IZ-618040

Rhodes, Rick Friday, August 22, 2003 5:13 PM

Provisions, unless your firm already has an approved GISB or NAESB.

To: Cc: Subject:

Sent:

From:

977 gnibniā-noÑ

High

Confidential

Importance: Sensitivity:

Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

evaluation. A successful deal will require the execution of a NAESB with the attached Special

We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.



Rick Rhodes
Term Gas & Logistics
Progress Energy
919.546.7613
rick.rhodes@pgnmail.com

	1 1
1	SEC
-	SCR
	ADA
	SWW
-	ObC
	CCL
	ECK
	RTO
	COM

HIO

CMP

DOCCHERT ACHBER-DATE

LPSC-СОММІЗВІОМ СГЕВК DOCK. МО. 040817-ЕІ

1 0 6 8 5 0СТ 12 ФРЕР 000237

#### Rhodes, Rick

From:

Rhodes, Rick

Sent:

Friday, August 22, 2003 5:16 PM

To: Cc: Subject:

Non-Binding RFP

Importance:

High

Sensitivity:

Confidential

Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this evaluation. A successful deal will require the execution of a NAESB with **Stattached Special** Provisions, unless your firm already has an approved GISB or NAESB.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.



**Rick Rhodes** Term Gas & Logistics Progress Energy 919.546.7613 rick\_rhodes@pgnmail.com ● Page 2 October 6, 2004

Proposals are DUE by:

Wednesday, September 3, 2003, 4:00 p.m. EST

**Proposals** 

Proposals are preferred to be submitted via e-mail to the address below. Proposals may be submitted by FAX. Proposals received AFTER the DUE date may be considered at Buyer's discretion. All Proposals MUST reference Questions related to deal points should be directed to the author at the number listed during business hours (EST).

#### Please send proposals to:

Progress Energy Inc. Attn: Rick Rhodes

Term Gas and Logistics Unit P. O. Box 1551 - PEB 10A Raleigh, North Carolina 27602 Telephone: 919-546-7613

Send e-mail responses to:

rick.rhodes@pgnmail.com

Send FAX responses to:

919-546-2922

Sincerely,

Rick Rhodes

Term Gas Lead 919-546-7613

> PEF 000240 DOCK, NO. 040817-EI

#### Rhodes, Rick

From:

Sent:

Thursday, September 04, 2003 11:13 PM

To:

Cc:

Rick Rhodes (E-mail)

Subject:

RFP#



Progress FPC Gas Proposal ver3...

Dear Rick:

Attached below is our proposal for your review and comment our intent is to provide this proposal to serve as a basis for further discussions that would lead to a gas supply agreement tailored for your specific requirements.

We appreciate the opportunity to work with you on this. We look forward to further discussions and meeting with you soon.

In the meantime, please do not hesitate to call or send your questions and comments.

Very truly yours,

<<Pre><<Pre>rogress FPC Gas Proposal ver3.doc>>



# Proposal To Progress Energy Florida, Inc. By

September 3, 2003

Buyer: Progress Energy Florida, Inc. (Buyer)

Seller:

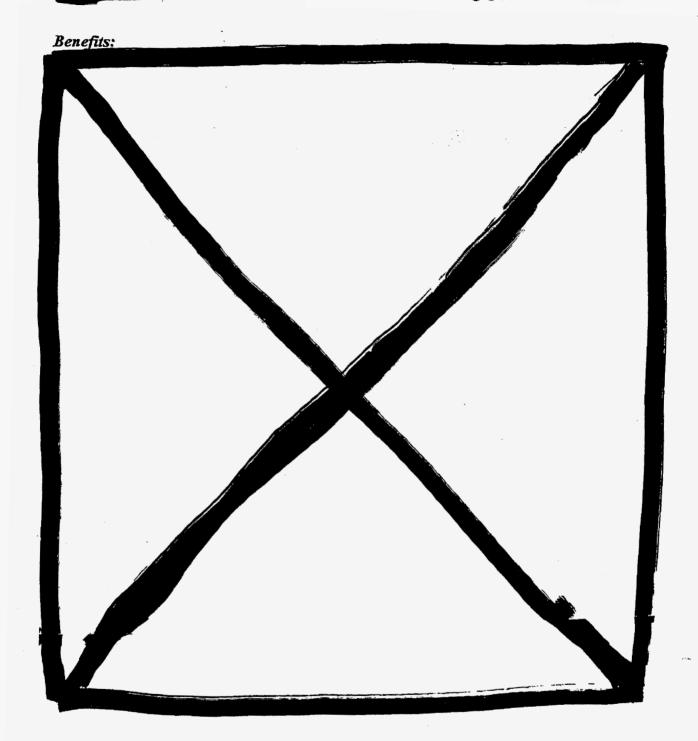
Overall Project:

Description of Transaction and Major Benefits:

Transaction:

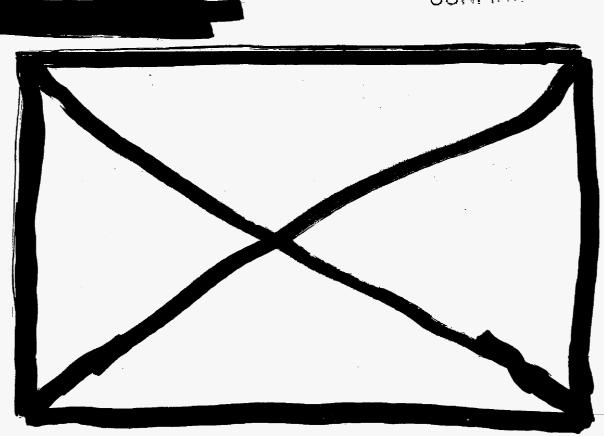
#### Confidential

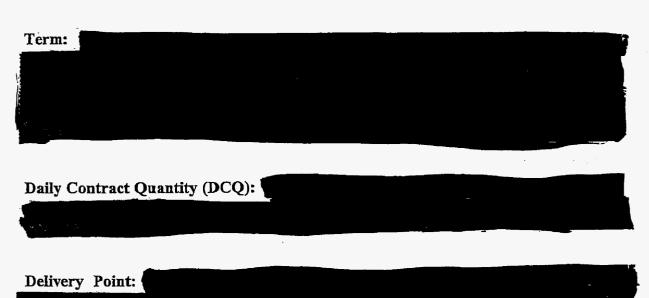
Preliminary Notional Proposal: This document constitutes a preliminary indication of interest on the part of and affiliates and is intended solely as a basis for discussions. It does not constitute an offer capable of acceptance and no legally binding commitment or obligation related to the subject matter of this letter shall exist unless and until the execution and delivery of definitive contracts containing terms and conditions acceptable to and Buyer, each in its sole discretion.



#### Confidential

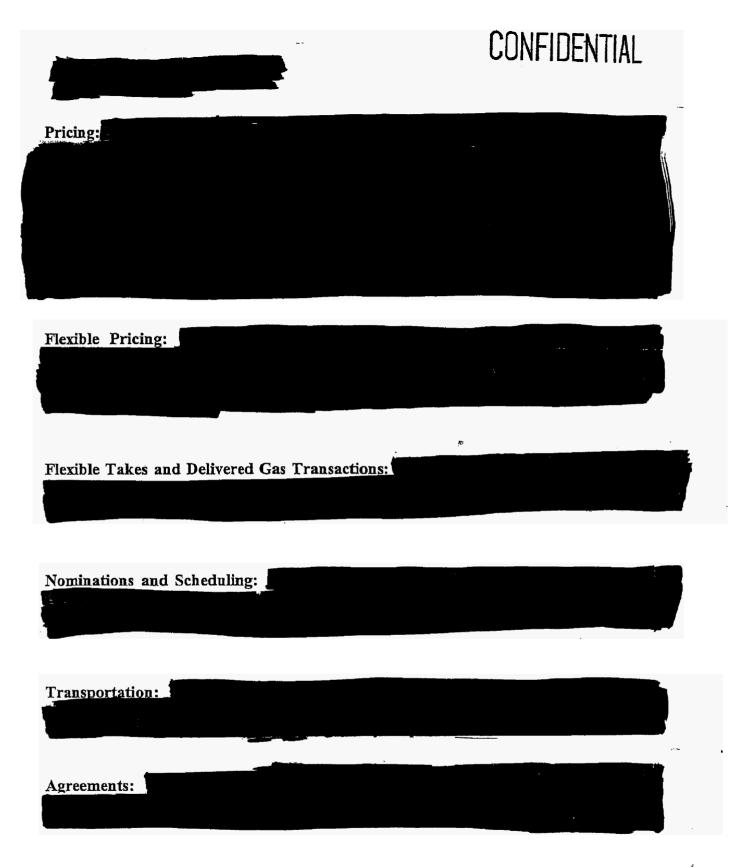
Preliminary Notional Proposal: This document constitutes a preliminary indication of interest on the part of and affiliates and is intended solely as a basis for discussions. It does not constitute an otter capable of acceptance and no legally binding commitment or obligation related to the subject matter of this letter shall exist unless and until the execution and delivery of definitive contracts containing terms and conditions acceptable to





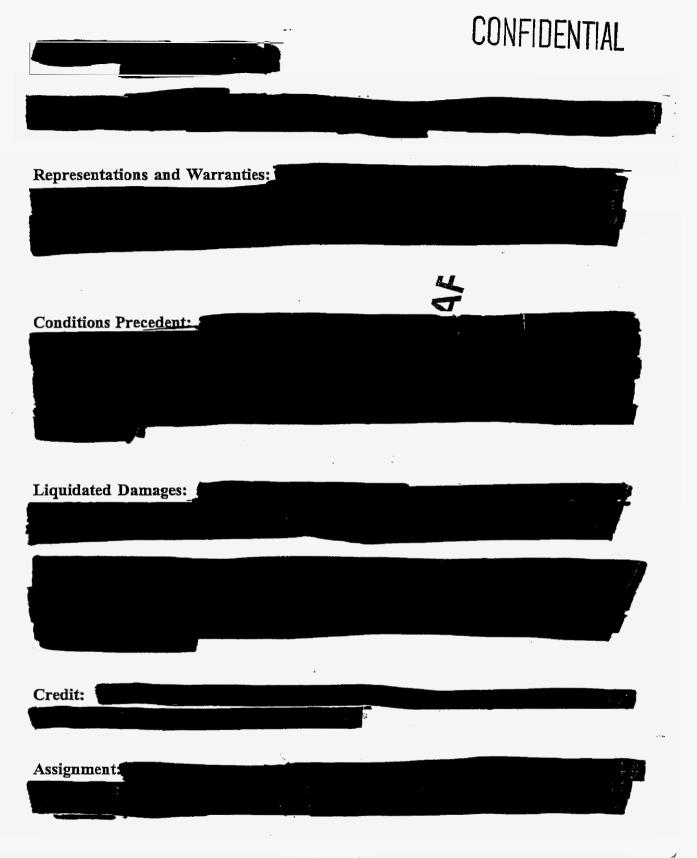
#### Confidential

Preliminary Notional Proposal: This document constitutes a preliminary indication of interest on the part of discussions. It does not constitute an offer capable of acceptance and no legally binding commitment or obligation related to the subject matter of this letter shall exist unless and until the execution and delivery of definitive contracts containing terms and conditions acceptable to Buyer, each in its sole discretion.



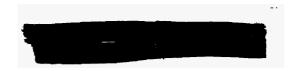
#### Confidential

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#### Confidential

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Force Majeure:

Confidentiality: All terms and conditions of this proposal are confidential proprietary trade secrets of and must be kept confidential between Buyer, and their duly appointed agents.

Progress FPC Gas Proposal ver3.doc

### Confidential

Preliminary Notional Proposal: This document constitutes a preliminary indication of interest on the part of discussions. It does not constitute an offer capable of acceptance and no legally binding commitment or obligation related to the subject matter of this letter shall exist unless and until the execution and delivery of definitive contracts containing terms and conditions acceptable to and Buyer, each in its sole discretion.



#### Rhodes, Rick

From:

Wednesday, September 03, 2003 2:34 PM rick.rhodes@pgnmail.com Sent:

To:

Cc: Subject:

RFP#

Importance:

High



On behalf of I am forwarding the response of to the Progress Energy Florida, Inc. RFP. is travelling and therefore has not had a chance to finally review this. He will be calling you to discuss.





. September 3, 2003

Progress Energy Inc.
Attn: Rick Rhodes
Term Gas and Logistics Unit
P.O. Box 1551 – PEB 10A
Raleigh, NC 27602

Re:

Dear Rick:

I enclose for your consideration a proposal providing for the sale on a firm basis of up to of Progress Energy Florida, Inc. ("Progress Energy") in response to the referenced RFP.

We have prepared this Term Sheet proposal to serve as the basis for further discussions. It does not represent a binding offer by to sell gas to Progress Energy, but is intended to establish a framework for the negotiation of a definitive gas sales agreement covering the services described.

I look forward to hearing from you and to further discussions regarding the enclosed Term Sheet response to the RFP.

Very truly yours,

Enclosure

PEF 000249 DOCK. NO. 040817-EI

Re: RFP No.

Proposed Major Commercial Terms for Firm Gas Purchase Contract between and Progress Energy Florida, Inc.

Parties:

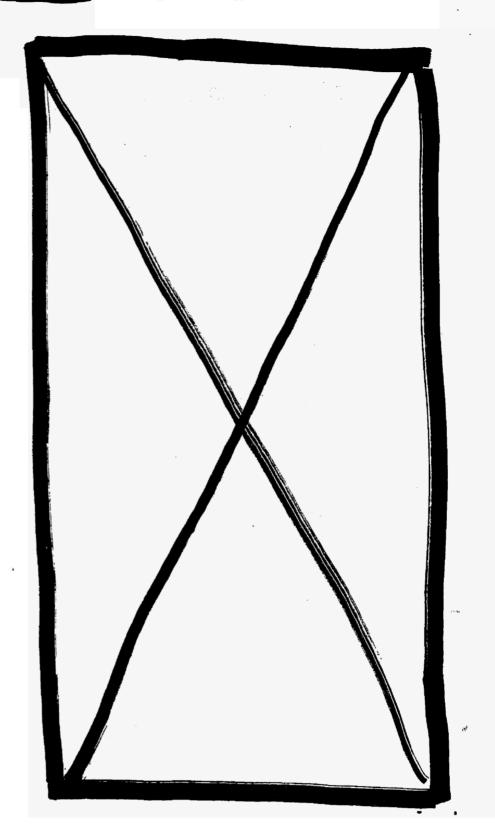
Term:

Maximum Daily Quantity ("MDQ"):

Nature of Service:

Primary Delivery Point(s):

Price:



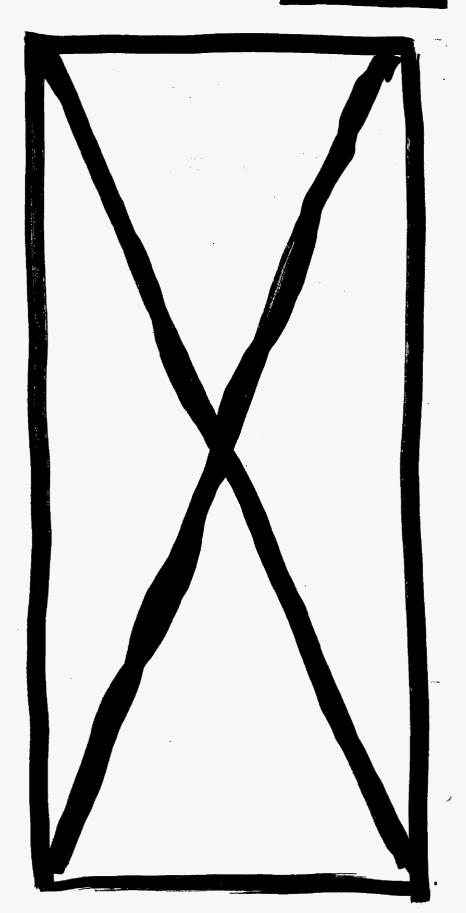
Re: RFP No.

Quality Specifications:

Nominations:

Conditions Precedent:

Force Majeure:

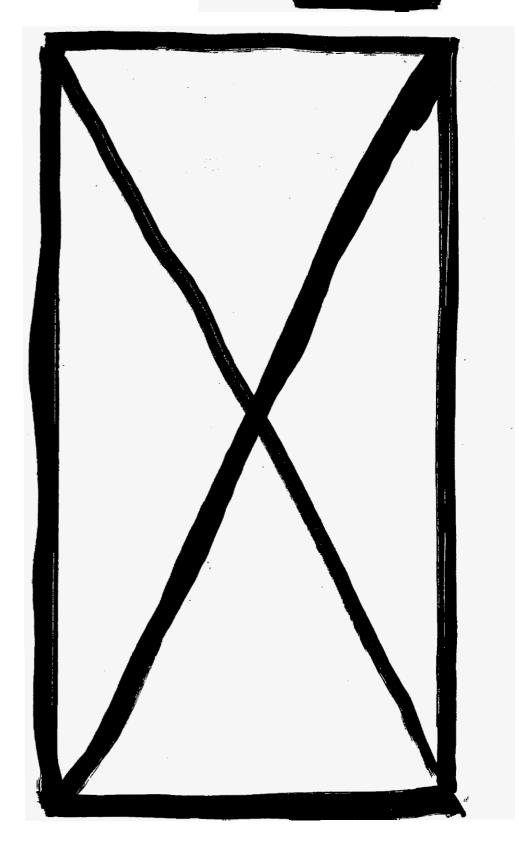




Liquidated Damages:

Damages:

Miscellaneous Provisions



#### Rhodes, Rick

From:

Rhodes, Rick

Sent:

Monday, April 05, 2004 1:56 PM

To:

Subject:

Importance:

High

Sensitivity:

Confidential

Expires:

Monday, April 26, 2004 4:00 PM



Florida Power Corporation d/b/a Progress Energy Florida, Inc. (FPC) seeks proposals from you to supply natural gas for the requirements listed in the attached RFP. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB with FPC.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me at the number below with any questions. Thanks in advance for your timely response by this April 26, 2004 deadline.

\*\*\* IMMEDIATELY UPON RECEIPT, PLEASE RESPOND TO THE E-MAIL TO CONFIRM RECEIPT \*\*\*



#### Rick Rhodes Term Gas Lead Progress Energy 919.546.7613

rick.rhodes@pgnmail.com

#### Rhodes. Rick

From:

Rhodes, Rick

Sent:

Monday, April 05, 2004 1:54 PM

To: Cc:

Cc: Subject:

Importance:

High

Sensitivity:

Confidential

**Expires:** 

Monday, April 26, 2004 4:00 PM



Florida Power Corporation d/b/a Progress Energy Florida, Inc. (FPC) seeks proposals from you to supply natural gas for the requirements listed in the attached RFP. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB with FPC.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me at the number below with any questions. Thanks in advance for your timely response by this April 26, 2004 deadline.

#### \*\*\* IMMEDIATELY UPON RECEIPT, PLEASE RESPOND TO THE E-MAIL TO CONFIRM RECEIPT \*\*\*



Rick Rhodes
Term Gas Lead
Progress Energy
919.546.7613
rick.rhodes@pgnmail.com

#### Rhodes, Rick

From:

Rhodes, Rick

Sent:

Monday, April 05, 2004 1:57 PM

To:

Subject:

Gas RFP

importance:

High

Sensitivity:

Confidential

Expires:

Monday, April 26, 2004 4:00 PM



Florida Power Corporation d/b/a Progress Energy Florida, Inc. (FPC) seeks proposals from you to supply natural gas for the requirements listed in the attached RFP. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB with FPC.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable,

We look forward to your response. Feel free to contact me at the number below with any questions. Thanks in advance for your timely response by this April 26, 2004 deadline.

#### \*\*\* IMMEDIATELY UPON RECEIPT, PLEASE RESPOND TO THE E-MAIL TO CONFIRM RECEIPT \*\*\*



Rick Rhodes
Term Gas Lead
Progress Energy
919.546.7613
rick.rhodes@pgnmail.com



Regulated Commercial Operations Department P. O. Box 1551 - PEB 10A Raleigh, North Carolina 27602

RFP#

April 5, 2004

OR PART

Dear Sir or Madam:

Subject:

Request for Proposal for

Gas Supply -



Florida Power Corporation d/b/a Progress Energy Florida, Inc. (hereinafter referred to as Buver) is requesting proposals for the supply sourced out of your company's

Term

Volume

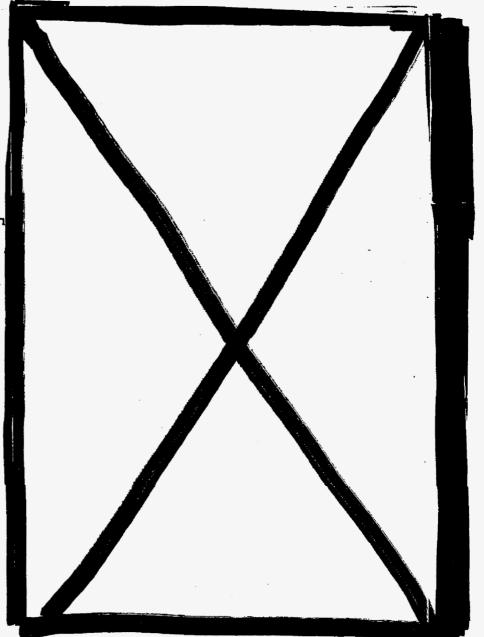


Service

**Mandatory Pricing** 

**Optional Pricing** 

Force Majeure

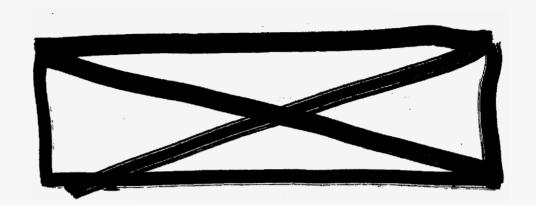


● Page 2 October 6, 2004

Nominations:

Requirements

**Gas Quality** 



Proposals are DUE by:

Monday, April 26, 2004, 4:00 p.m. EST

**Proposals** 

Proposals are preferred to be submitted via e-mail to the address below. Proposals may be submitted by FAX. Proposals received AFTER the DUE date may be considered at Buyer's discretion. All Proposals MUST reference RFP# Questions related to deal points should be directed to the author at the number listed during business hours (EST).

Please send proposals to:

Progress Energy Inc. Attn: Rick Rhodes

P. O. Box 1551 - PEB 10A Raleigh, North Carolina 27602 Telephone: 919-546-7613

Send e-mail responses to:

rick.rhodes@pgnmail.com

Send FAX responses to:

919-546-2922

Sincerely,

Rick Rhodes

Term Gas Lead 919-546-7613

#### Rhodes, Rick

From:

Wednesday April 29, 2004 12:01 PM

Sent:

Wednesday, April 28, 2004 12:01 PM

To:

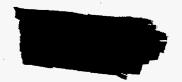
Rhodes, Rick

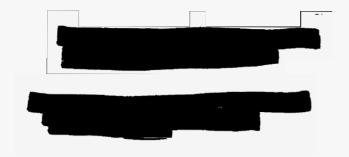
Cc:

Subject: RFP#

Confidentiality Agreement form to follow.

Regards,







April 28, 2004

Progress Energy Inc. Attn: Rick Rhodes P. O. Box 1551 - PEB 10A Raleigh, North Carolina 27602

Dear Mr. Rhodes:

#### RFP#

Enclosed is the proposal is submitted in express reliance on Progress Energy, Inc's ("Progress") maintenance of the confidentiality of the proposal and its terms, subject to Progress' legal and regulatory obligations. In the event Progress is unwilling to maintain the confidentiality of the such proposal on this basis, we request that Progress comment on the enclosed form and that we execute a mutually agreeable form of Confidentiality Agreement prior to Progress' consideration of the proposal. In any case, we believe that it would be appropriate to execute a Confidentiality Agreement prior to further clarification and discussion regarding our proposal.

We look forward to working with you to develop a mutually beneficial arrangement for gas supply to FPC's ratepayers.

For:

By:

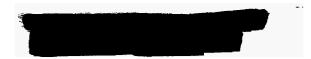
Its:

Attachments: Proposal

Confidentiality Agreement

Copies:

PEF 000259 DOCK. NO. 040817-EI .



**DRAFT** 

REVISED PROPOSAL TO PROGRESS ENERGY FLORIDA, INC.

RY

(RFP#

April 22, 2003



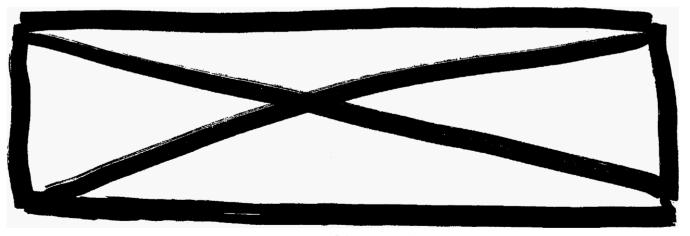
Buyer: Florida Power Corporation d/b/a Progress Energy Florida, Inc. ("Buyer")

Seller:

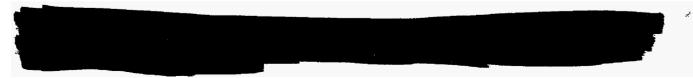


#### **TRANSACTION**

Description of Transaction for Gas Supply

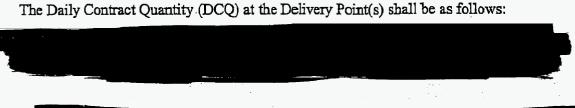


Term of Agreement

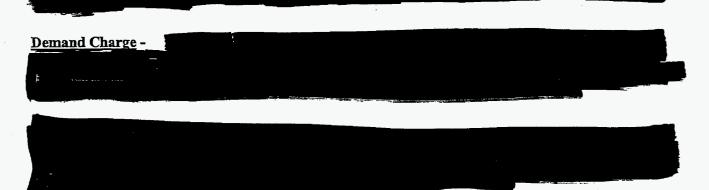


Preliminary Notional Proposal: This document constitutes a preliminary indication of interest on the part of and affiliates and is intended solely as a basis for discussions. It does not constitute an offer capable of acceptance and no legally binding commitment or obligation related to the subject matter of this letter shall exist unless and until the execution and delivery of definitive contracts containing terms and conditions acceptable to the subject matter of this letter shall exist unless and until the execution and Buyer, each in its sole discretion.

