

Matthew R. Bernier ASSOCIATE GENERAL COUNSEL II Duke Energy Florida, Inc.

December 6, 2013

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

Re: Fuel and purchased power cost recovery clause and Generating Performance Incentive Factor; Docket No. 130001-EI

Dear Ms. Cole:

On November 22, 2013, Duke Energy Florida, Inc. ("DEF") filed its First Request for Extension of Confidential Classification concerning portions of the Staff auditor's work papers filed in docket no. 080001-EI pertaining to the 2008 Hedging Audit, Audit Control No. 08-221-2-1 (document numbers 09571-08 and 09265-08) with unverified Revised Exhibit D (document number 07113-13).

Please find enclosed for filing DEF's 2nd Revised Exhibit D, Affidavit of Joseph McCallister in Support of DEF's Request for Extension of Confidential Classification. Please replace the Unverified Revised Exhibit D filed on November 22, 2013 with the attached 2nd Revised Exhibit D, Affidavit of Joseph McCallister.

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 Associate General Counsel II Matthew.Bernier@duke-energy.com

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 6th day of December, 2013.

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/s/ Matthew R. Bernier

Matthew R. Bernier

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2nd Revised Exhibit D

AFFIDAVIT OF JOSEPH McCALLISTER

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 130001-EI

Dated: November 22, 2013

AFFIDAVIT OF JOSEPH McCALLISTER IN SUPPORT OF DUKE ENERGY FLORIDA'S FIRST REQUEST FOR CONTINUED 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 First Request for Extension of Confidential Classification (the "Extension Request"). The facts attested to in my affidavit are based upon my personal knowledge.

2. I am responsible for Natural Gas, Oil and Emissions in the Fuel

Procurement Section of Fuels and Systems Optimization Department for Duke Energy. This unit is responsible for any natural gas, oil and emission allowance acquisition for Duke Energy Indiana (DEI), Duke Energy Kentucky (DEK), Duke Energy Carolinas (DEC), Duke Energy Progress (DEP), and DEF System. 3. As the Director of Gas, Oil and Power, 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, DEK, DEC, DEF and DEP's electrical power generation facilities.

4. DEF is seeking an extension of confidential classification for portions of the January 2008 through July 2008 hedging audit workpapers for the Audit Control No. 08-221-2-1 filed in Docket No. 080001-EI (Document No. 09571-08 x-ref Document No. 09265-08). On September 6, 2011, DEF filed a 2nd Revised Exhibit C to its Request in Docket No. 110001-EI (Document No. 06382-11). A detailed description of the confidential information at issue is contained in confidential Exhibit A to DEF's original Request for Confidential Classification and is outlined in DEF's 2nd Revised Justification Matrix described above. 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 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 ratepayers. In order to obtain such contracts, however, DEF must be able to assure fuel suppliers that sensitive business information, such as hedging percentages, volumes and hedging savings/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 information such as the hedging percentages, hedging savings/costs and volumes. 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, 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 ratepayers 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 <u>5</u> day of December, 2013.

(Signature) Joseph McCallister Fuel/Procurement Natural Gas, Oil and Emissions Fuels and Systems Optimization Duke Energy 410 South Wilmington Street Raleigh, NC. 27602

THE FOREGOING INSTRUMENT was sworn to and subscribed before me this 5th day of December, 2013 by Joseph McCallister. He is personally known to me, or has produced his _____N/A_____ driver's license, or his ______N/A_____ as identification.



to St (Signature

Rita G. Kale (Printed Name) NOTARY PUBLIC, STATE OF <u>NC</u>

June 17, 2017 (Commission Expiration Date)

(Serial Number, If Any)