filed on September 20, 2020 in Docket No. 20180001. There are no changes to the information contained in DEF's confidential Exhibit A, redacted Exhibit B, and justification matrix C. The referenced Exhibits are on file with the Clerk. DEF is requesting a second extension of confidential classification of this information because it contains proprietary confidential sensitive business information, the disclosure of which would impair the Company's efforts to contract for goods or services on favorable terms.

5. 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, volumes, and hedging costs, will be kept confidential. With respect to the information at issue in this Request, DEF has kept confidential and has not publicly disclosed confidential contract terms such as volumes, hedging costs, and itemized hedging gains/losses. Absent such measures, suppliers would run the risk that sensitive business information that they provided in their bids/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, 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 terms in contracts between DEF and fuel suppliers, the Company's efforts to obtain competitive fuel supply contracts could be undermined.

6. Additionally, the disclosure of confidential information in DEF's fuel supply contracts, 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 from fuel 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. The Company has treated and continues to treat the information and contracts at issue as confidential.

8. This concludes my affidavit.

Further affiant sayeth not.

Dated the 3 day of May, 2022.

(Signature)

James McClay III Managing Director – Gas Trading Duke Energy 526 South Church Charlotte, NC 28202

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this <u>3</u> day of <u>MA</u>, 2022 by James McClay. He is personally known to me or has produced <u>his ANTH MADINA</u> driver's license, or his ______ as identification.

m. M. WU Signature)

M-W

NOTARY PUBLIC, STATE OF

(AFFIX NOTARIAL SEAL)

SHAMALE M WILSON Notary Public, North Carolina MecklenburgCounty My Commission Expires July 06, 2026 (Commission Expiration Date)

(Serial Number, If Any)

(Printed Name)