# Contract Quantity

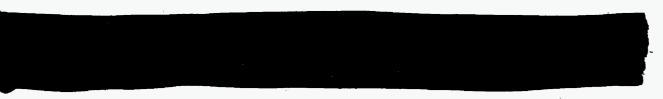


Price



Commodity Charge -





Delivery Point(s)

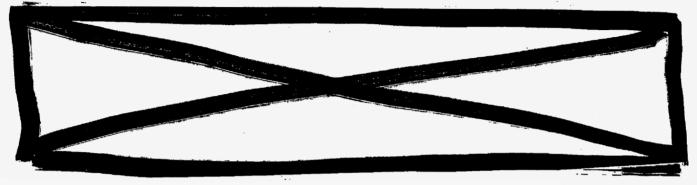


Preliminary Notional Proposal: This document constitutes a preliminary indication of interest on the part of acceptance and no legally binding commitment or obligation related to the subject matter of this letter shall exist unless and until the execution and delivery of definitive contracts containing terms and conditions acceptable to the subject matter of this letter shall exist unless and until the execution and delivery of definitive contracts containing terms and conditions acceptable to the subject matter of this letter shall exist unless and until the execution.





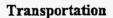
**Put-Back Provision** 

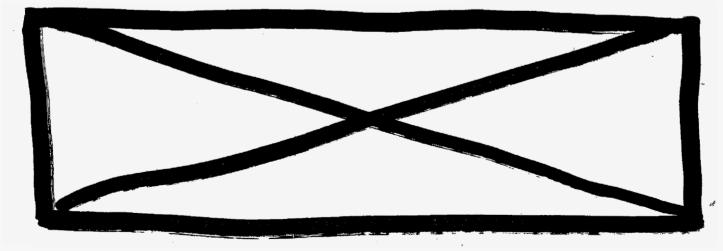


Nominations and Scheduling



Take and Delivery Obligations



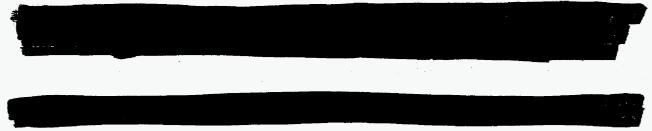


Preliminary Notional Proposal: This document constitutes a preliminary indication of interest on the part of and affiliates and is intended solely as a basis for discussions. It does not constitute an offer capable of acceptance and no legally binding commitment or obligation related to the subject matter of this letter shall exist unless and until the execution and delivery of definitive contracts containing terms and conditions acceptable to a subject matter of this letter shall exist unless and until the execution and delivery of definitive contracts containing terms and conditions acceptable to

#### **GENERAL TERMS**

Liquidated Damages

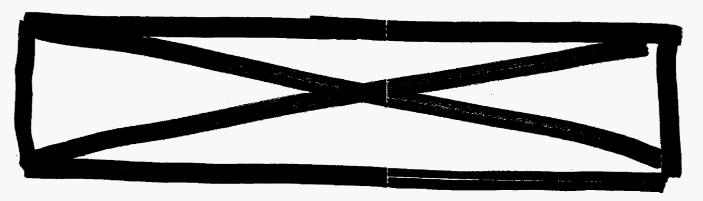




Credit and Security



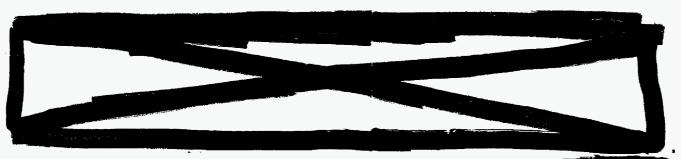
#### Agreements



Representations and Warranties



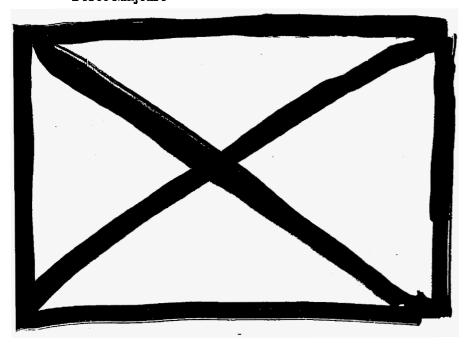
**Conditions Precedent** 



Preliminary Notional Proposal: This document constitutes a preliminary indication of interest on the part of acceptance and no legally binding commitment or obligation related to the subject matter of this letter shall exist unless and until the execution and delivery of definitive contracts containing terms and conditions acceptable to and Buyer, each in its sole discretion.

OR AFT

#### Force Majeure



Gas Quality



Confidentiality

ent constitutes a preliminary indication of interest on the part of tes and is intended solely as a basis for discussions. It does not constitute an offer capable of robligation related to the subject matter of this letter shall exist unless and until the execution as and conditions acceptable to and Buyer, each in its sole discretion.

#### Rhodes, Rick

From:

Sent:

Wednesday, April 28, 2004 1:12 PM

To:

Rhodes, Rick

Cc:

Subject: RFP#

The form of Confidentiality Agreement is now also attached as per the cover letter.

Regards,



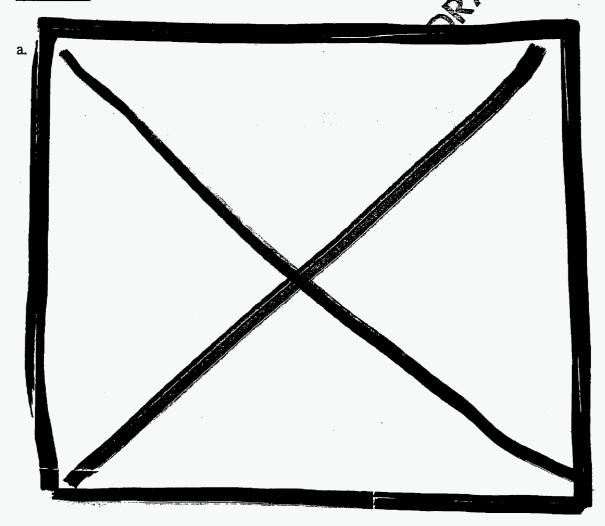


### CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This Confidentiality and Non-Disclosure Agreement ("Agreement") is entered into as of			
, 2004, by and between			
and Florida Power Corporation d/b/a			
Progress Energy Florida, acorporation with its principal offices at P.O.			
Box 1551-PEB 10-A, Raleigh, North Carolina 27602 ("FPC").			
together referred to as "Parties" and each individually is referred to as a "Party."			
RECITALS			
A. In connection with a supply solicitation process being conducted by FPC, has submitted a non-binding indication of interest (a "Proposal") to supply FPC with natural gas on a . Such process anticipates execution of a definitive Gas Sales Agreement to be negotiated (the "Proposed Transaction").			
B. Whereas, in order to evaluate the Proposed Transaction, the Parties have requested and will request of each other, and the Parties will provide to each other, certain non-public, confidential or proprietary information;			
C. Whereas, the Parties are willing to provide and willing to receive such information for such purpose and in accordance with the terms hereof;			
NOW, THEREFORE, FPC and do hereby mutually agree as follows:			

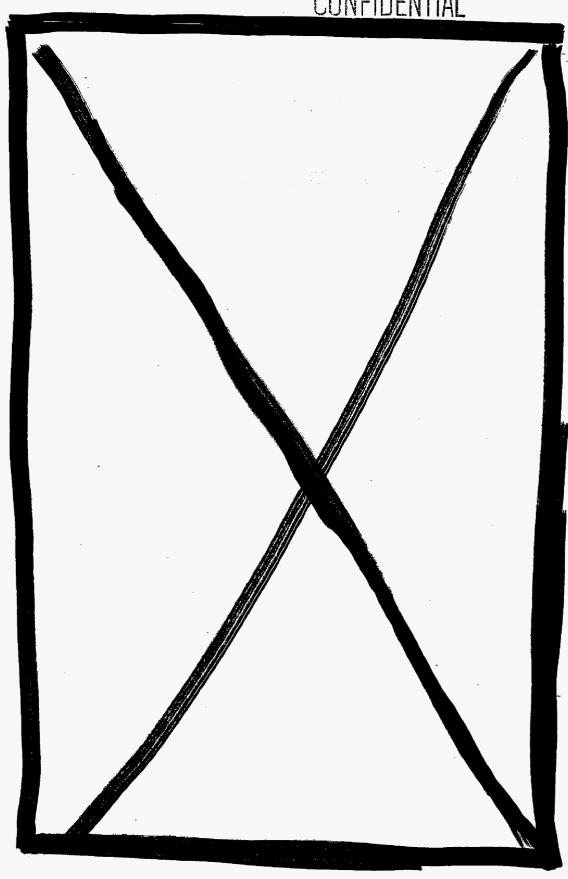


1. <u>Definitions</u>.

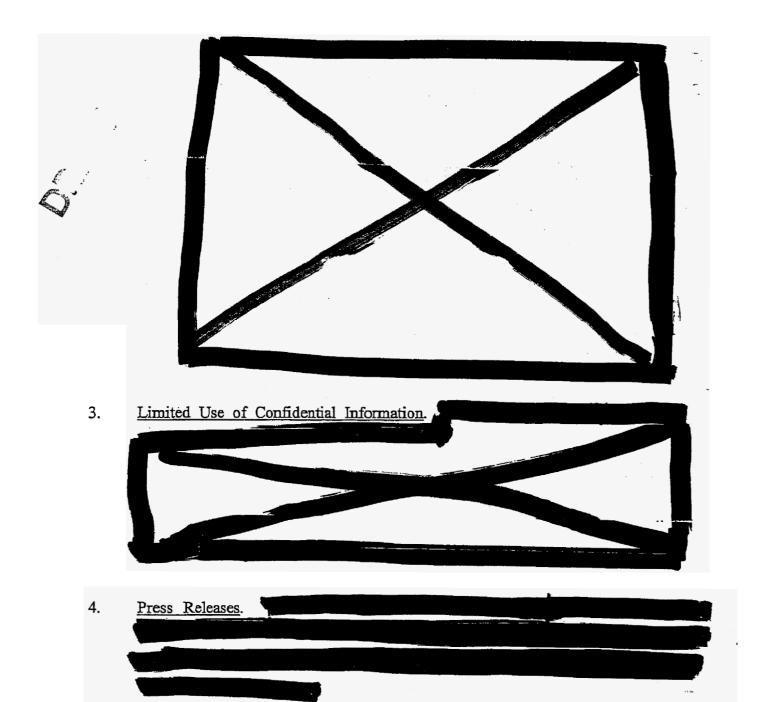


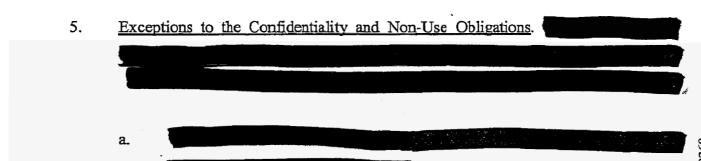
- b. "Person"
- c. "Representatives"
- 2. <u>Confidentiality and Non-Use</u>.

PEF 000267 DOCK. NO. 040817-EI

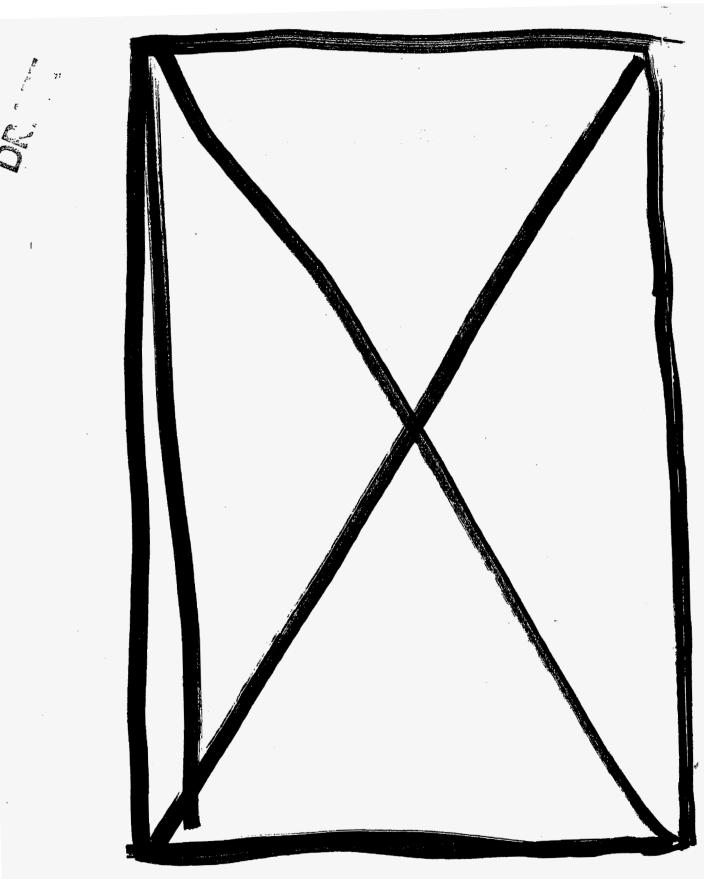


PEF 000268 DOCK, NO, 040817-EI





PEF 000269 DOCK, NO. 040817-EI



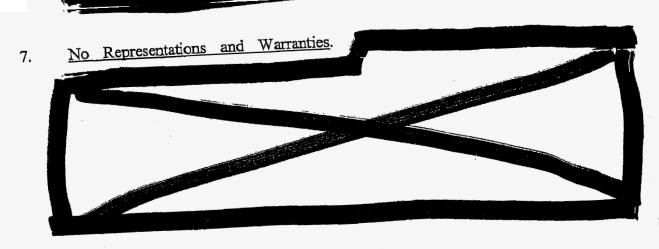
PEF 000270 DOCK. NO. 040817-EI

Confidential

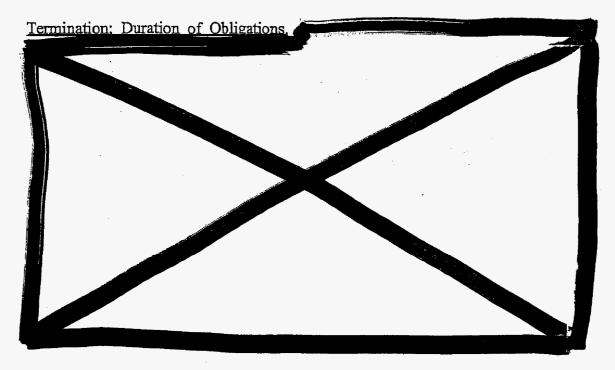
Page 5

10/6/2004

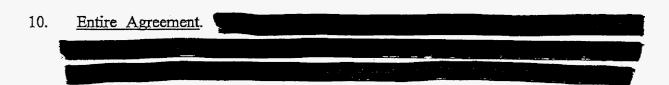


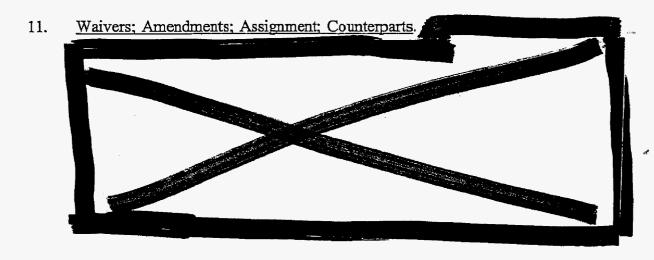


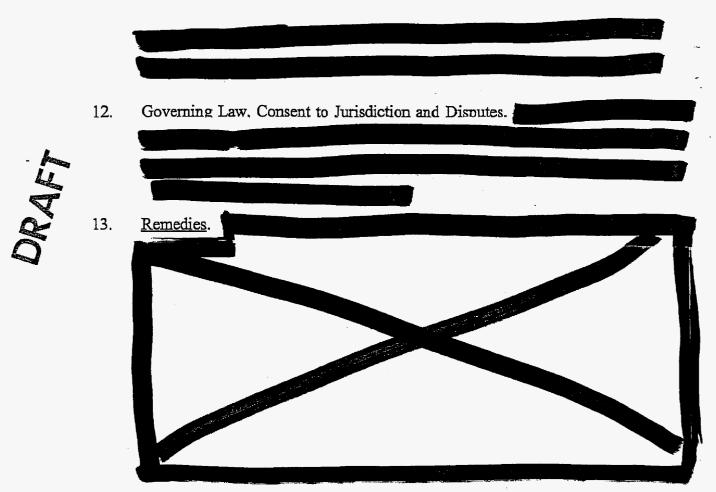
PEF 000271 DOCK. NO. 040817-EI 8.











IN WITNESS WHEREOF, each of and FPC has caused this Agreement to be executed by its respective authorized representative as of the date first written above.

#### FLORIDA POWER CORPORATION

Ву:	By:
Name:	Name:
Title:	Title:
Date:	Date:

PEF 000273 DOCK. NO. 040817-EI

ORAFT

PEF 000274 DOCK. NO. 040817-EI

### Rhodes, Rick

### CONFIDENTIAL

From:

Sent:

Tuesday, April 27, 2004 8:27 AM

To:

Rhodes Rick

Subject:

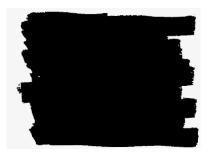
RFP# ■

Importance:

High



Sent this yesterday, but never received a confirmation that you received it. Please let me know if you receive this email. THANKS!!



---- Forwarded by

on 04/27/2004 08:25

AM ----

To:

"Rhodes, Rick"

<Rick.Rhodes@pgnmail.com>

04/26/2004 03:19

cc:

Subject: RFP#

PM

Attached please find our response to your Request for Proposal dated April 5, 2004. As we discussed, our proposal is "nonconforming" but we appreciate your consideration and would like the opportunity to work with you to structure a deal that fits both our needs. We will be available to discuss this proposal at your convenience by phone or in person. Also, we wanted to let you know that the contractual obligations of the company submitting this proposal,

Please give me a call if you have any questions about our response. I look forward to hearing from you - - and keep watch out for





ST THE ST

April 26, 2004

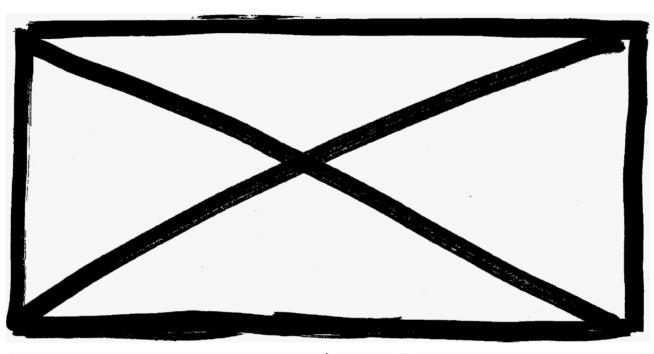
Progress Energy Inc. P.O. Box 1551 - PEB 10A Raleigh, NC 27602

Attention: Rick Rhodes

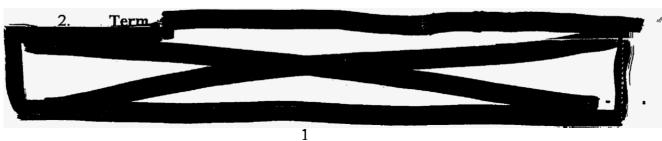
Re: Letter of Intent

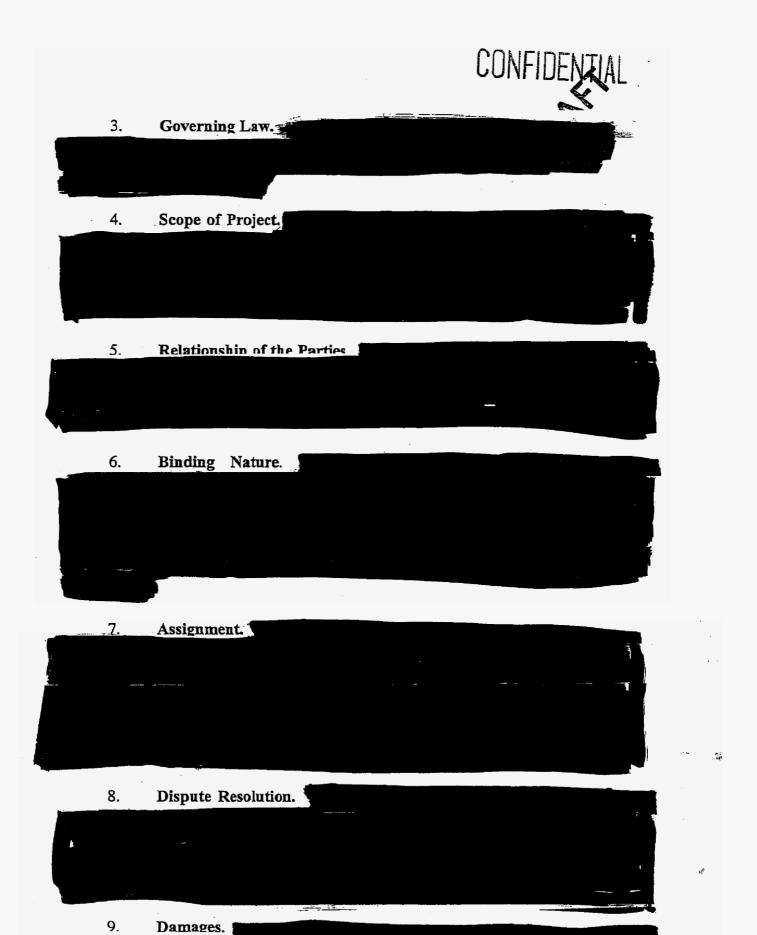
Ladies and Gentlemen:











	10.	Non-Exclusivity.					
_							
	11.	Corporate Approva	als.				3
	12	Confidentiality.				12.2	
			<u> </u>				5
				Very	truly yours,		
		·		By:			
				Its:		<u> </u>	
Acc of_	epted and	Agreed to this1, 2004:	Day				
Flo	rida Pow	er Corporation					
By:							-a.
Its:							

### EXHIBIT "A" to Letter of Intent dated April 26, 2004

Major Commercial Terms of Definitive Agreements

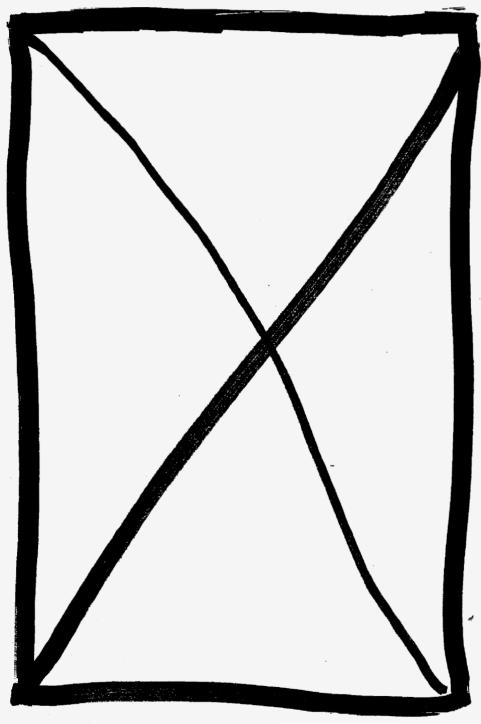
Between and Florida Power Corporation d/b/a Progress Energy
Florida, Inc.

Term:

Daily Contract
Quantity ("DCQ"):

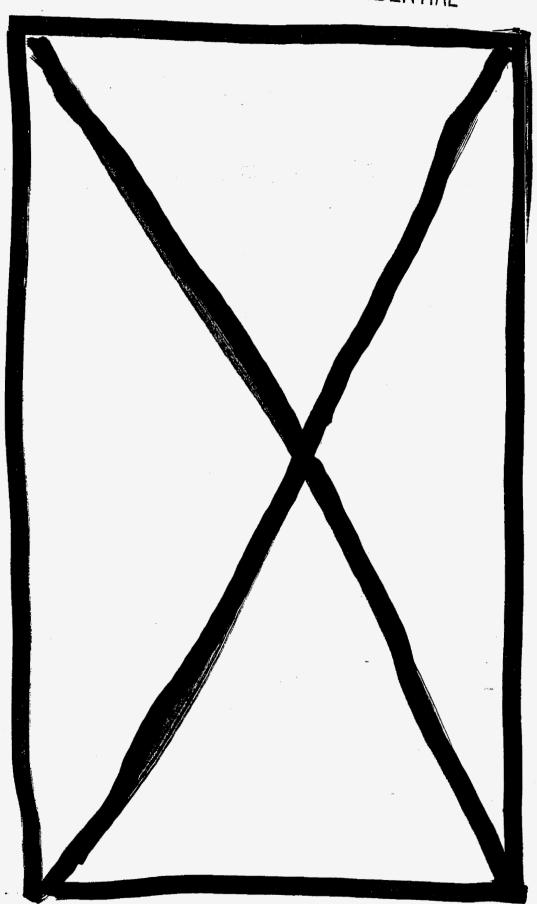
Delivery Point:

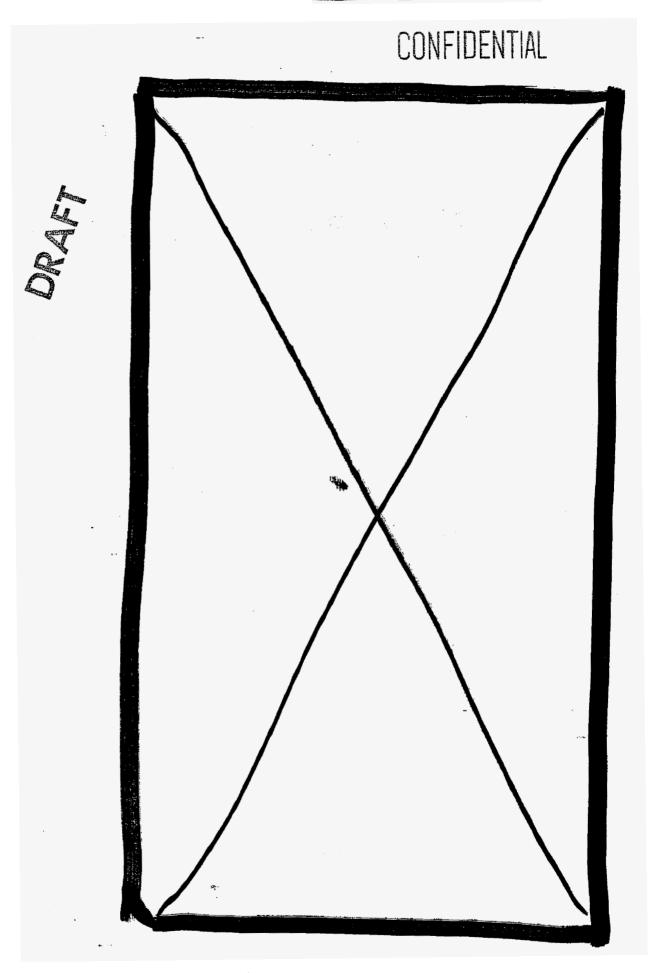
**Contract Price:** 

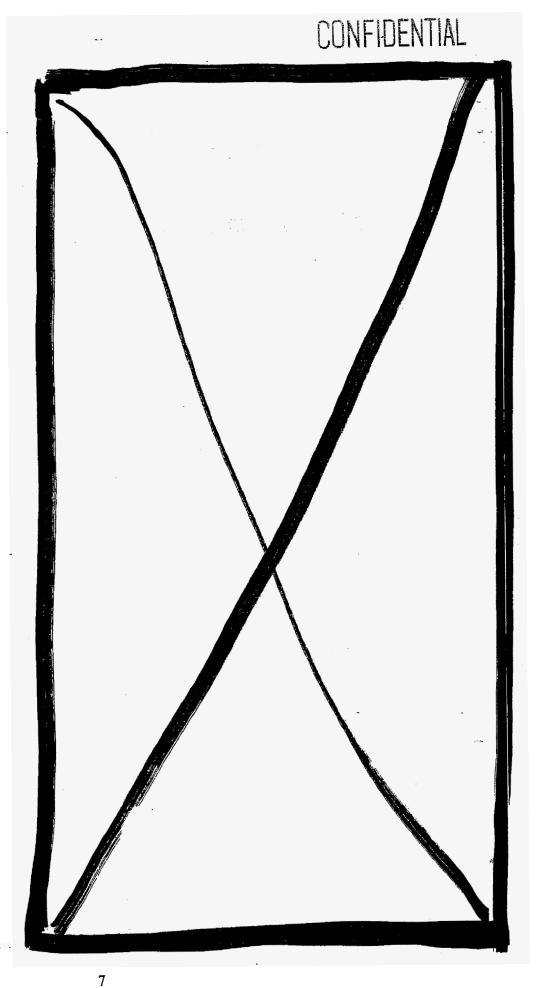


Liquidated Damages:

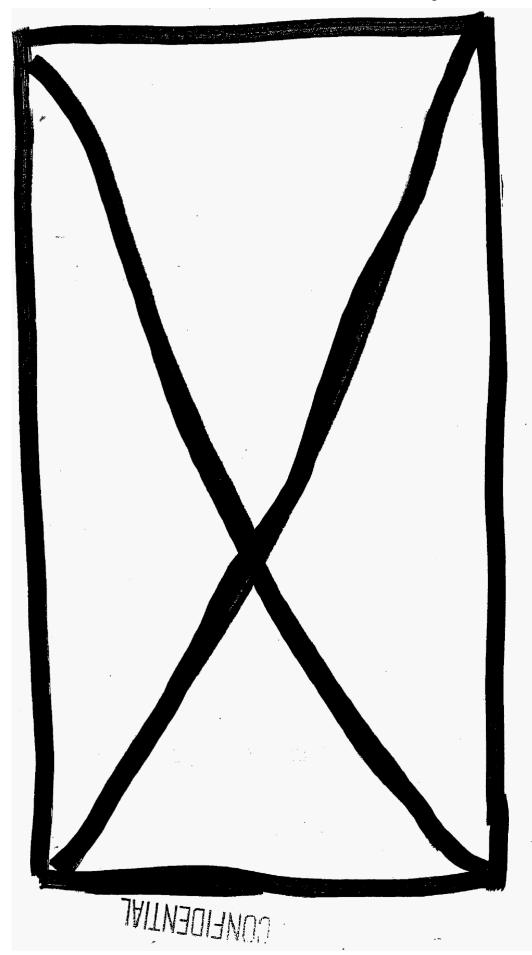
Force Majeure:







Force Majeure Exclusion:



Conditions Precedent:

Billing and Payment:

Quality Specifications:

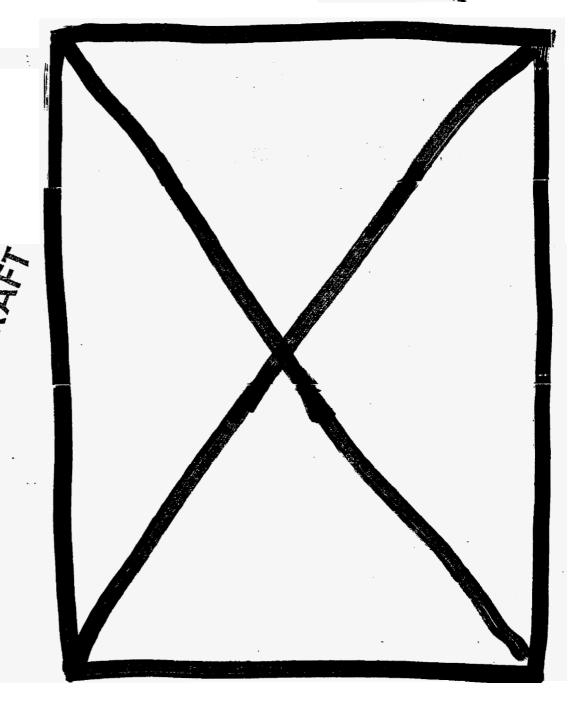
Vominations and Balancing:

Credit and Security:

Limitation of Damages:

Assignment:

Miscellaneous:



This proposal is submitted as a basis for further negotiation and does not constitute a binding offer.

### Rhodes, Rick

From:

Tuesday, April 27, 2004 7:56 AM Sent:

To:

Cc: Subject: Rhodes, Rick

Response to Progress Energy RFP

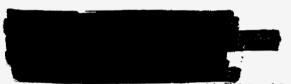




I am happy to submit the attached cover letter and bid in response subject RFP: will forward the original to you via courier.

Please do not hesitate to contact me to clarify any points in the documents. I look forward to hearing from you soon about the path forward.

Best regards,



<<Scanned Progress Energy Bid.tif>> <<Term Sheet 040427.doc>>

#### AVISO LEGAL:

Esta información es privada y confidencial y está dirigida únicamente a su destinatario. Si usted no es el destinatario original de este mensaje y por este medio pudo acceder a dicha información por favor elimine el mensaje. La distribución o copia de este mensaje está estrictamente prohibida. Esta comunicación es sólo para propósitos de información y no deberían ser considerados como una declaración oficial La transmisión de e-mails no garantiza que el correo electrónico sea seguro o libre de error. Por consiguiente, no manifestamos que esta información sea completa o precisa. Toda información está sujeta a alterarse sin previo aviso.

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April 27, 2004

CONFIDENTIAL

VIA E-MAIL

Progress Energy Inc.
Attn: Rick Rhodes
Term Gas and Logistics Unit
P.O. Box 1551 – PEB 10A
Raleigh, NC 27602

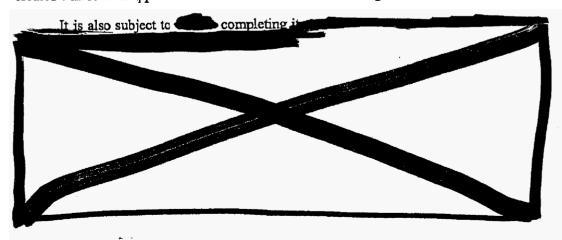
Re: Non Binding Proposal responding to RFP

ORAL!

Dear Rick:

Enclosed for your consideration is a non-binding proposal being submitted by to meet the needs of Florida Power Corporation d/b/a Progress Energy Florida, Inc. ("Progress Energy"), on a needs of the response to the referenced RFP. This non-binding proposal is provided on a confidential basis and should not be discussed with anyone outside Progress Energy other than your advisers and your agents and consultants assisting you in relation to this RFP.

Please note that this proposal is purely indicative and is non-binding. It is not an offer capable of acceptance. Any transaction to be entered into pursuant to this non-binding proposal would be subject to the approval of Board and entering into a definitive agreement on terms agreeable to . No binding obligations shall be created unless such approval is received and such definitive agreement is executed.

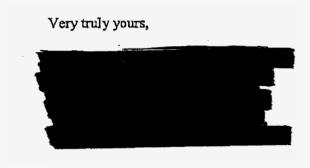


PEF 000287 DOCK. NO. 040817-EI

Mr. Rick Rhodes April 27, 2004 Page 2



I look forward to further discussing the enclosed non-binding proposal with you, at your convenience.



Enclosure

RFP# LT040504-bahamas

### **CONFIDENTIAL**

Request for Proposal for Go

Non Binding Proposal by Florida Progress Energy Florida, Inc ("Progress Energy")

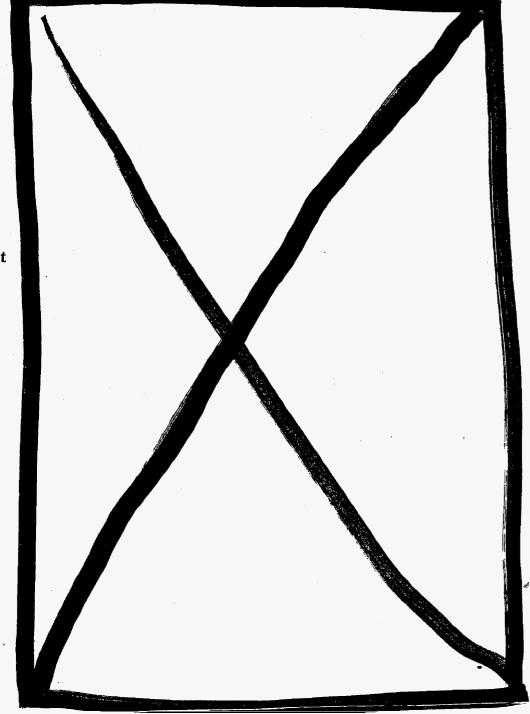
Term

Volume

Primary Receipt Point

Service

Pricing



**Options** 

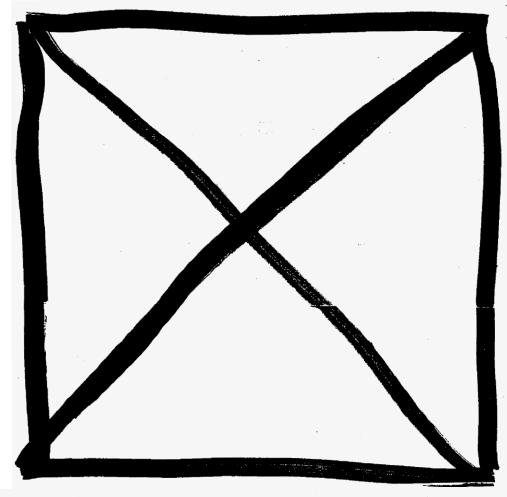


Force Majeure

**Nominations** 

Requirements

Gas Quality



This non-binding proposal is issued as an attachment to, and is to be read subject to, the letter from

indicative and solely meant for discussion purposes. It is not an offer capable of acceptance. It is subject to the approval of Progress Energy's and respective Boards and the entry into of a definitive agreement on terms mutually agreeable to Progress Energy and No binding obligations shall be created unless such approvals are received and such definitive agreement is executed.

### Rhodes, Rick

From:

Rhodes, Rick

Sent:

Wednesday, June 23, 2004 5:16 PM

To:

Cc:

; Murphy, Pam (CP&L);

Subject:

Revised 3

Agreement and Side Letter

Importance: High

Sensitivity: Confidential



Per our discussion, attached are red-lined versions of the Gas Contract and Guaranty. I will call you to discuss.

#### **Rick Rhodes**

Term Gas Lead **Progress Energy** 919.546.7613 rick.rhodes@pgnmail.com



### [PROGRESS LETTERHEAD]

Mr. Gas Sale and Purchase Contract between Re: and Florida Power Corporation dated \_\_\_\_\_, 2004. Dear Mr. The purpose of this correspondence is to clarify and recite the parties understanding and intent with respect to the rate structure set forth in Section 3.2 of the above-referenced Gas Sale and Purchase Agreement ("Agreement") as set forth below. Sincerely.

ACCEPTED AND AGREED TO:

DATED: \_\_\_\_\_

	Confidential	
Draft	Dated 6/15/04	

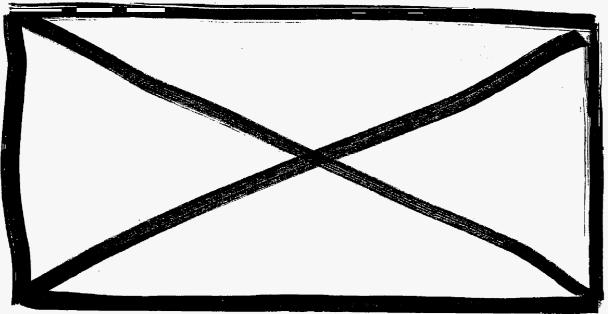
Deleted: 03	 *
Dalatadi 4	

### **GAS SALE AND PURCHASE CONTRACT**

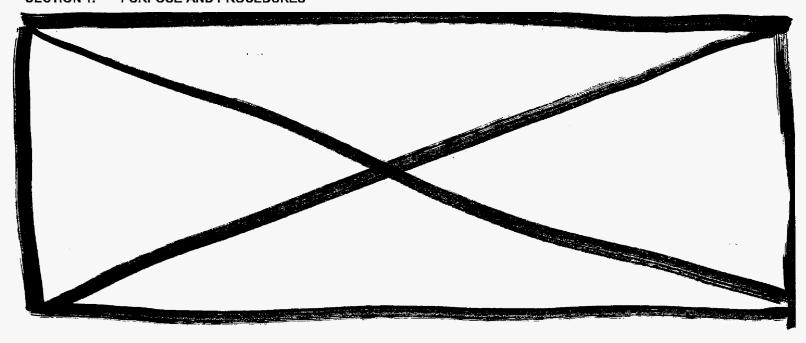
This Gas Sale and Purchase Contract (thi	ic "Contract") is entered into on	2004 (the "Effective
Date"), between		<ul> <li>and Florida Powe</li> </ul>
Corporation, a Florida	corporation doing business as Progress Energy Florida, Ir	ic. ("Buyer").

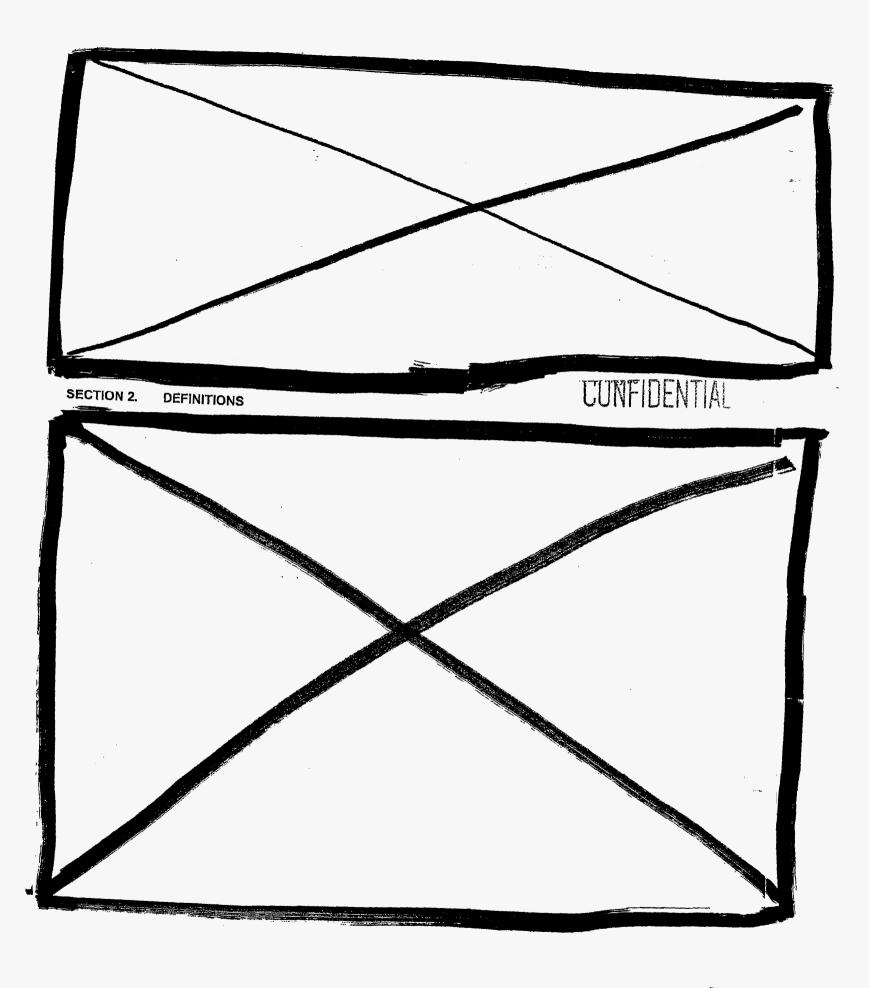
WITNESSETH

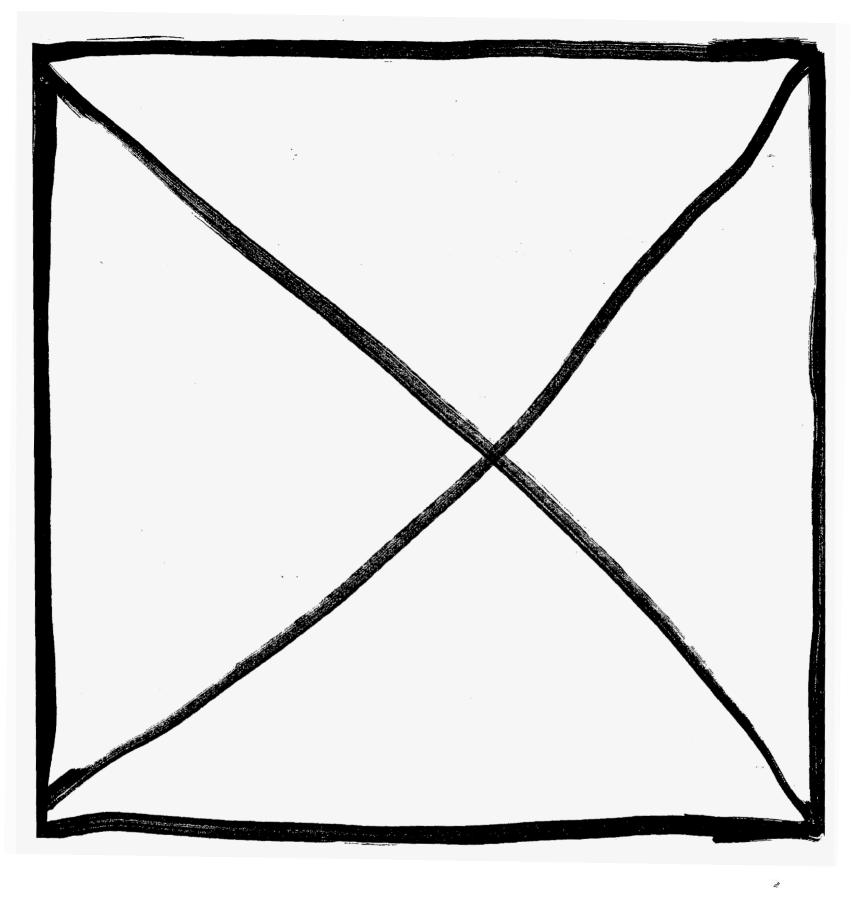
CONFIDENTIAL



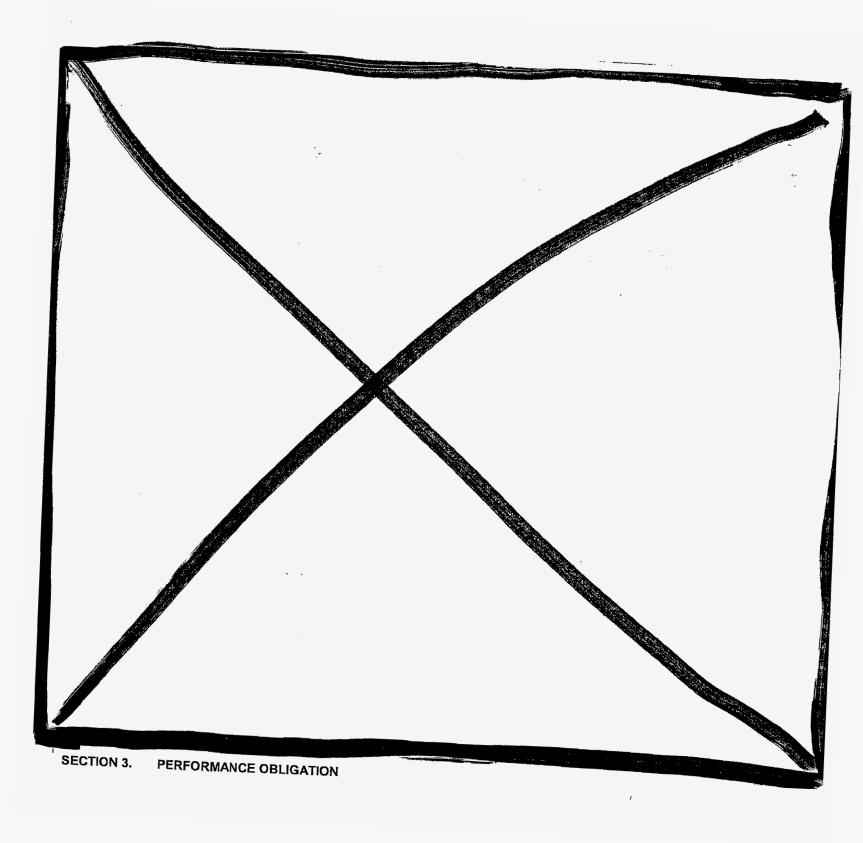
**SECTION 1. PURPOSE AND PROCEDURES** 



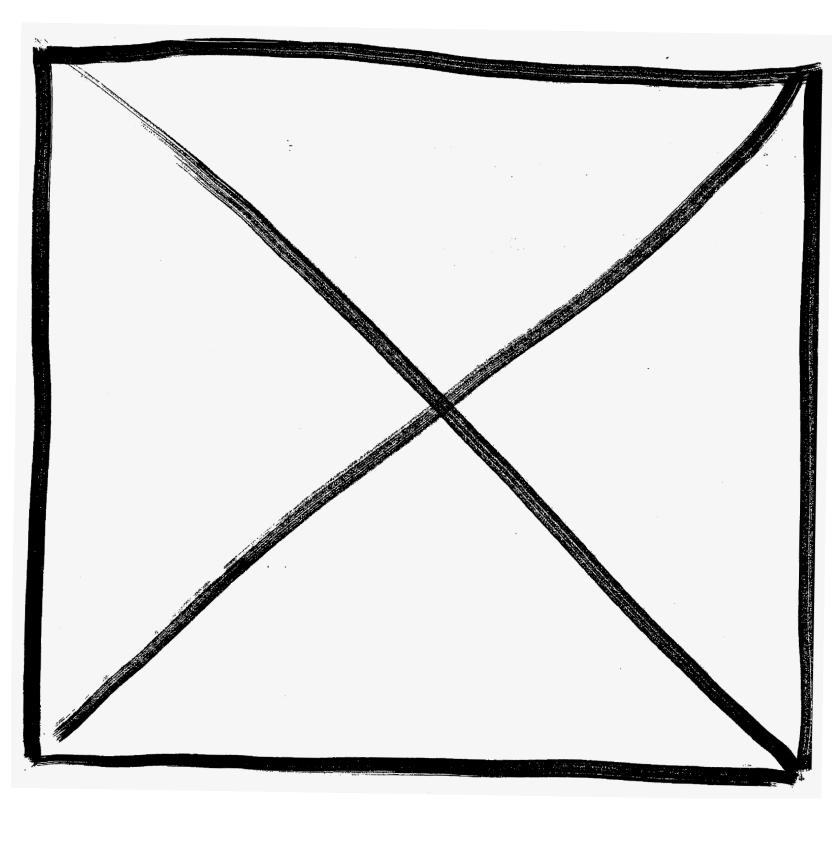


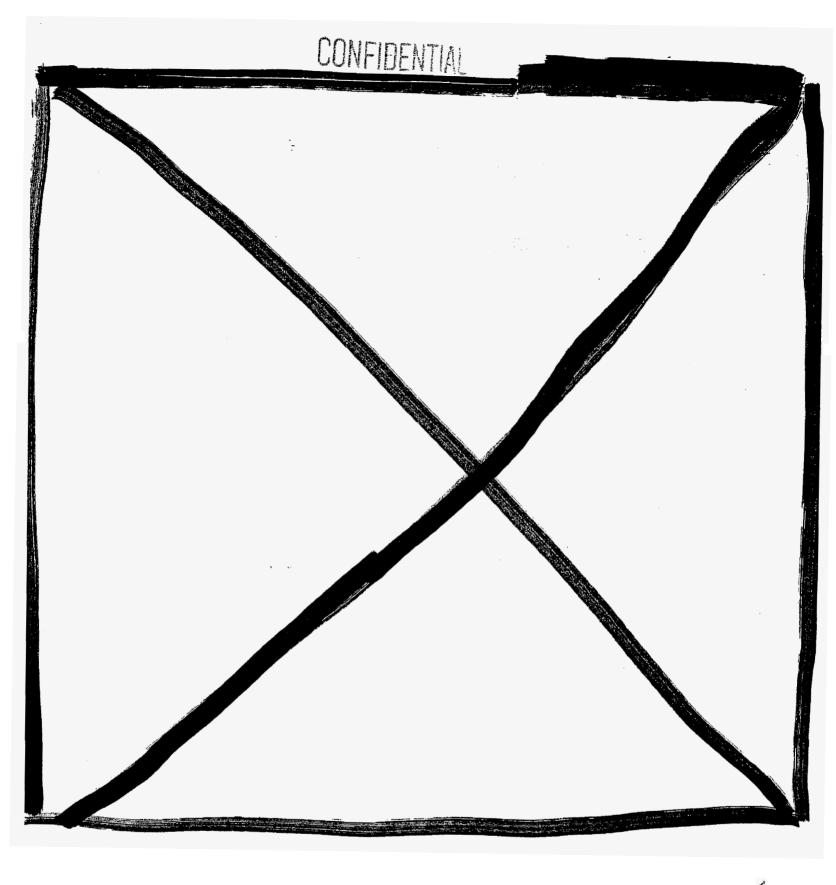


PEF 000295 DOCK. NO. 040817-EI

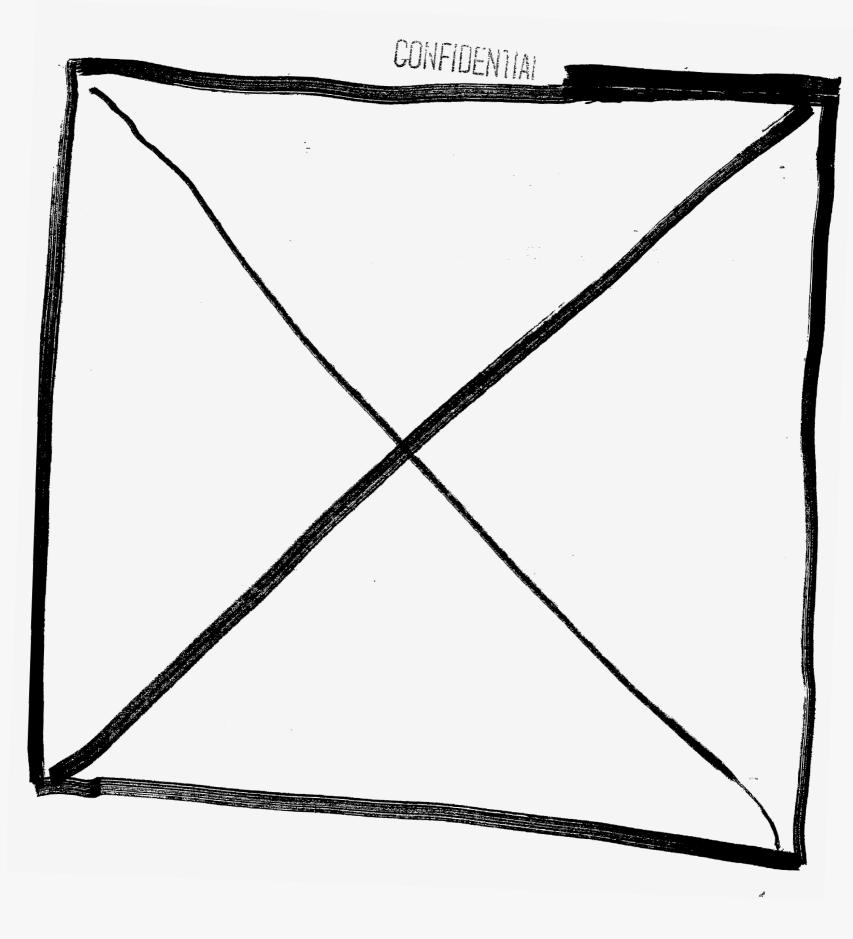


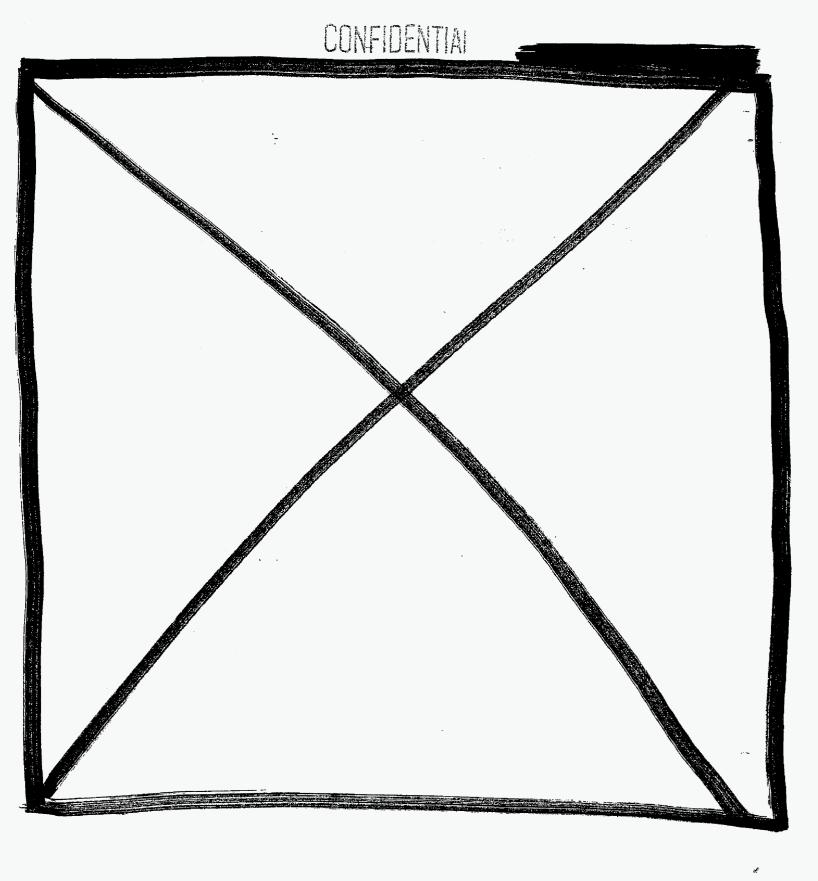
PEF 000296 DOCK. NO. 040817-EI

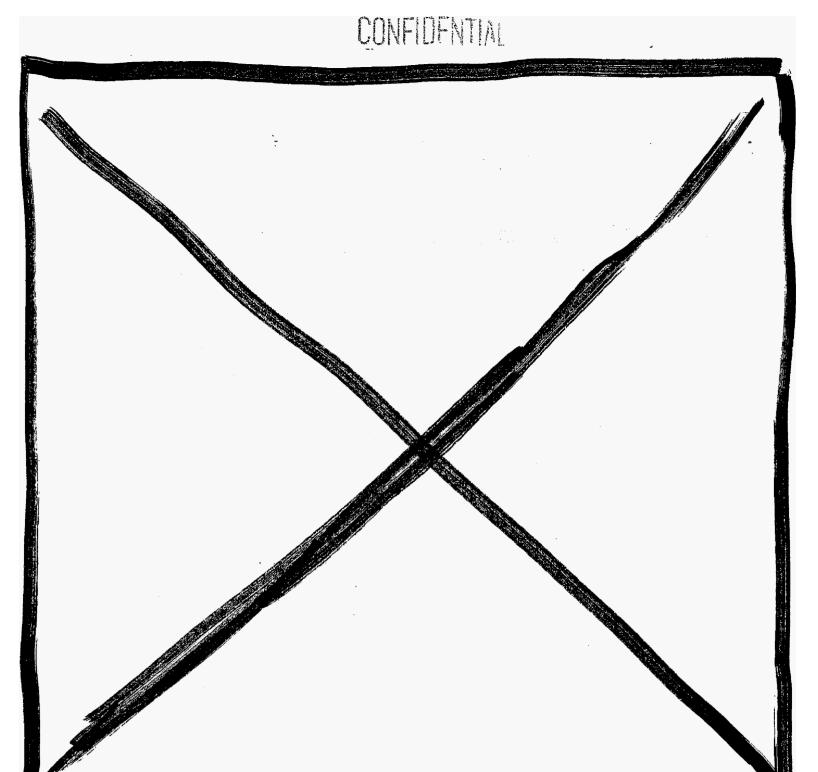


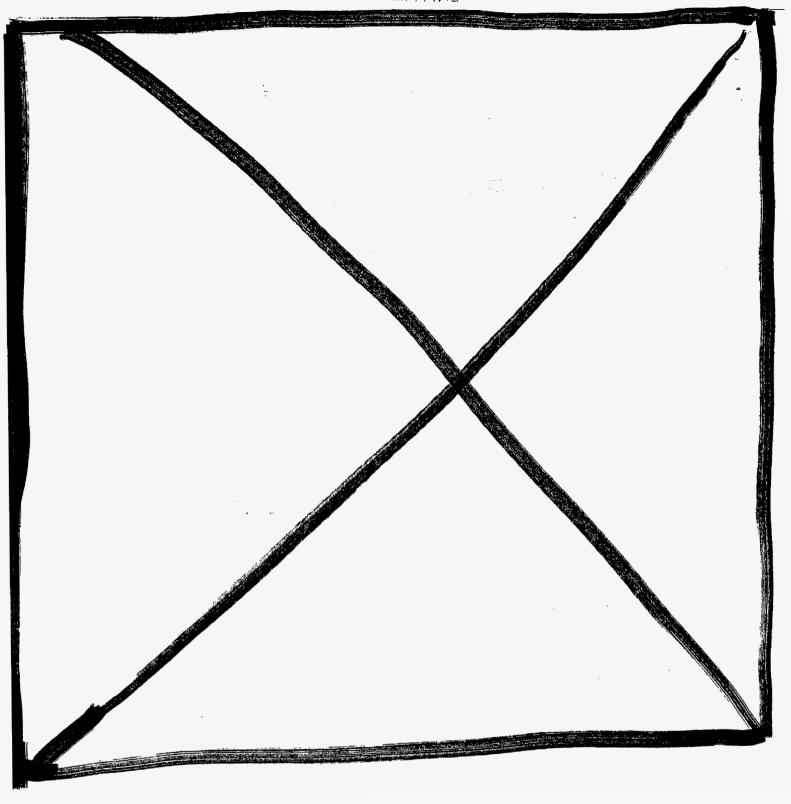


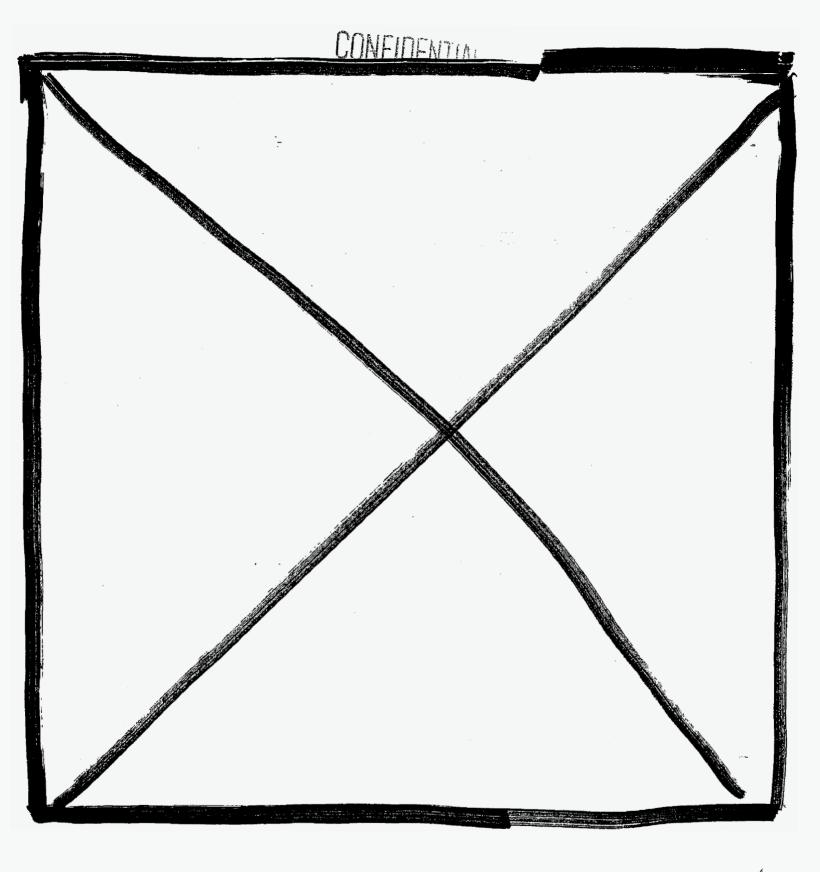
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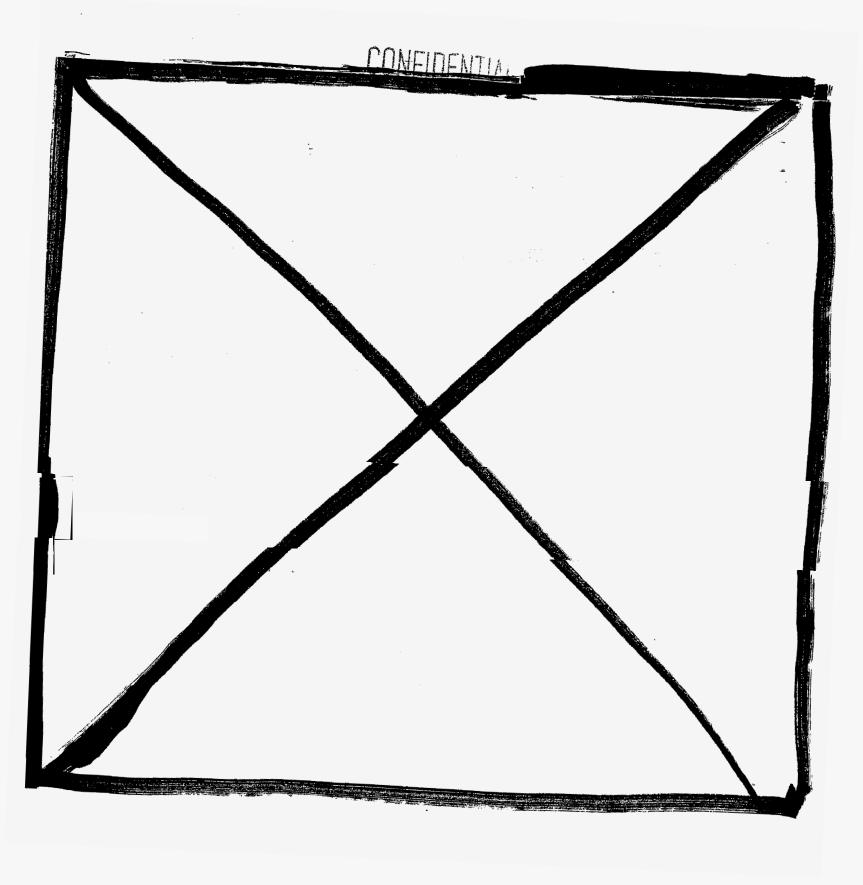


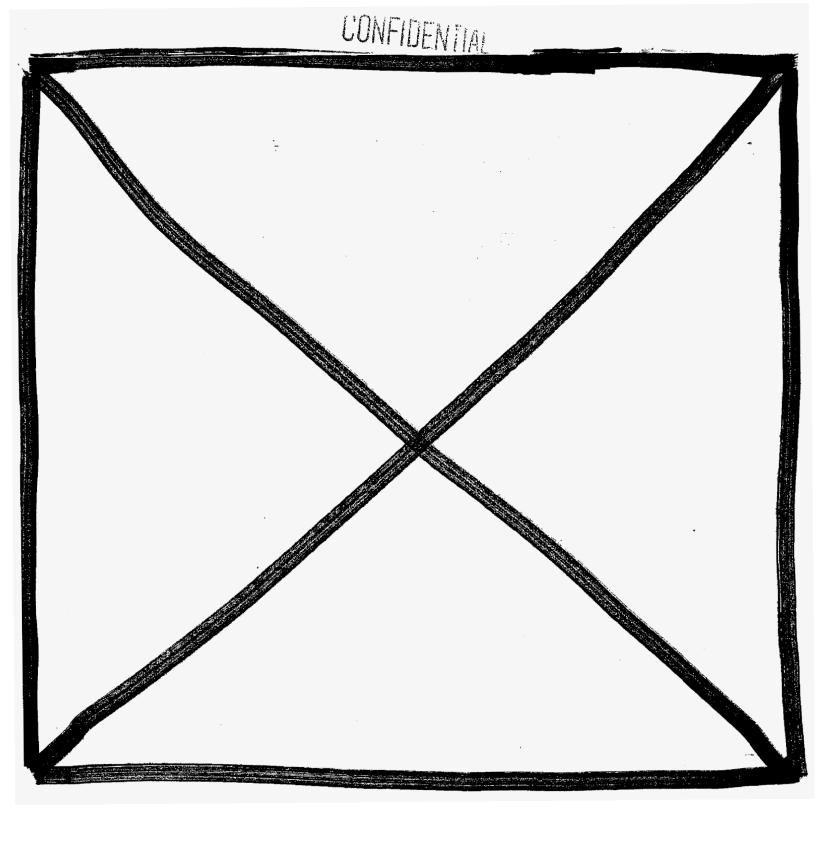


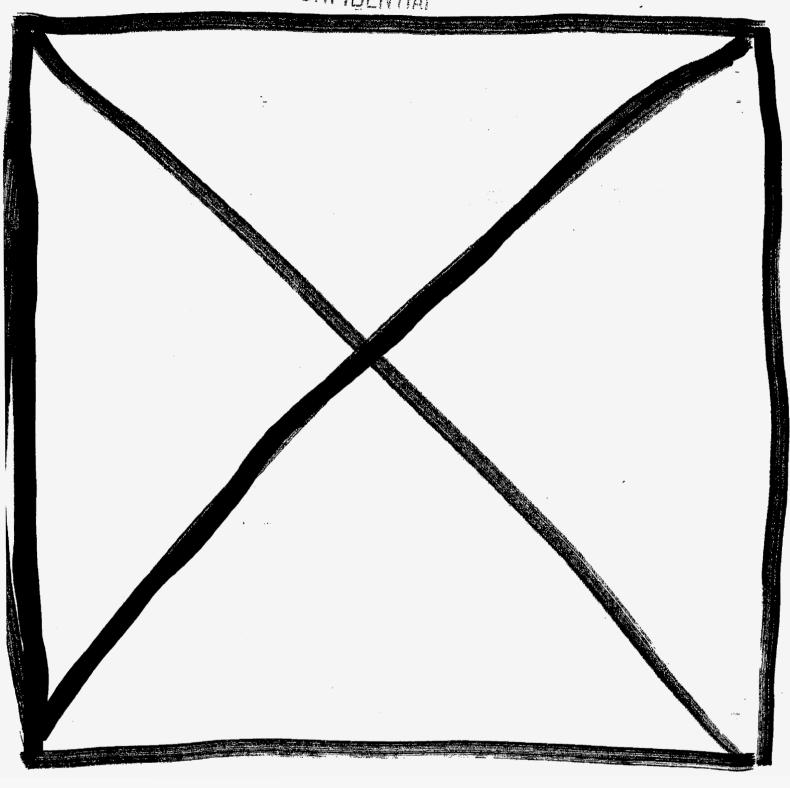




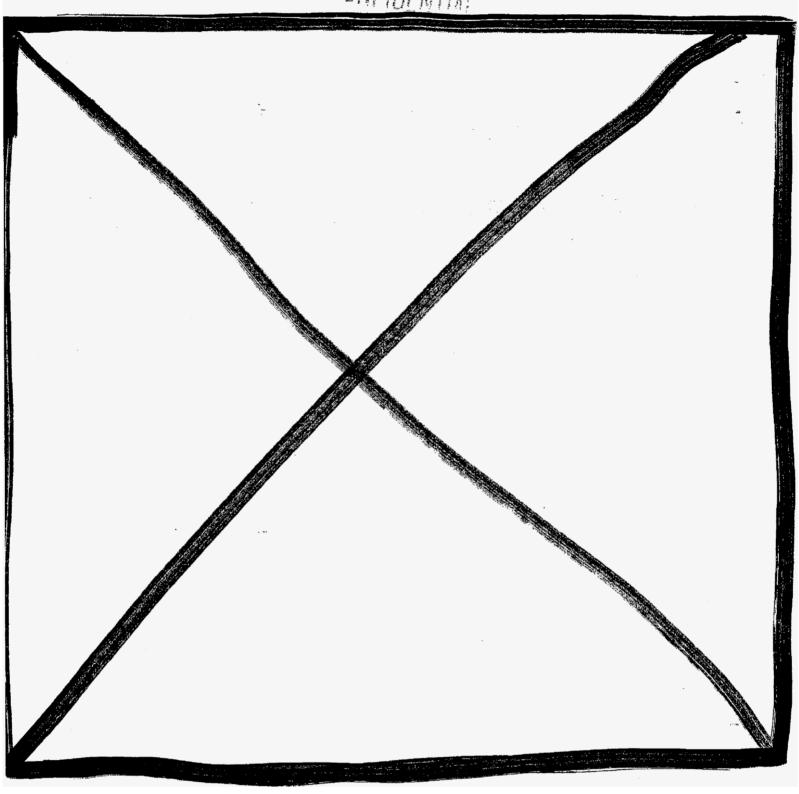


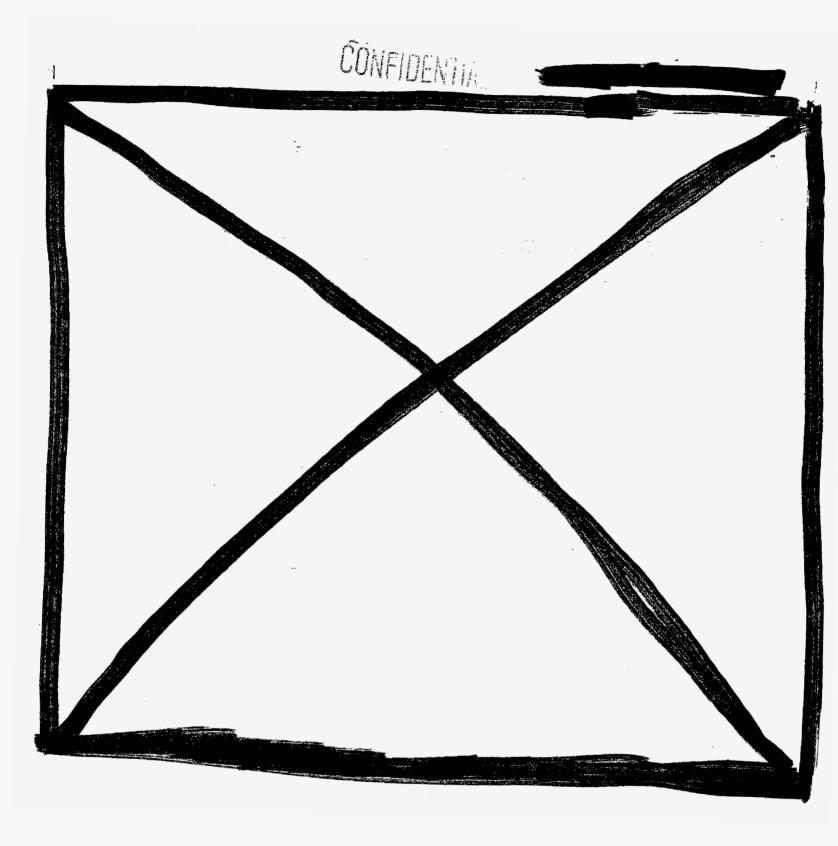






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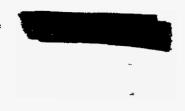




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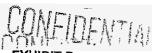
Confidential Draft Dated 6/15/04

## EXHIBIT A PRIMARY DELIVERY POINTS

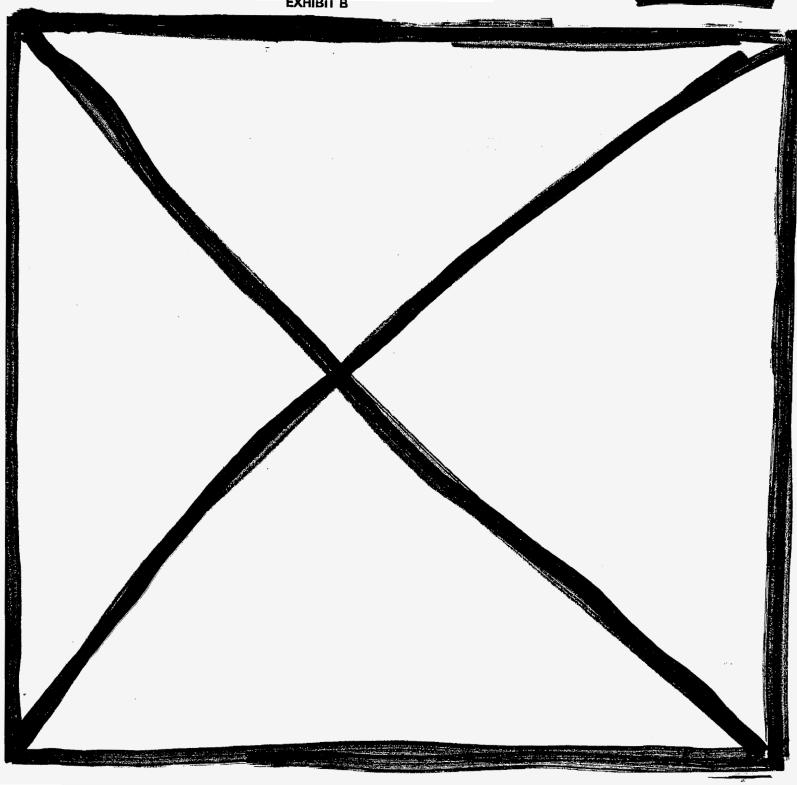




Ex A, Page 1



Confidential Draft Dated 6/15/04



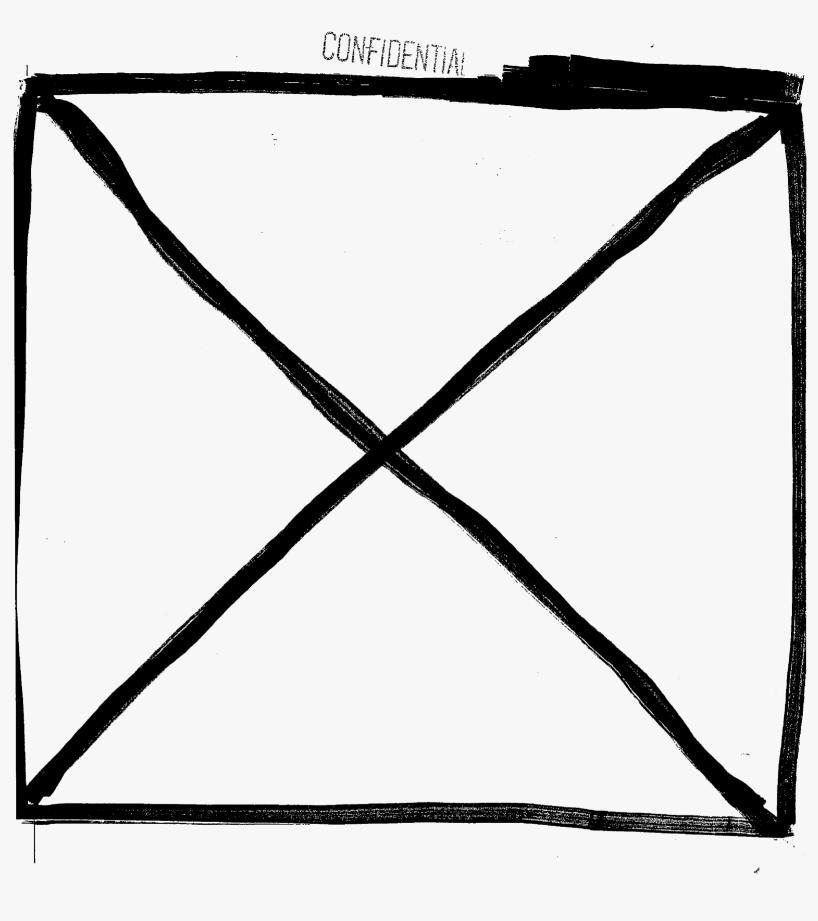
CONFIDENTIA Draft Dated 6/15/04

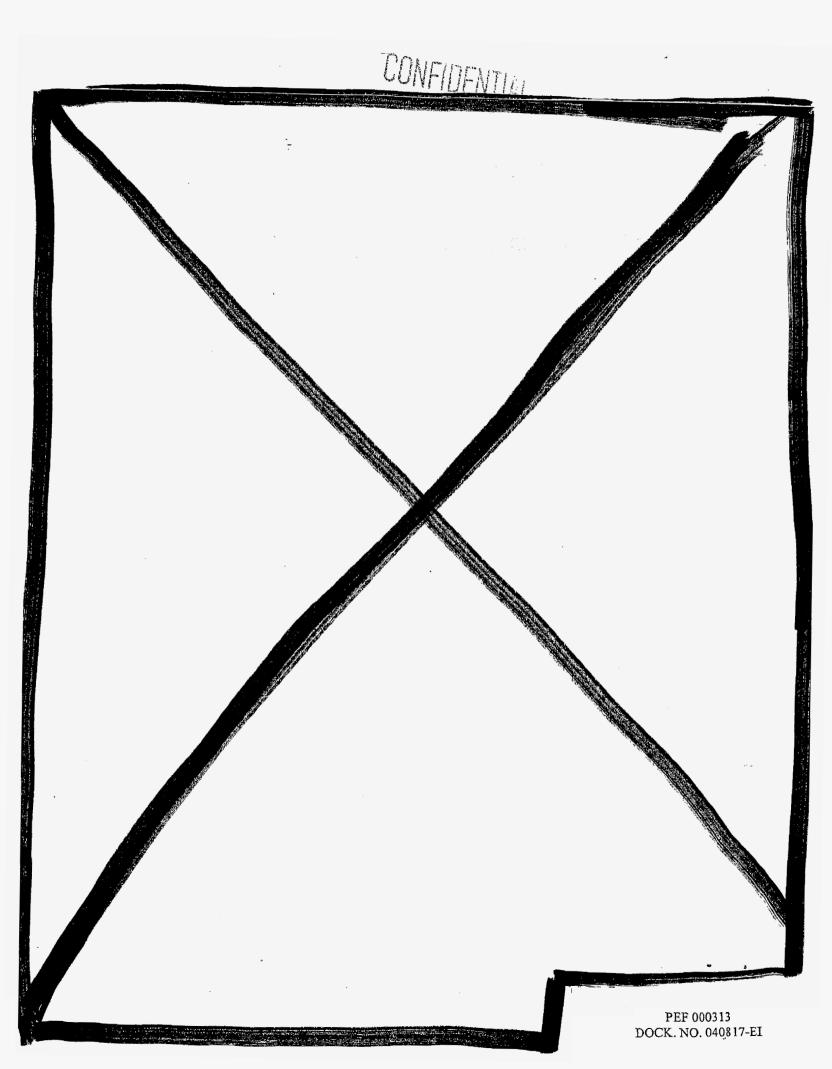
#### **EXHIBIT C**

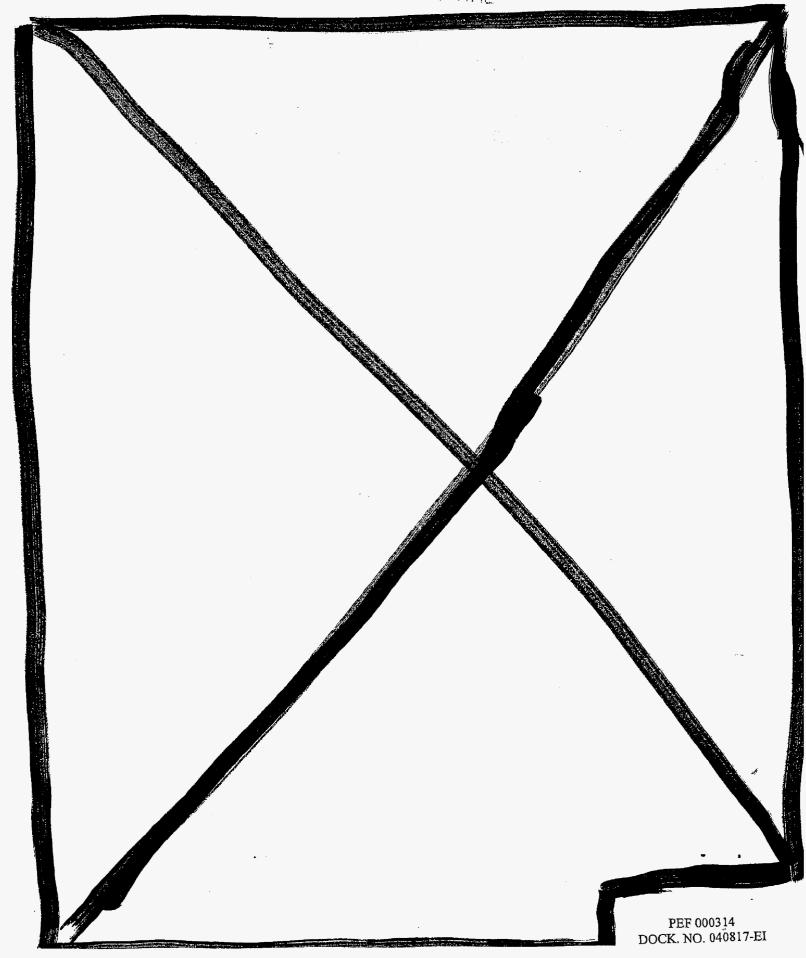
#### INSURANCE FOR UPSTREAM INTERRUPTION EVENTS

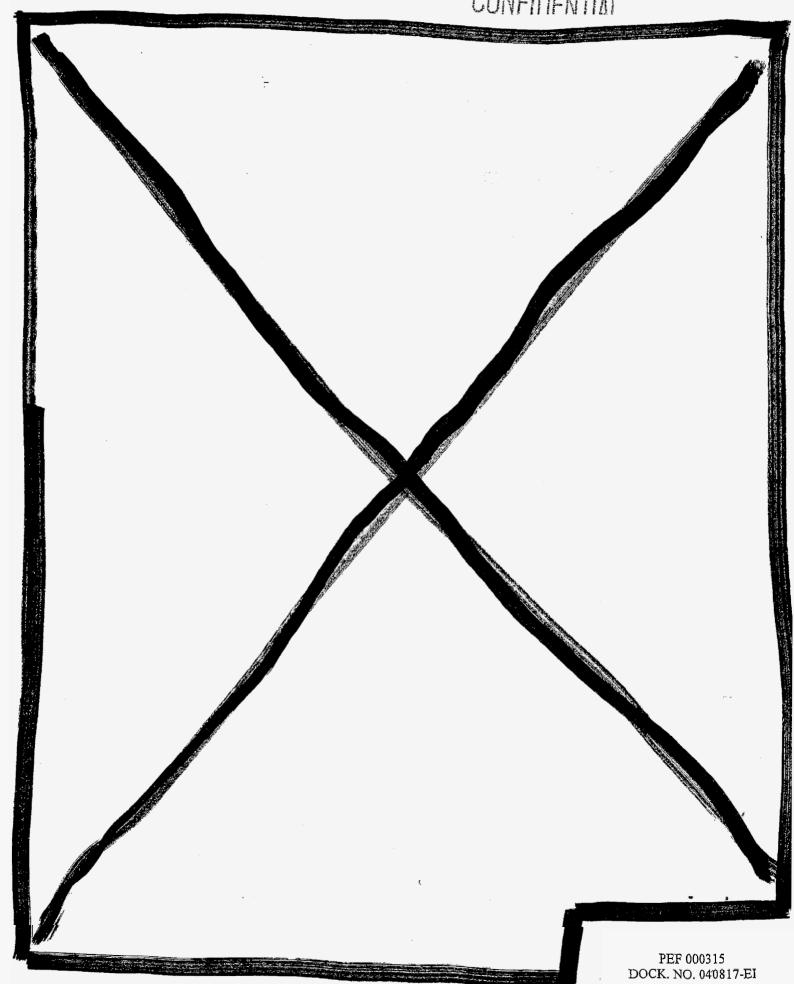




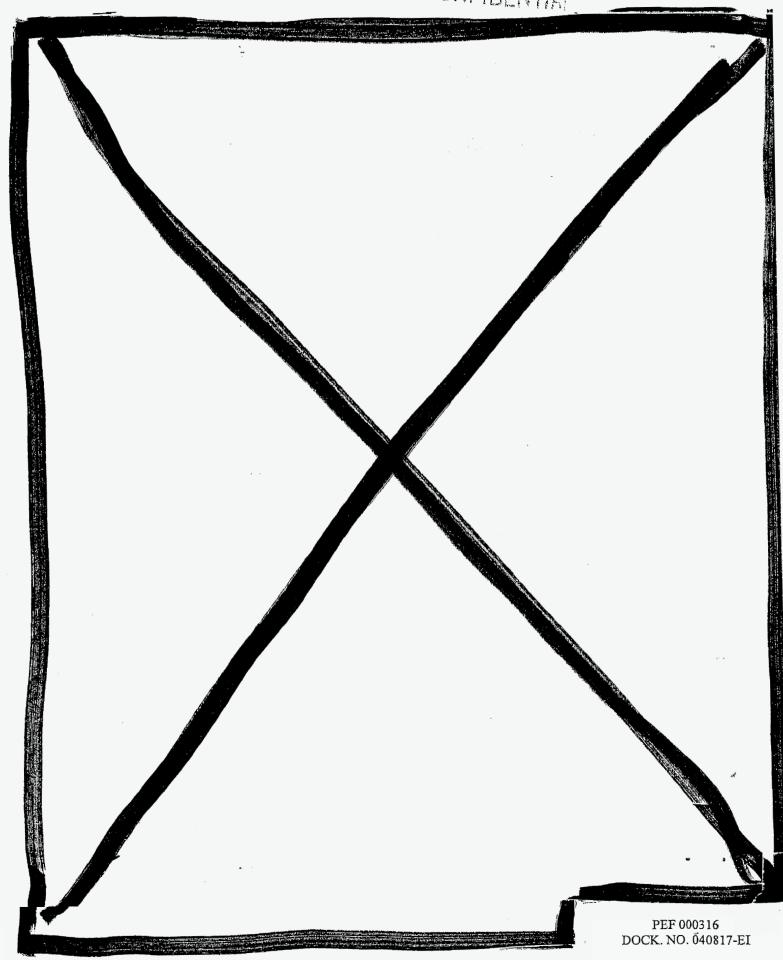


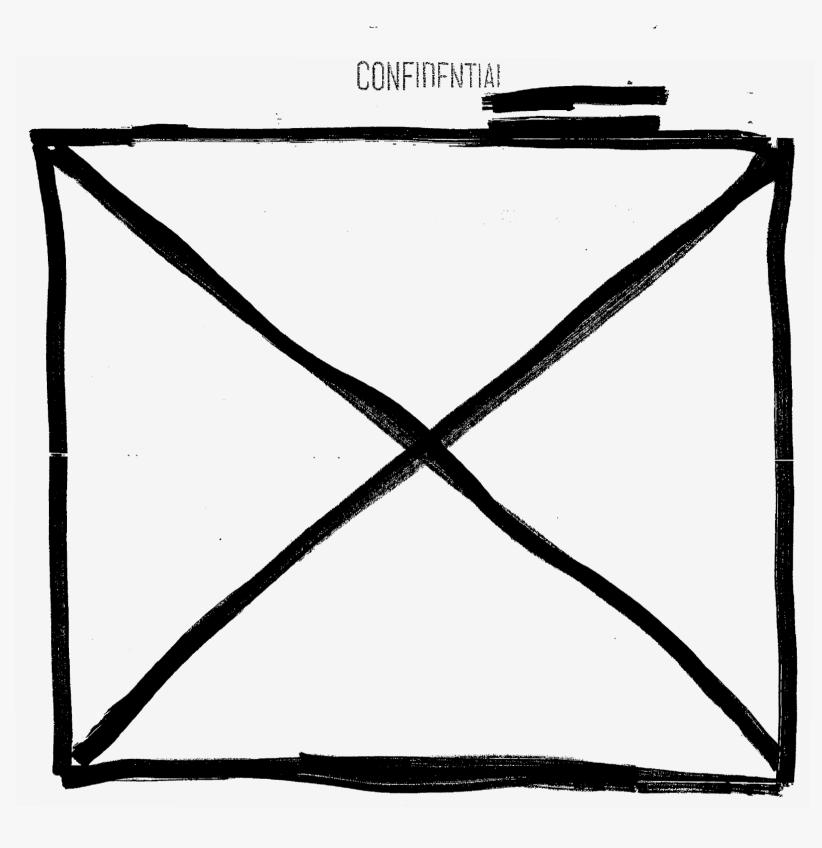


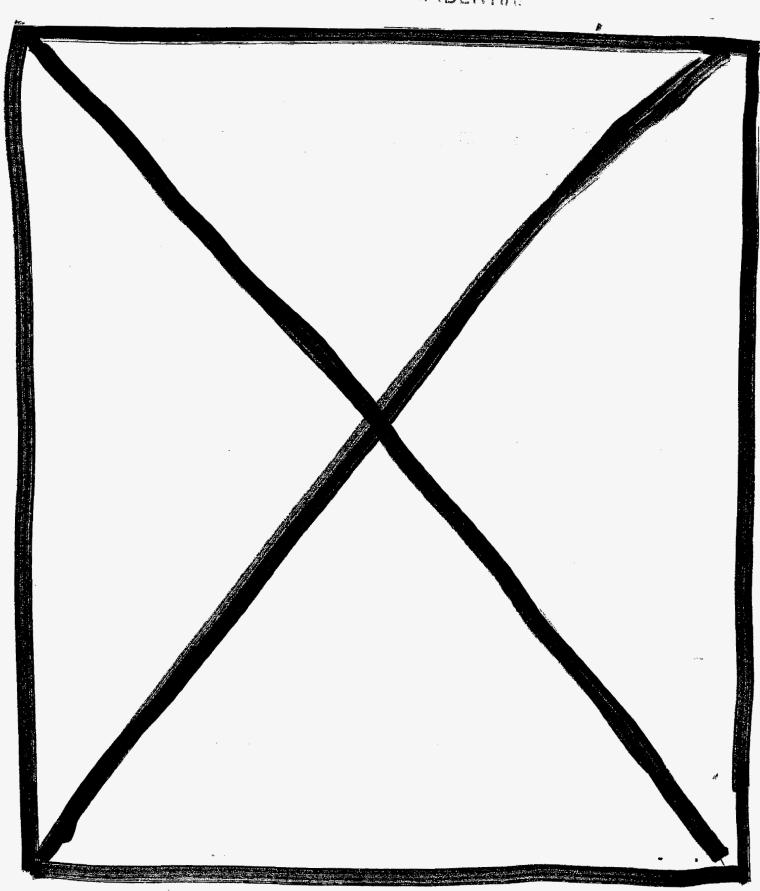


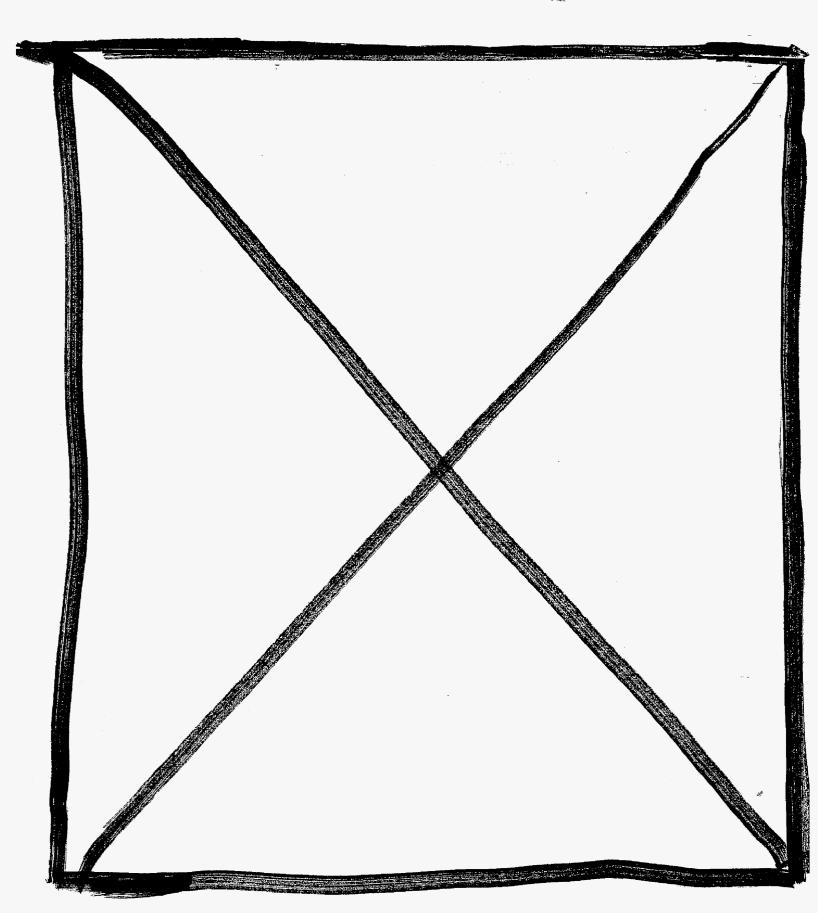


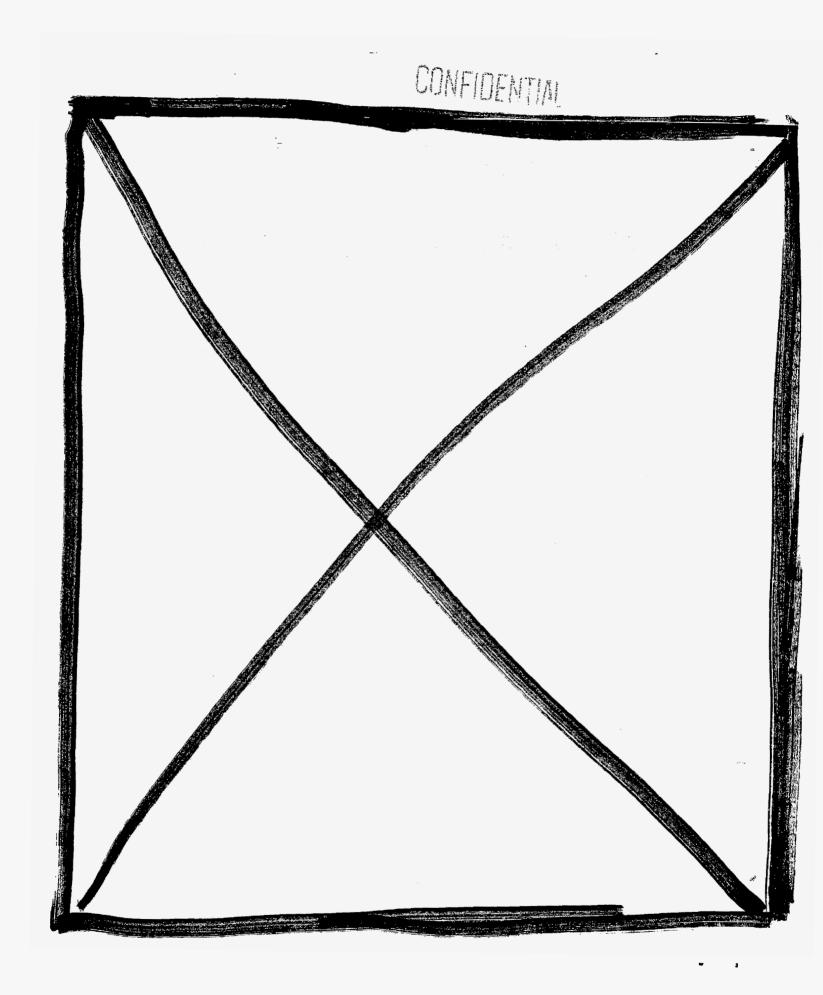


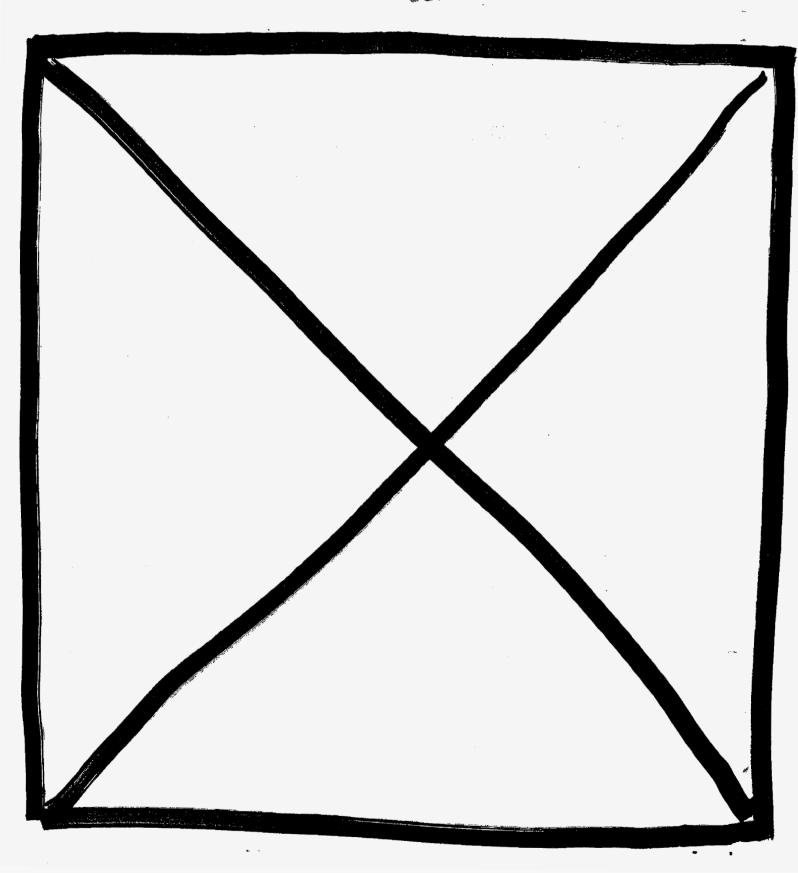












PEF 000321 DOCK. NO. 040817-EI

### Rhodes, Rick

From:

Sent:

Thursday, June 10, 2004 7:09 PM

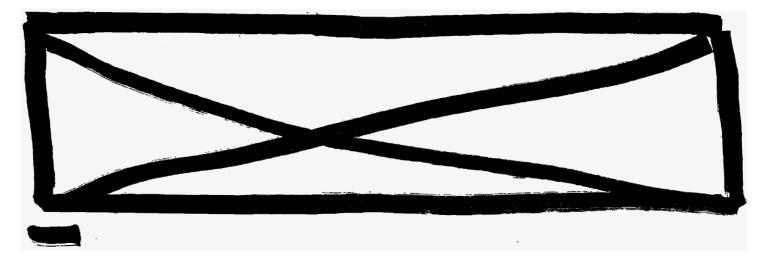
To:

Rhodes, Rick

Cc:

Subject:

Rick,



### Rhodes, Rick

From:

Sent: Wednesday, June 02, 2004 9:23 AM

To:

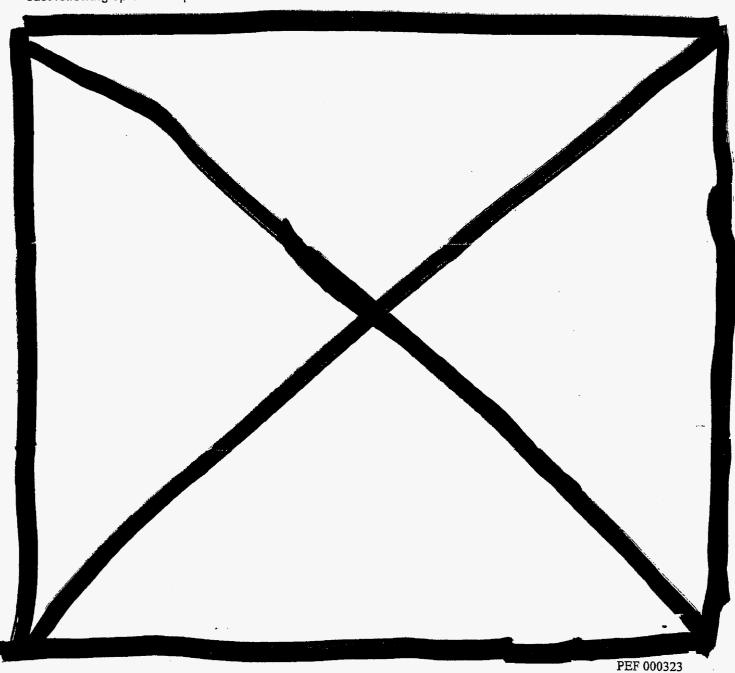
Rhodes, Rick

Cc:

Subject:

Rick,

Just following up on a couple of the items that we discussed.



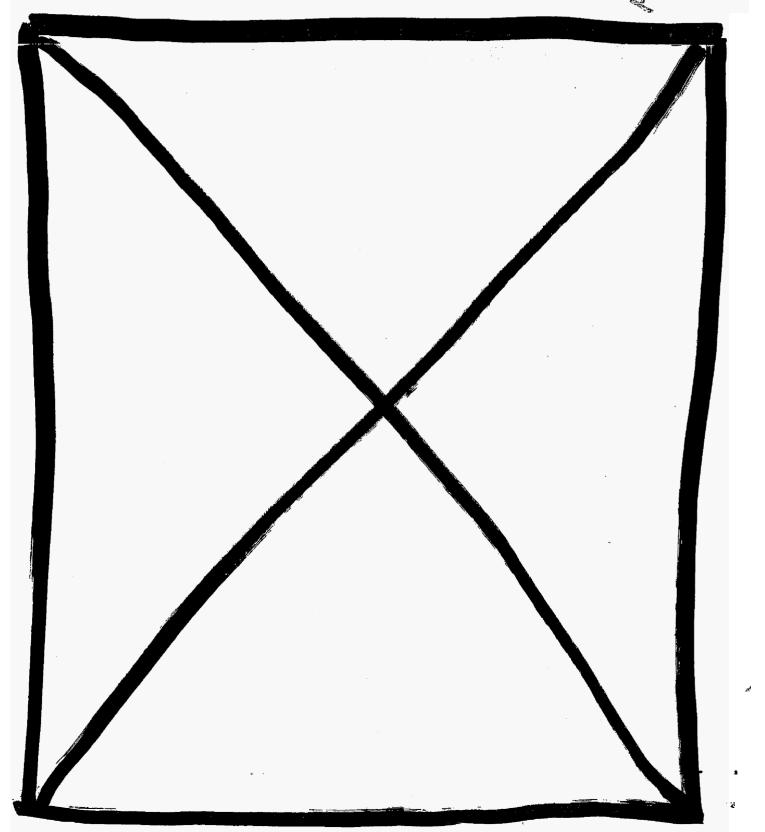
### Rhodes, Rick

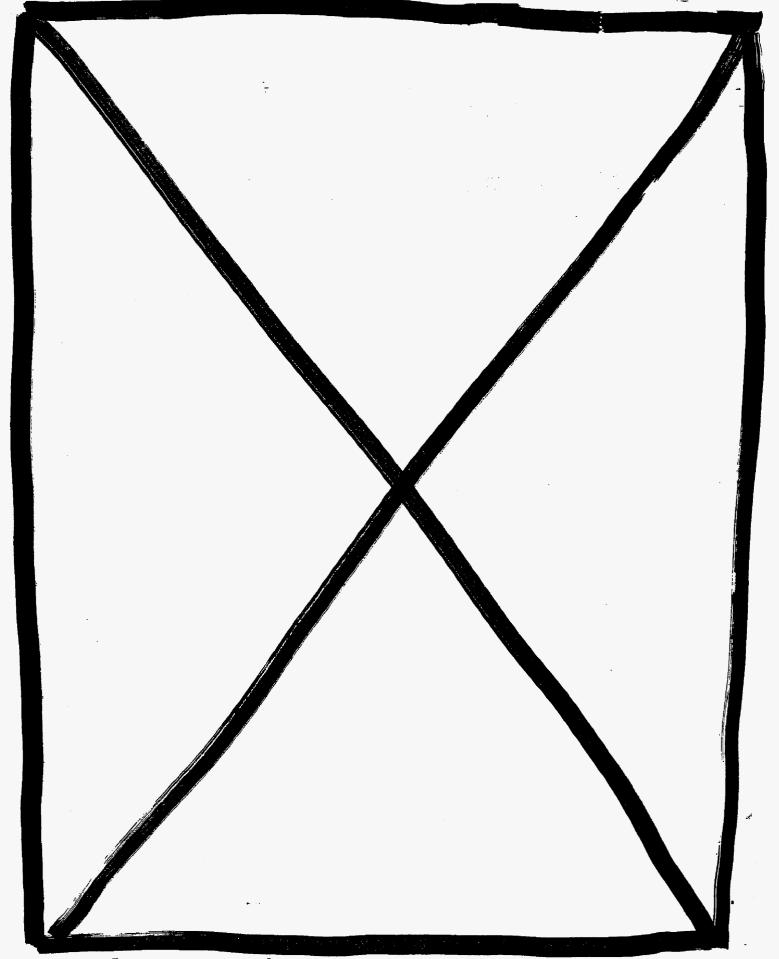
# CONFIDENTIAL

From: Sent: To:

Subject:

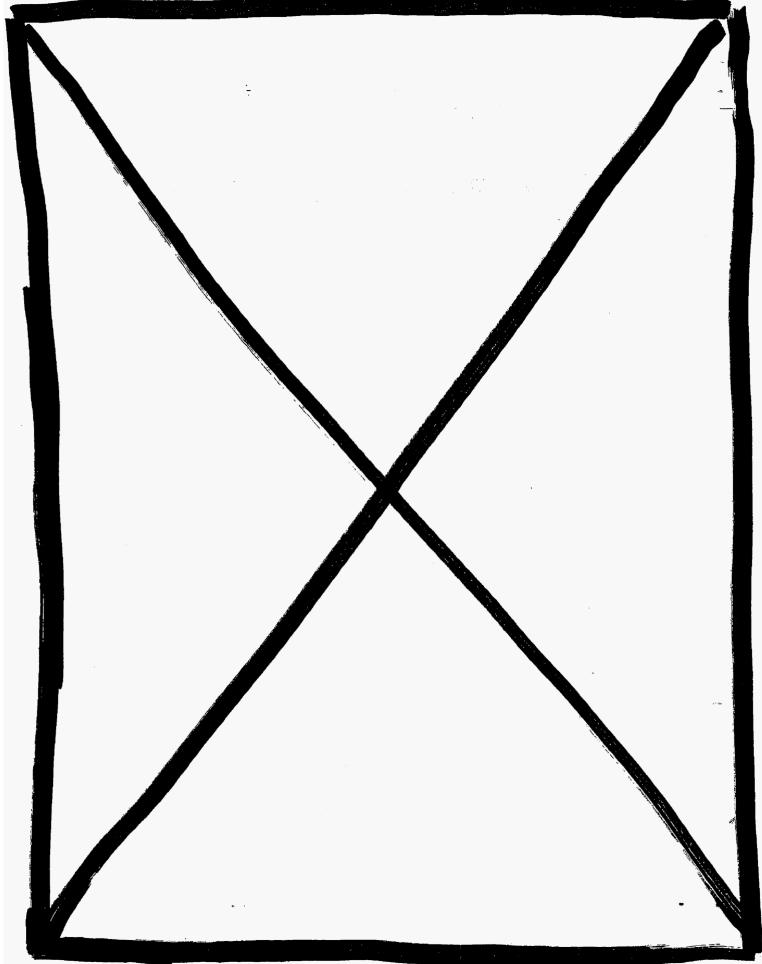
Tuesday, July 27, 2004 9:46 AM Rhodes, Rick; Murphy, Pam (CP&L)



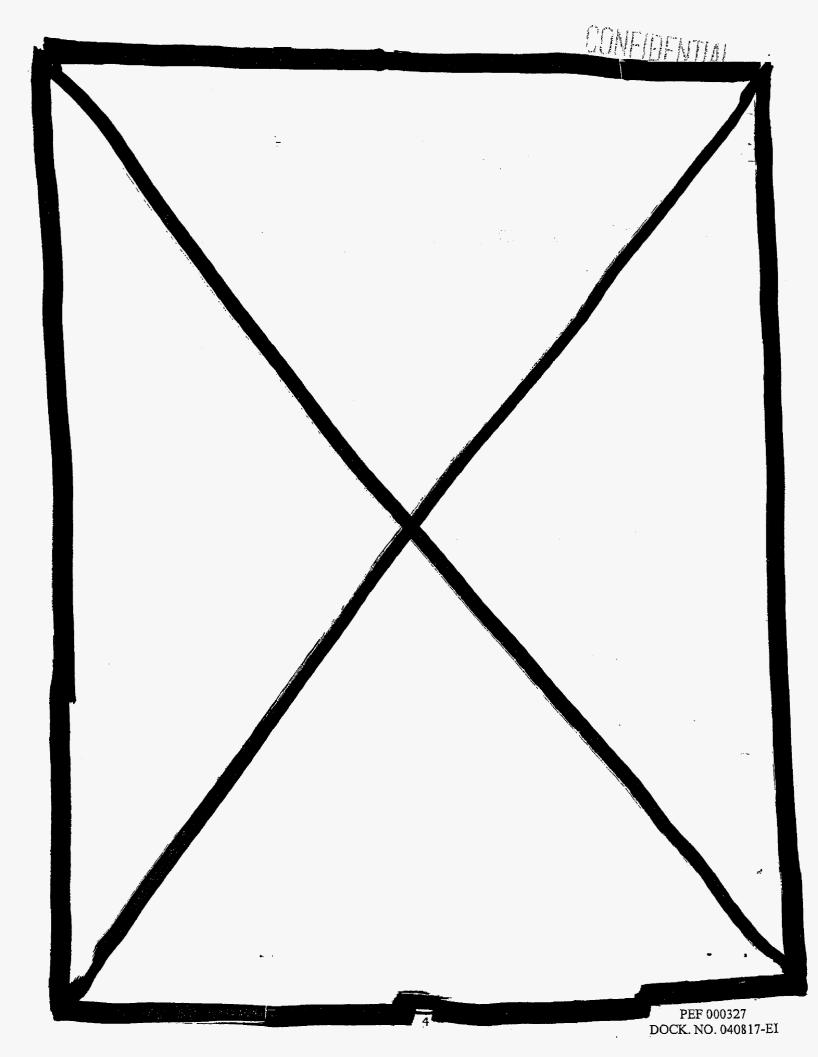


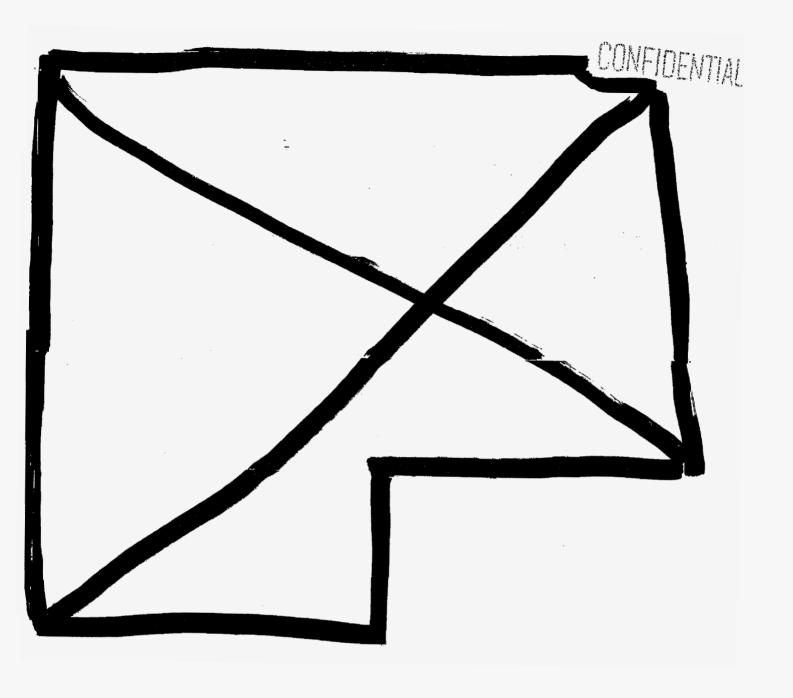
2

UNFIDENTIAL



3





#### Rhodes, Rick

From: Sent:

Friday, July 23, 2004 12:06 PM

To:

Rhodes, Rick

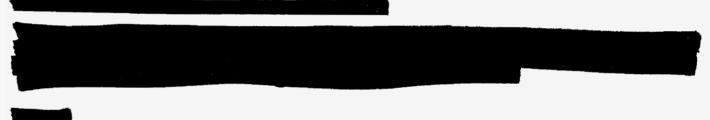
Cc:

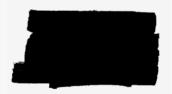
c: i

Subject: Re: Your Voice Mail about

Rick,

Got your voicemail. Left one back. If I said too much, too fast, call me and we can discuss further. Bottom line is that





### Rhodes, Rick

From: Thursday, June 03, 2004 12:25 PM

To: Rhodes, Rick

Cc: Triodes, Rick

Rick,

Subject:

Just wanted to pass on that

### Rhodes, Rick

From:

Sent: To:

Cc: Subject: Tuesday, May 11, 2004 2:58 PM Rhodes, Rick

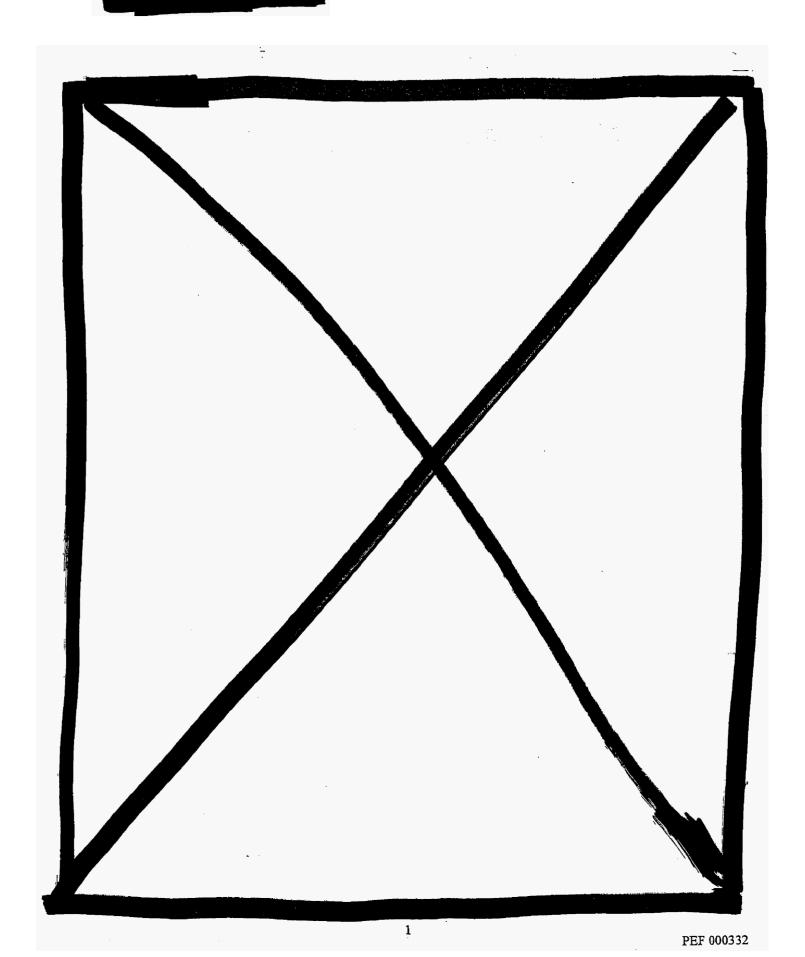
Untitled Attachment

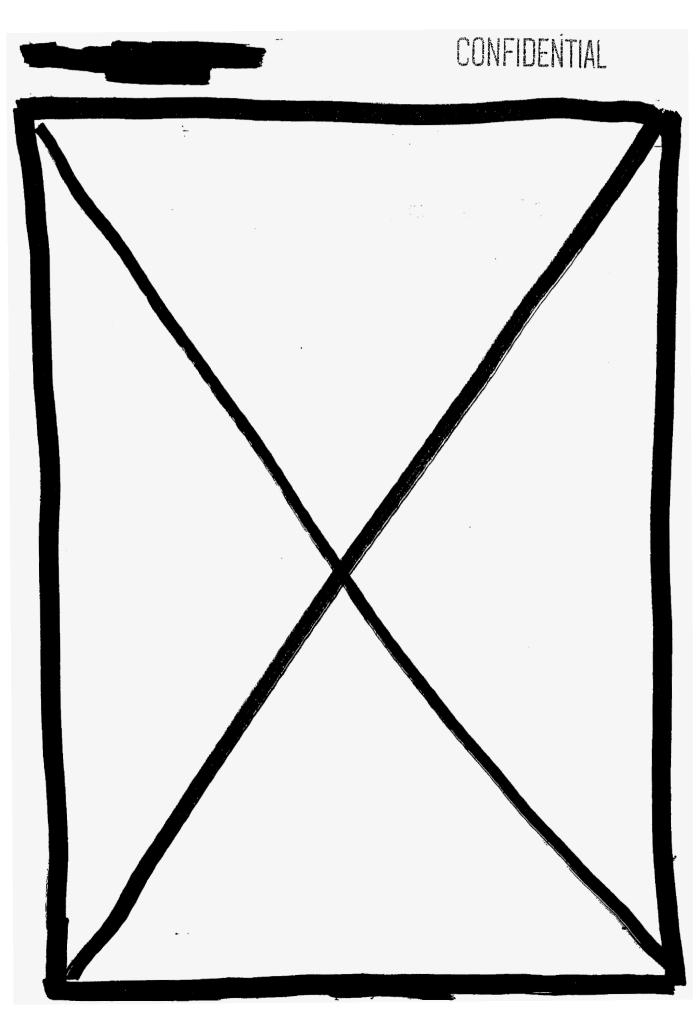


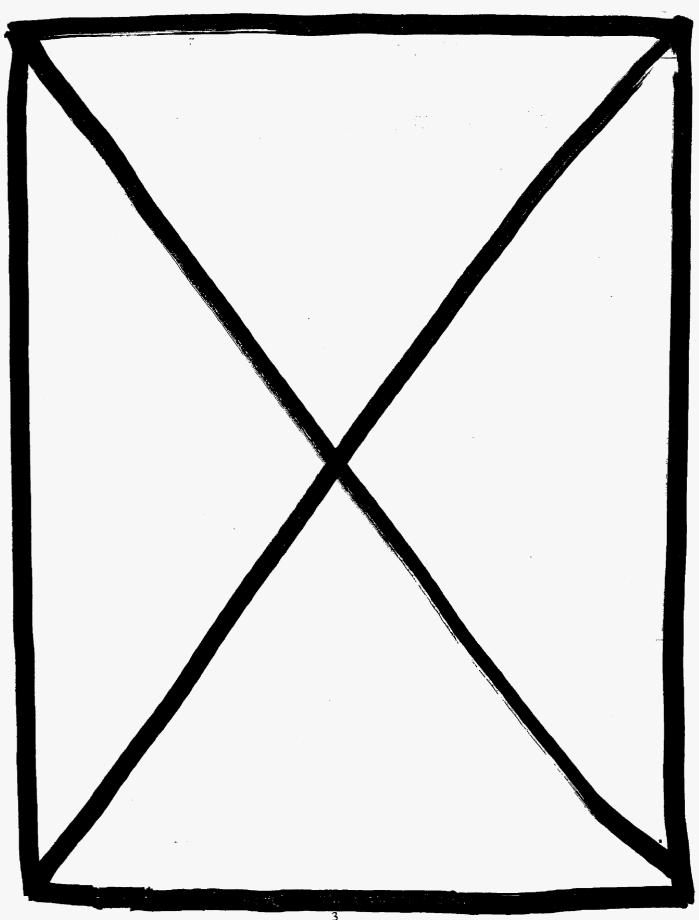


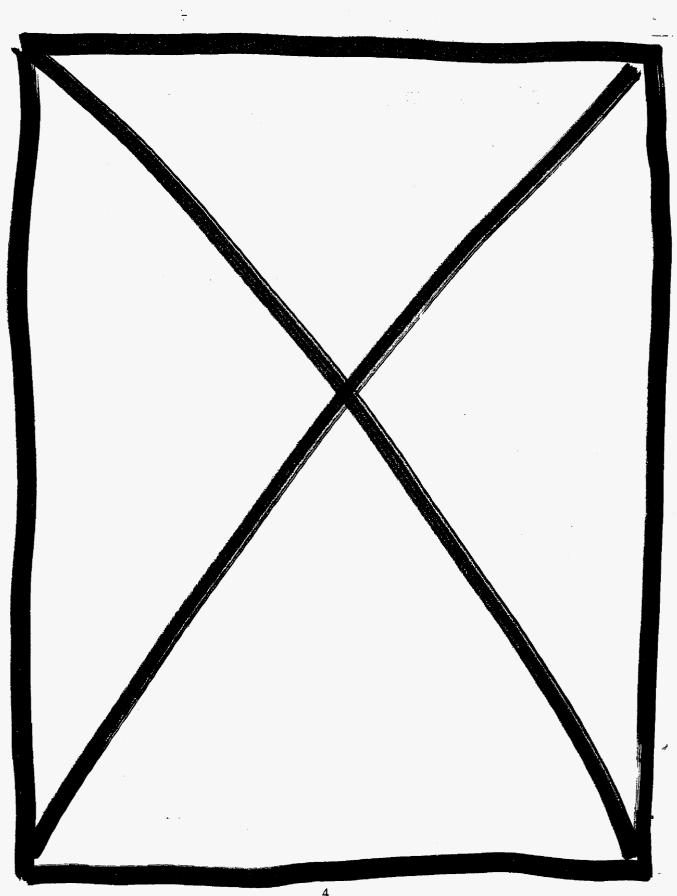


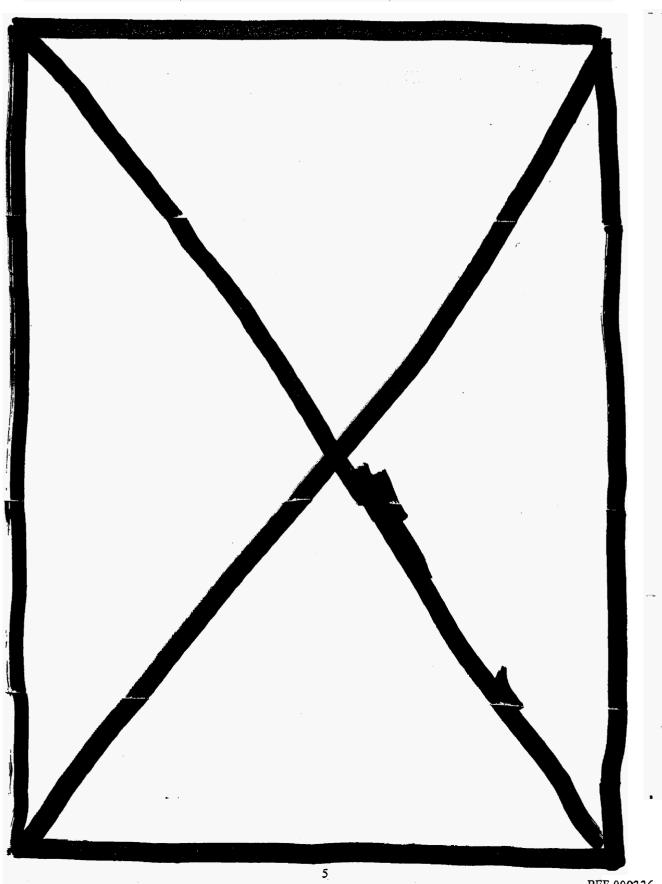
S. S.

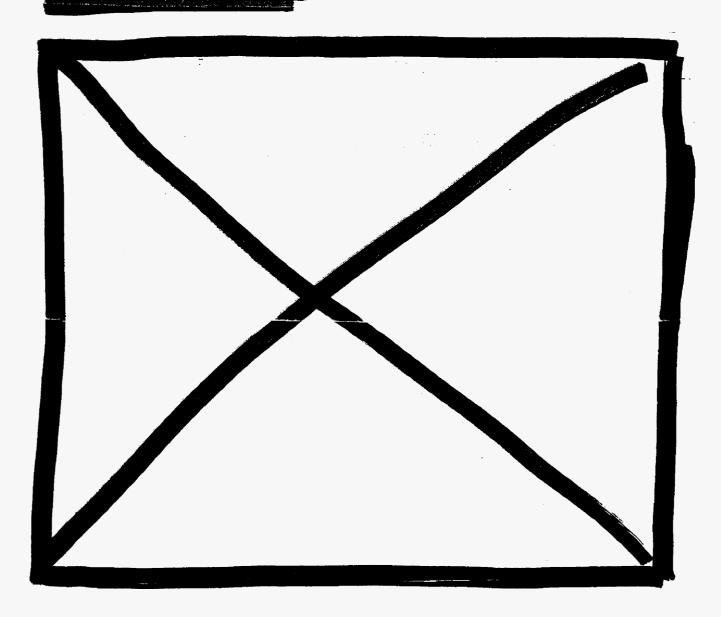












#### Rhodes, Rick

Rick,

Please find attached three items about our gas business

Separately, we are sending the NAESB gas sales agreement. This package will consist of a clean version, a version blacklined to show changes from the form version sent to you some months ago, and copy of your NAESB Special Provisions with notes describing where each provision was added.

As more questions develop, or requests for information are necessary, please the know. We are very much looking forward to seeing you and your team on Thursday.

Thanks.



#### Rhodes, Rick

From:

Sent: Friday, May 28, 2004 5:12 PM

To:

Rhodes, Rick

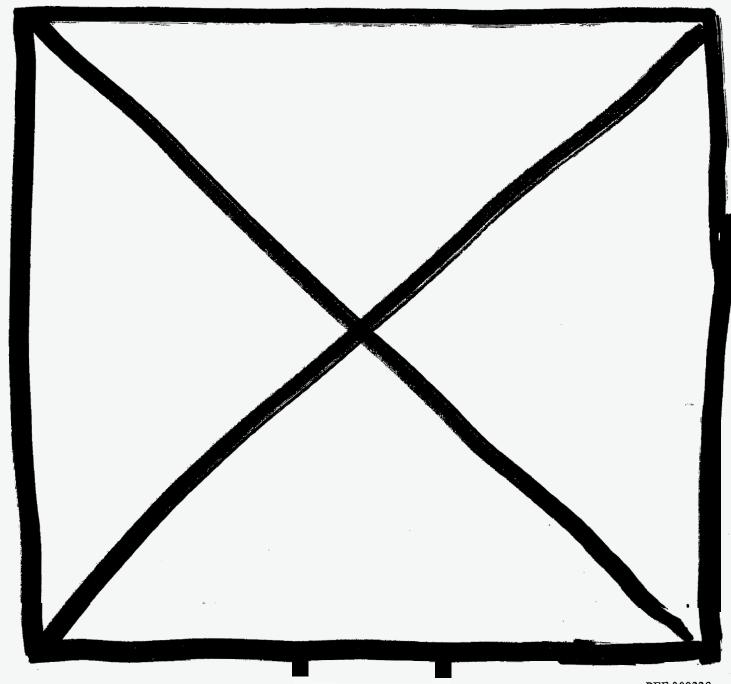
Cc:

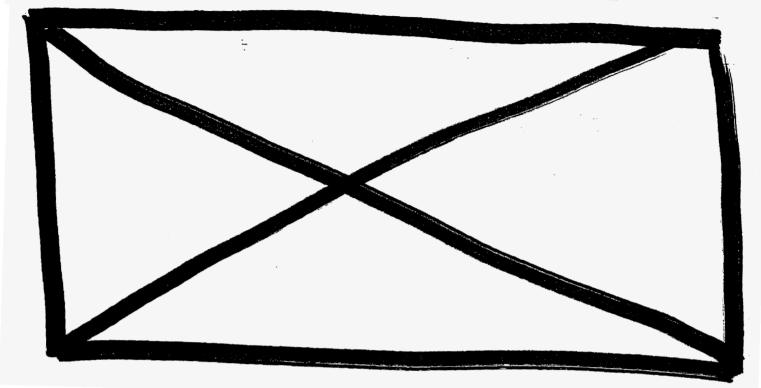
Subject: Final Questions Regarding Proposal



Rick,

Just a short note to follow up on a couple of issues that we have been discussing.





## PUNFIDENTIAL

#### Rhodes, Rick

From: Sent:

Friday, May 28, 2004 2:48 PM

To:

Rhodes, Rick

Cc: Subject:

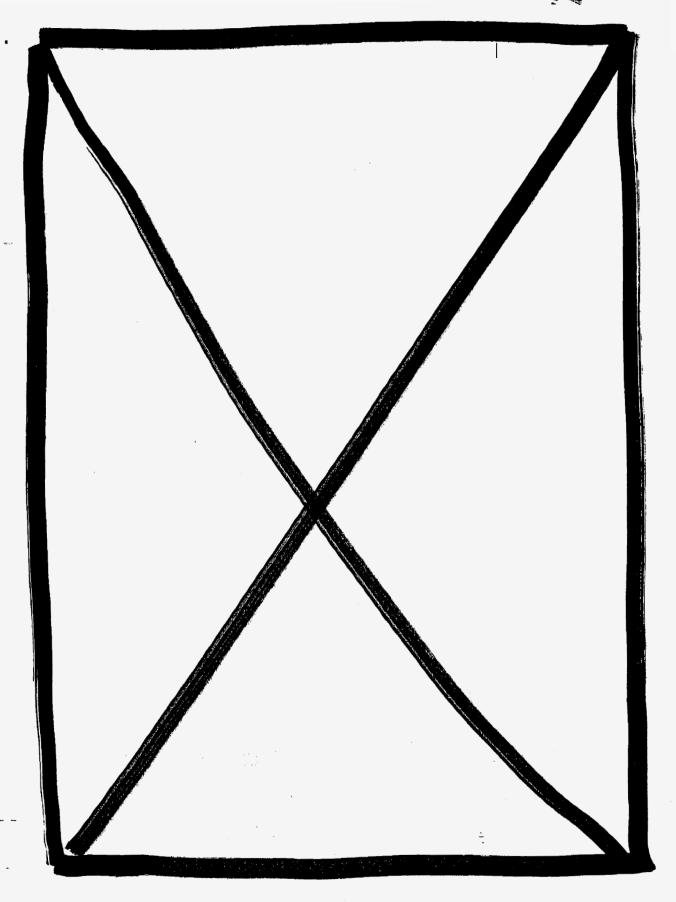
. .

Rick,

Attached is the that we discussed. I converted it to a PowerPoint format, so that you can easily reuse it in your presentations. When we talk again, I have a couple of pieces of good information for you.







#### Rhodes, Rick

From:

Friday, July 02, 2004 4:10 PM

Sent: To:

Rhodes, Rick

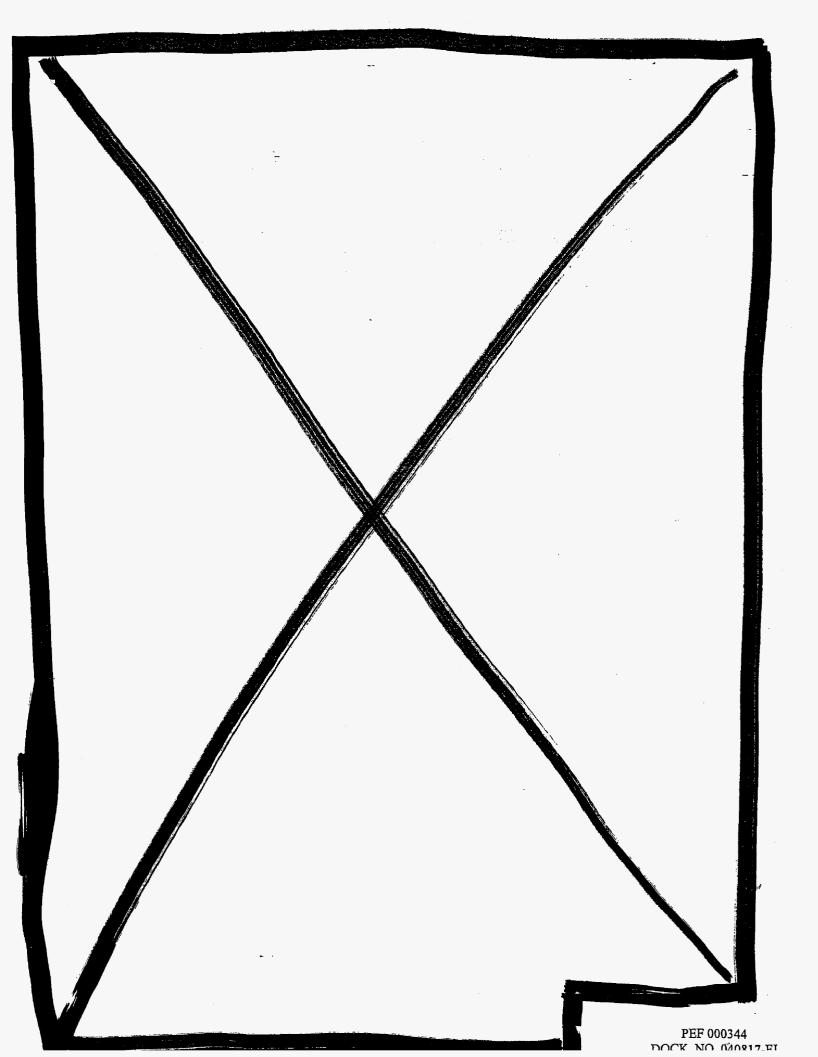
Subject: financial information

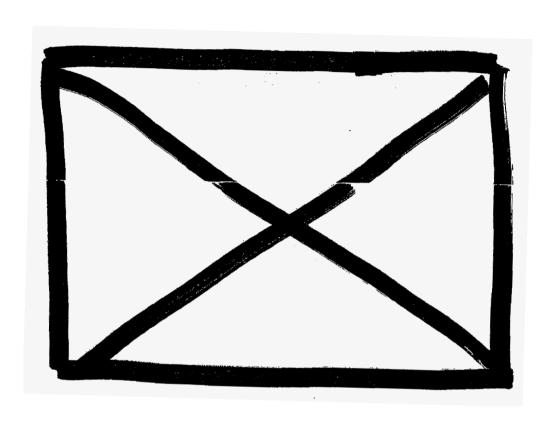
Rick,

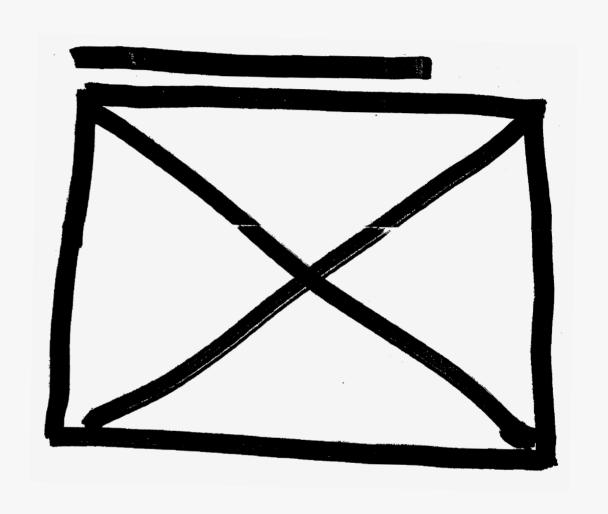
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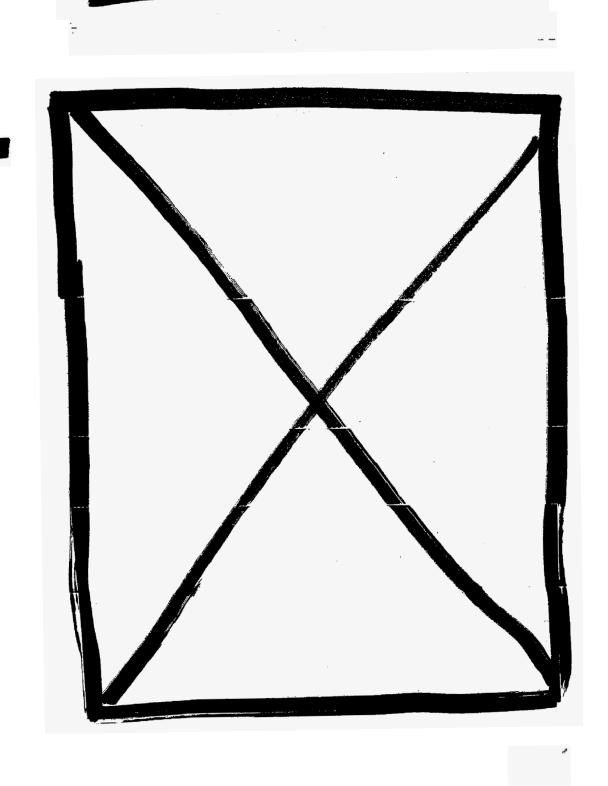


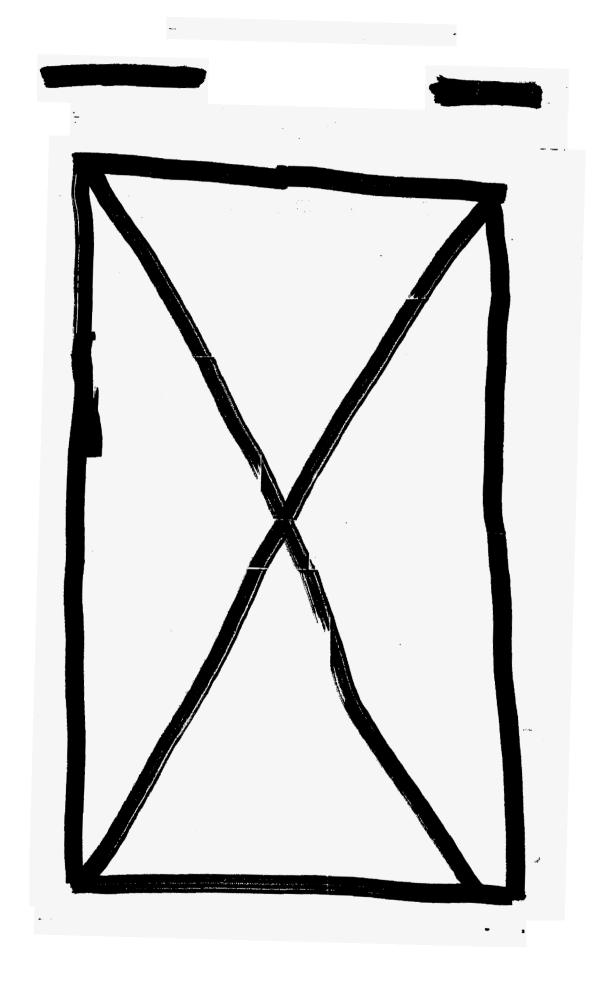


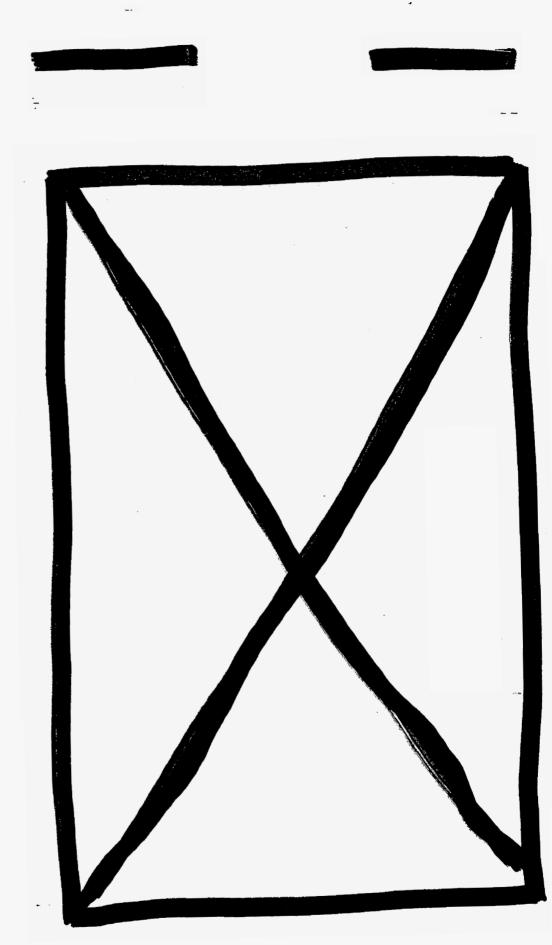




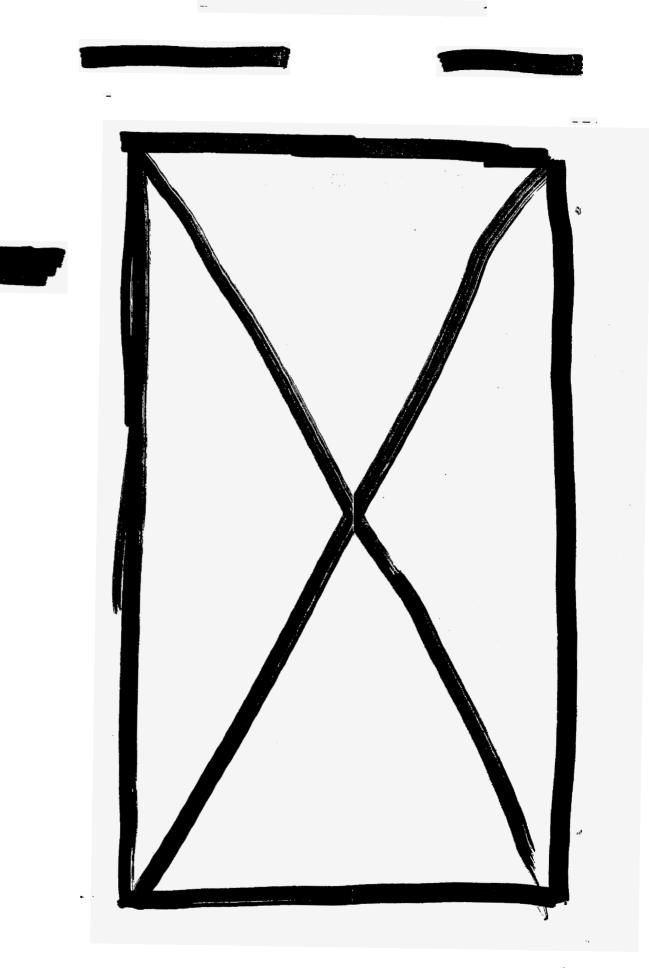


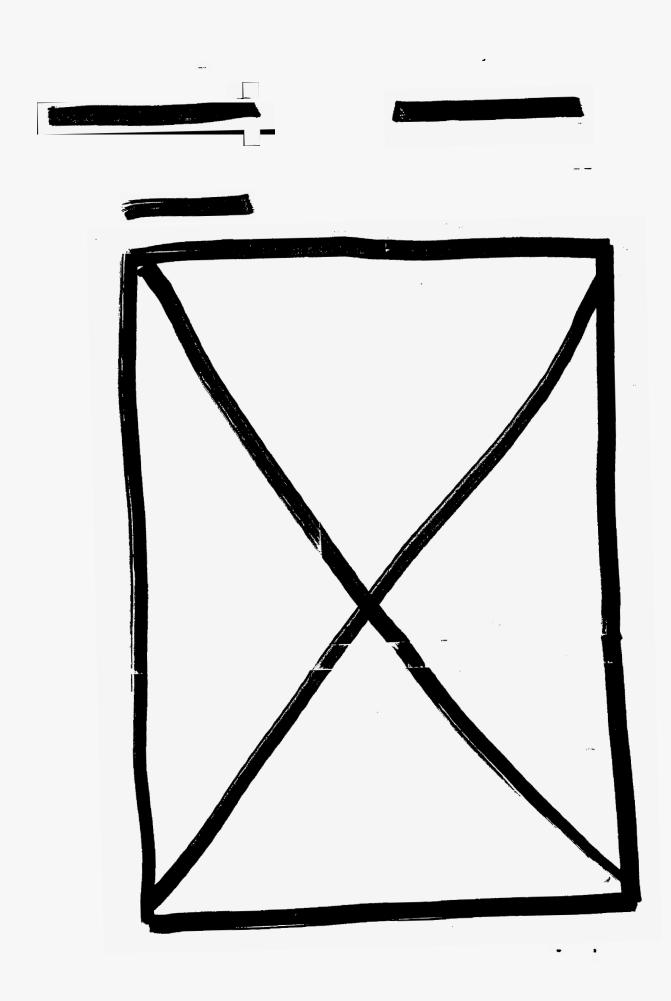


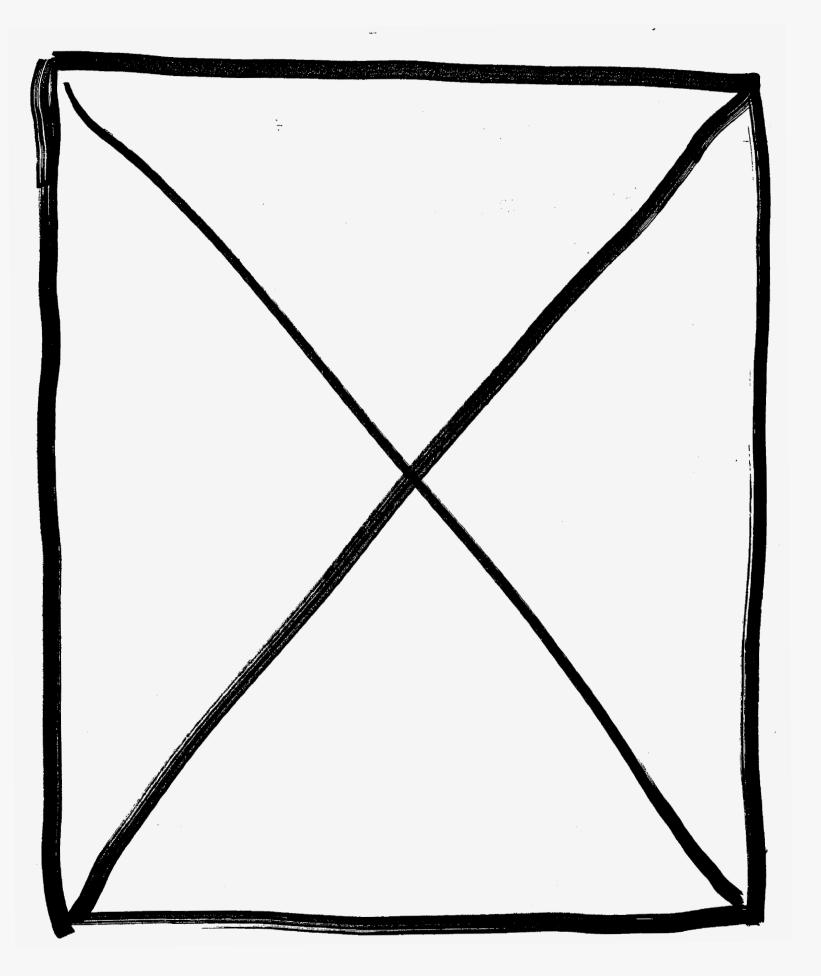


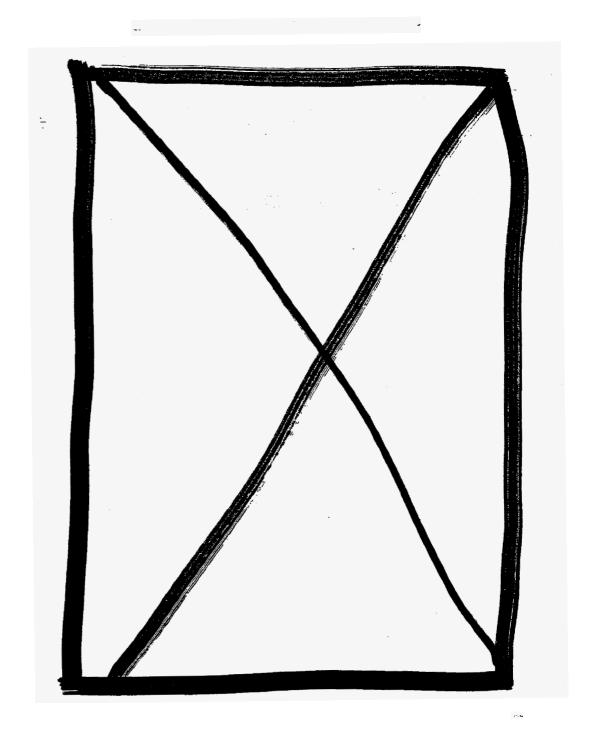


PEF 000349 DOCK. NO. 040817-EI

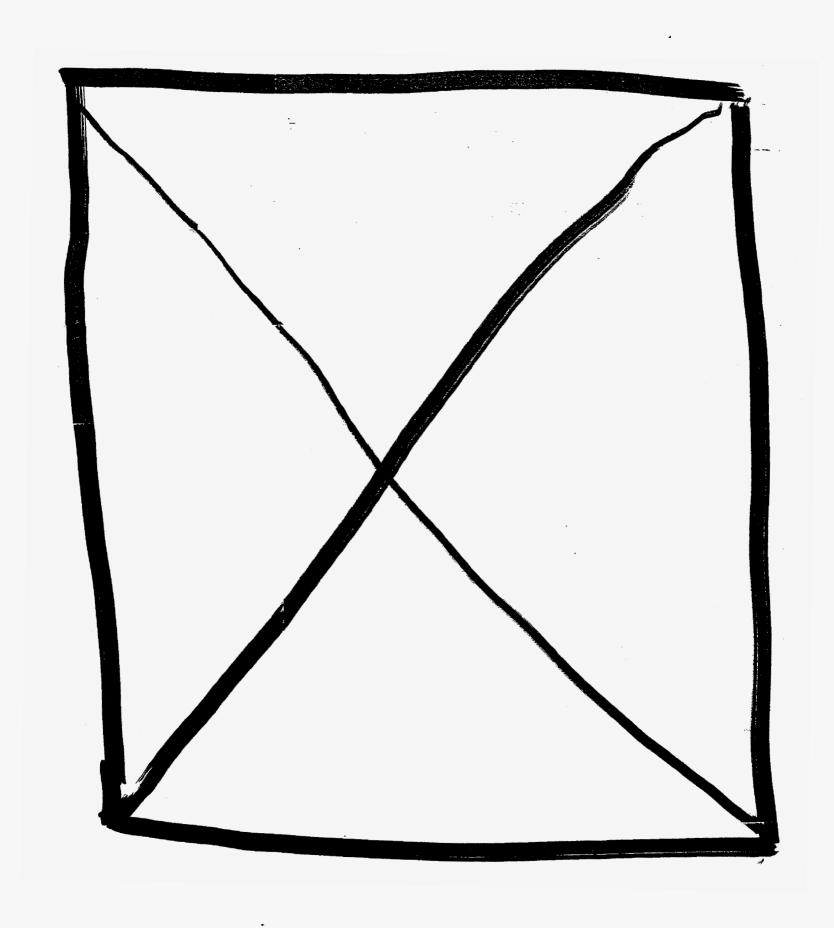


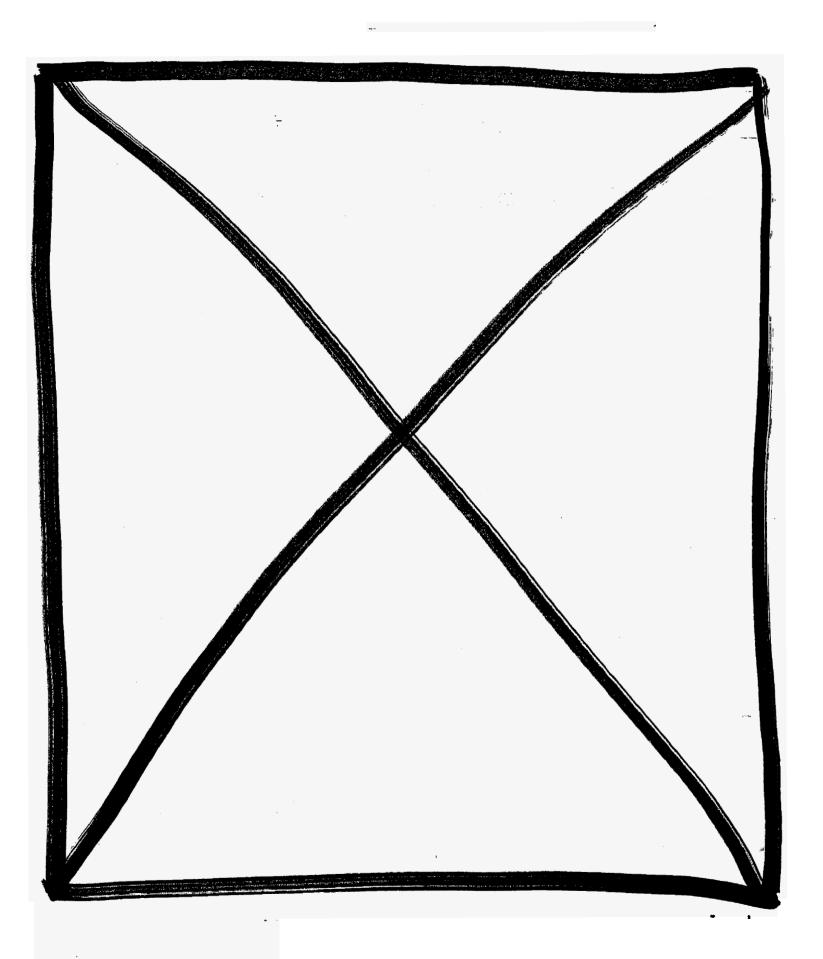


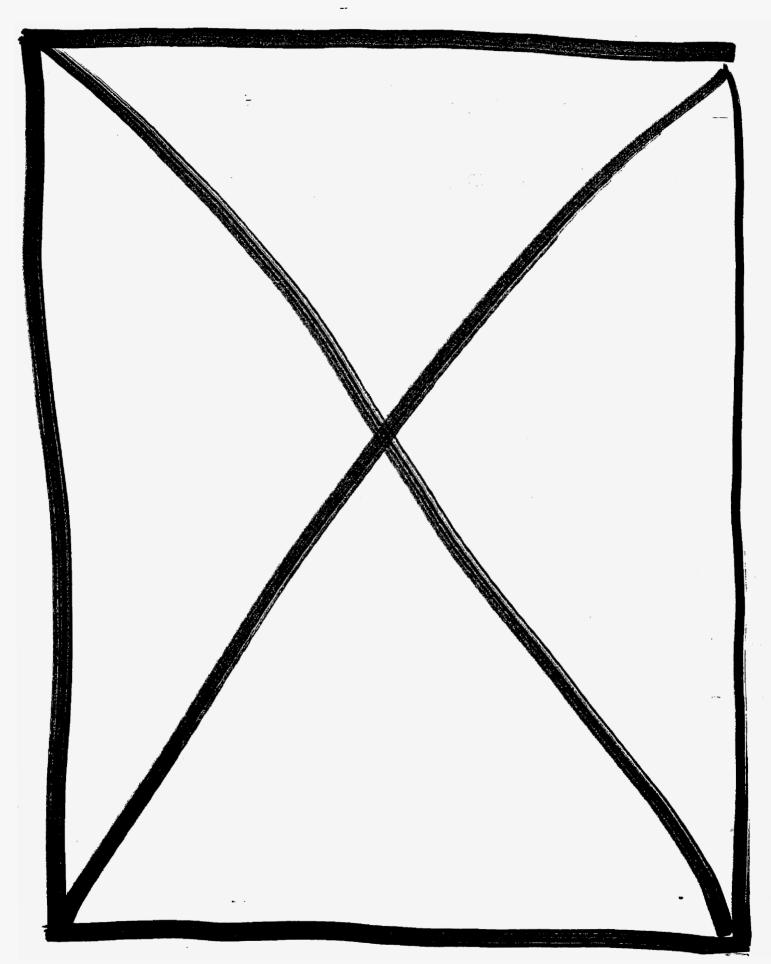


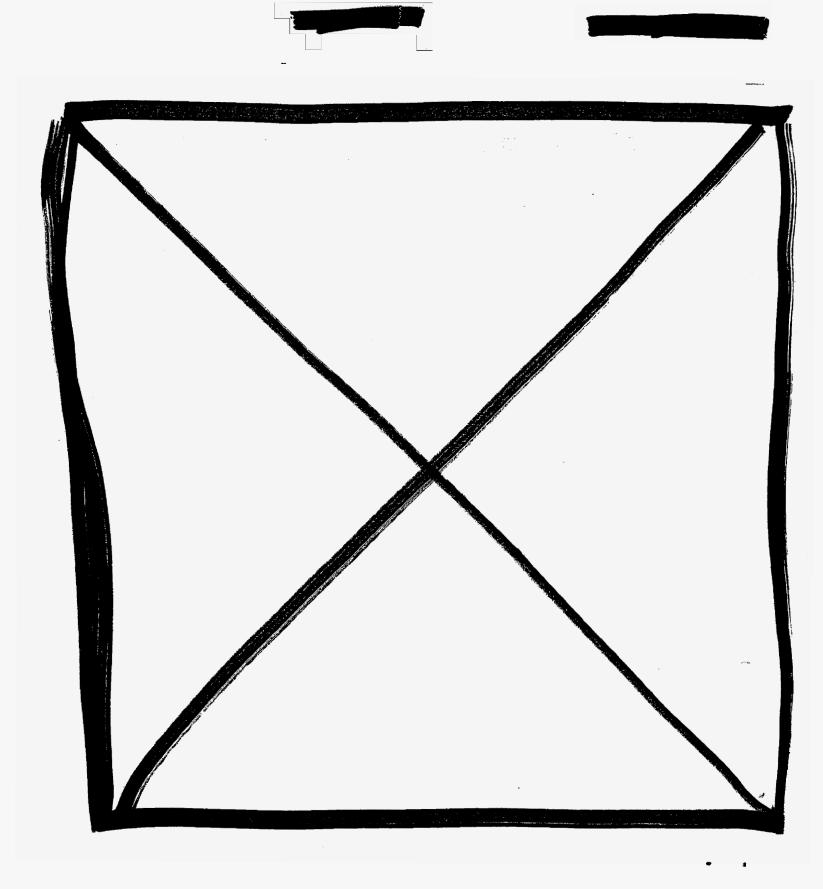


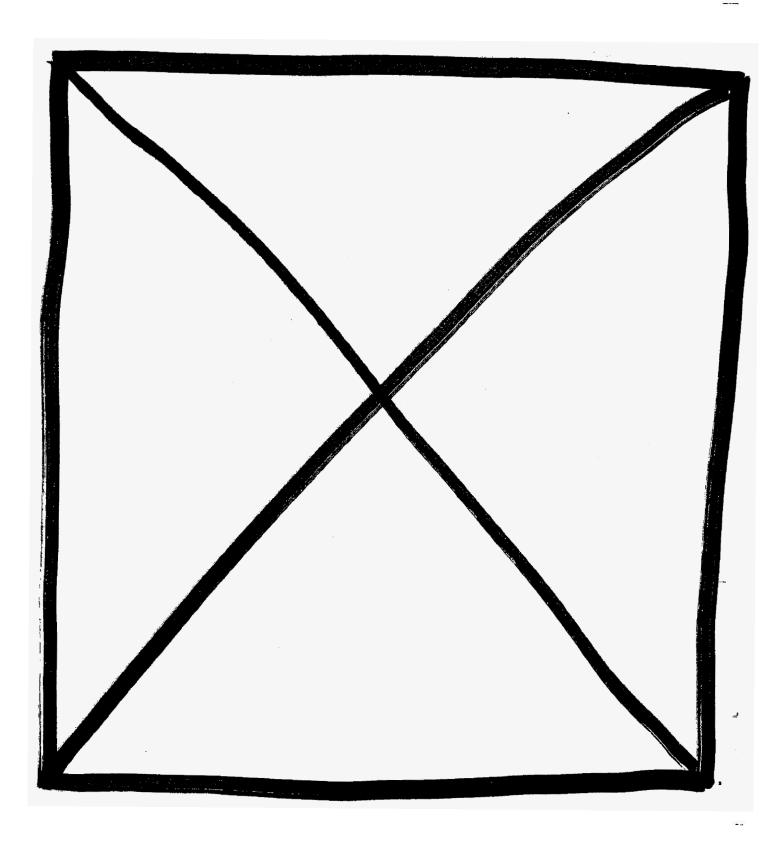
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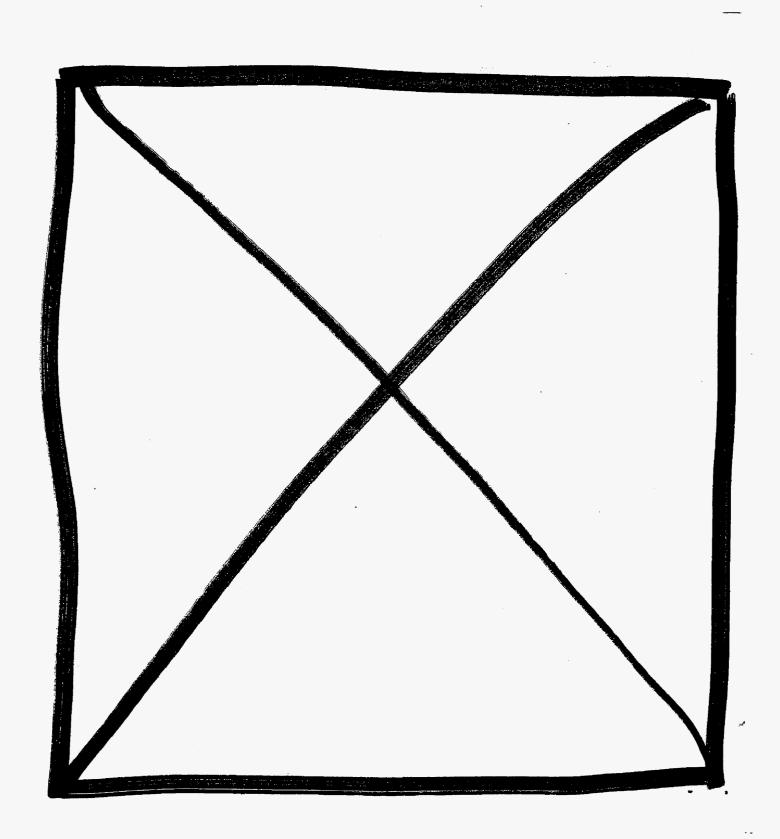


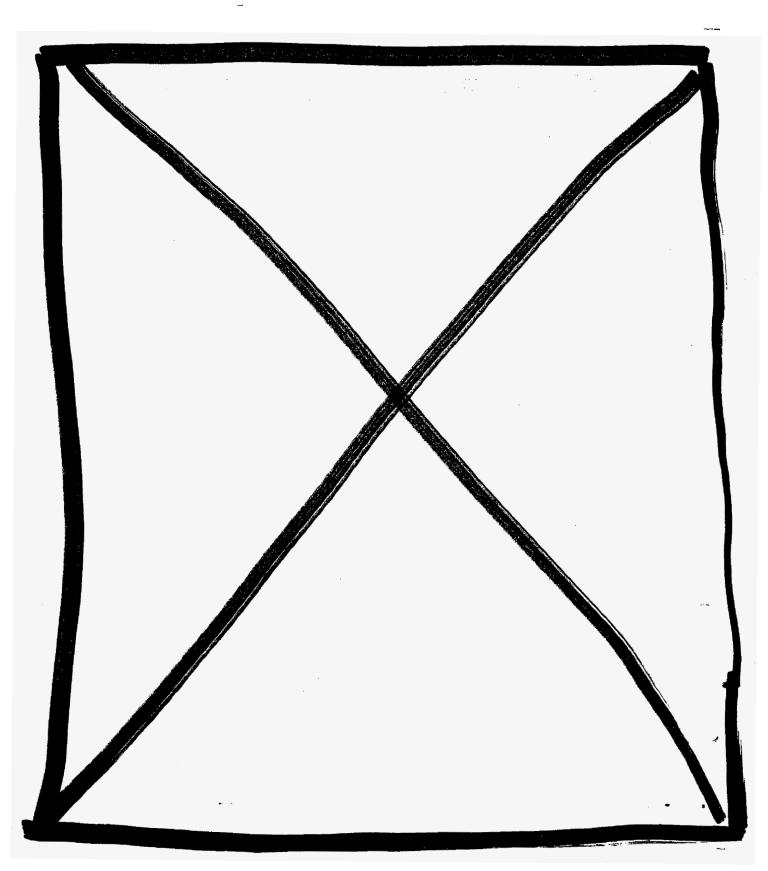


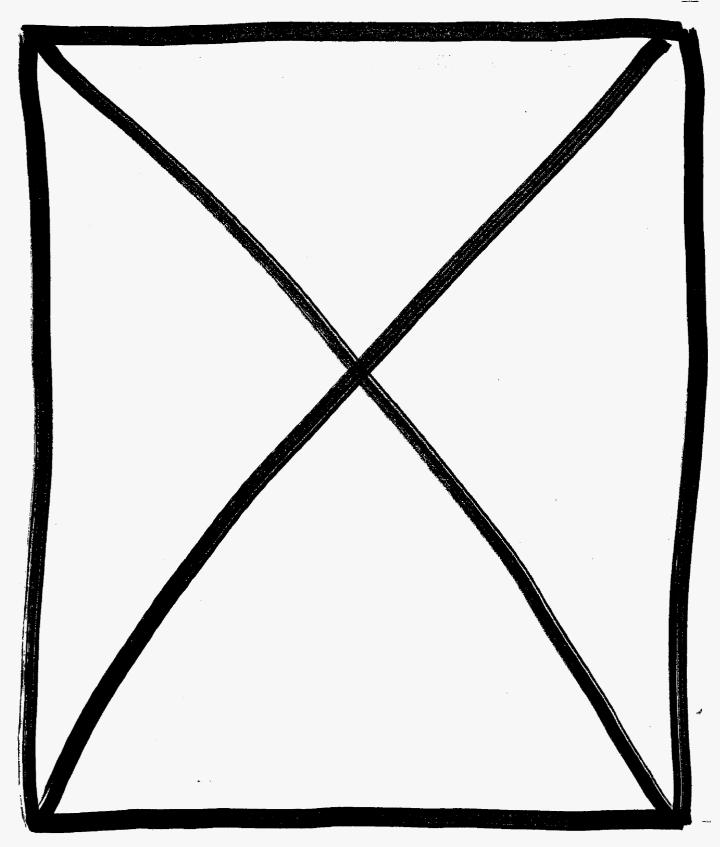


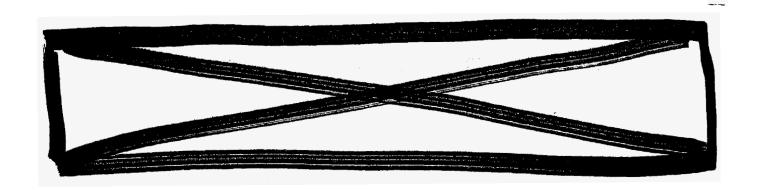


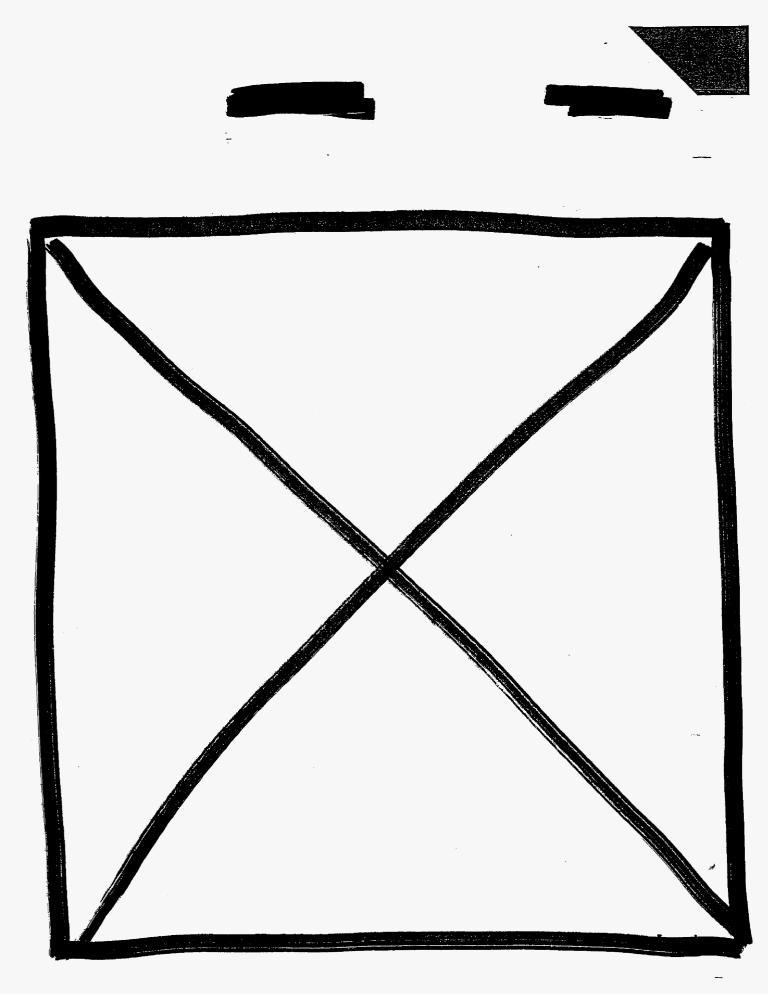












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		Billed		Price	Charges
		Invoice Total for 29171:			
APPROVED BY: Wilson, Jimmy		Invoice Total for 09339:			
PAID BY:					
SIGNATURE:					

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## Rhodes, Rick

From:

Sent: Friday, June 11, 2004 6:40 PM

To: Rhodes, Rick

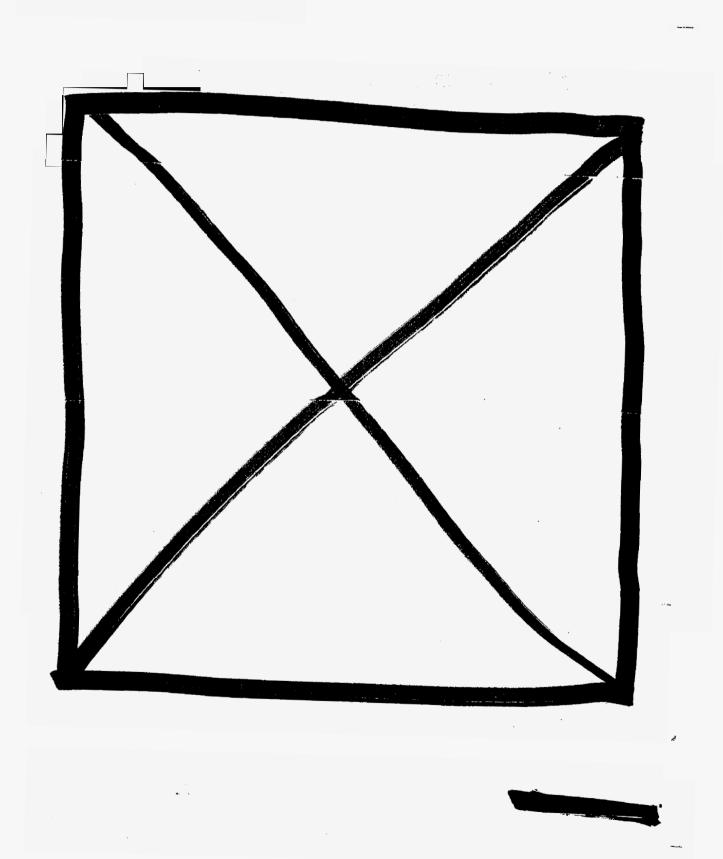
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Subject: Financial Information Requested

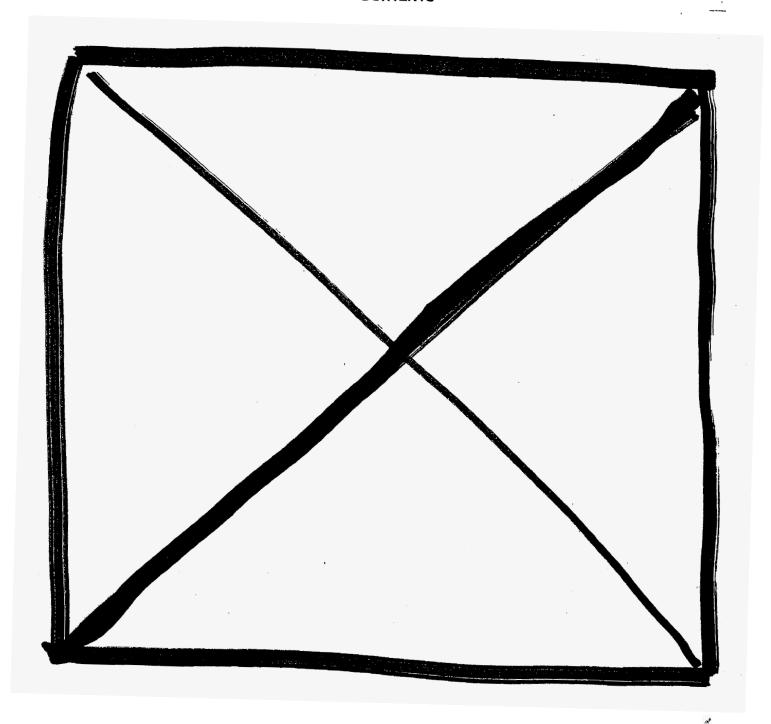
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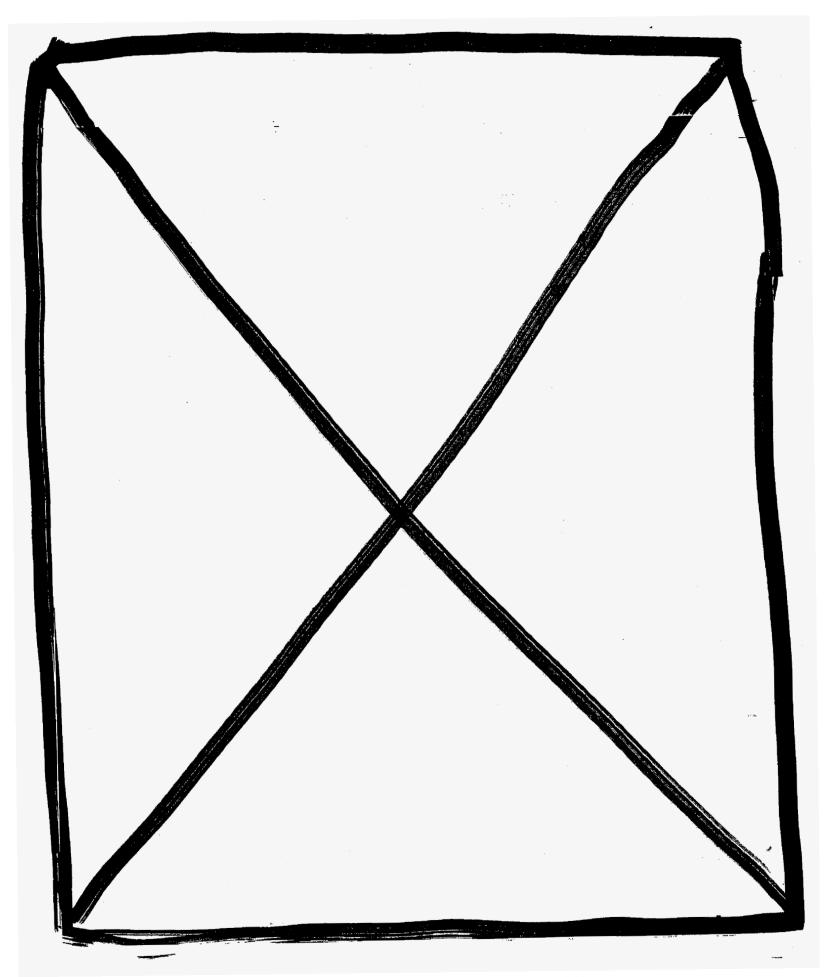


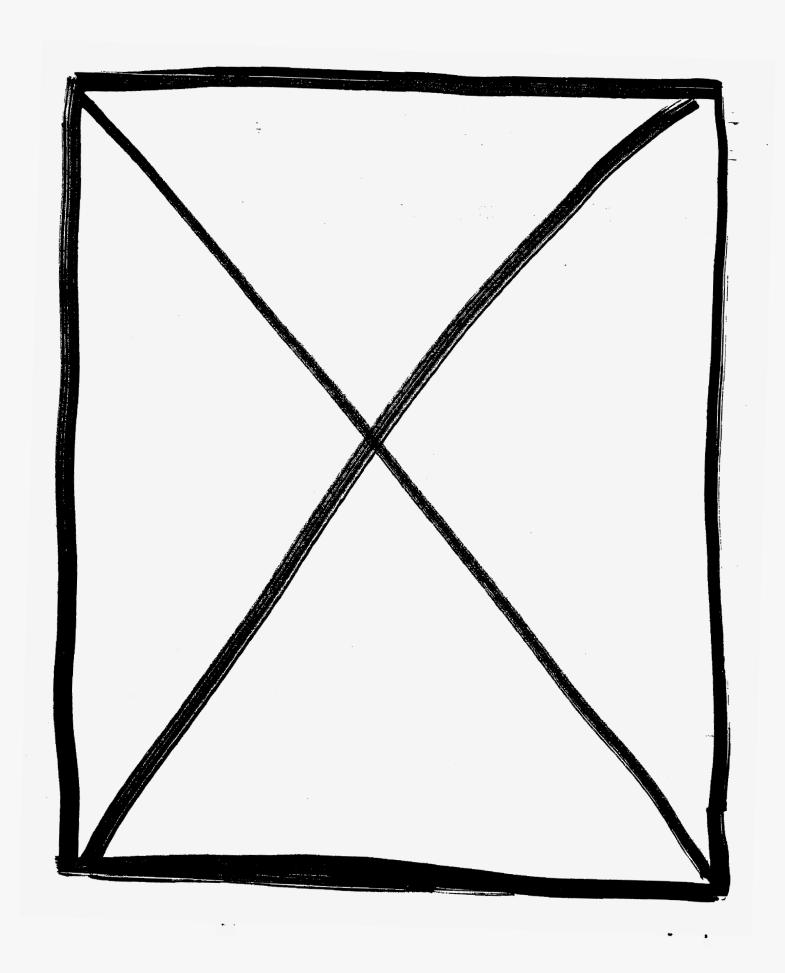


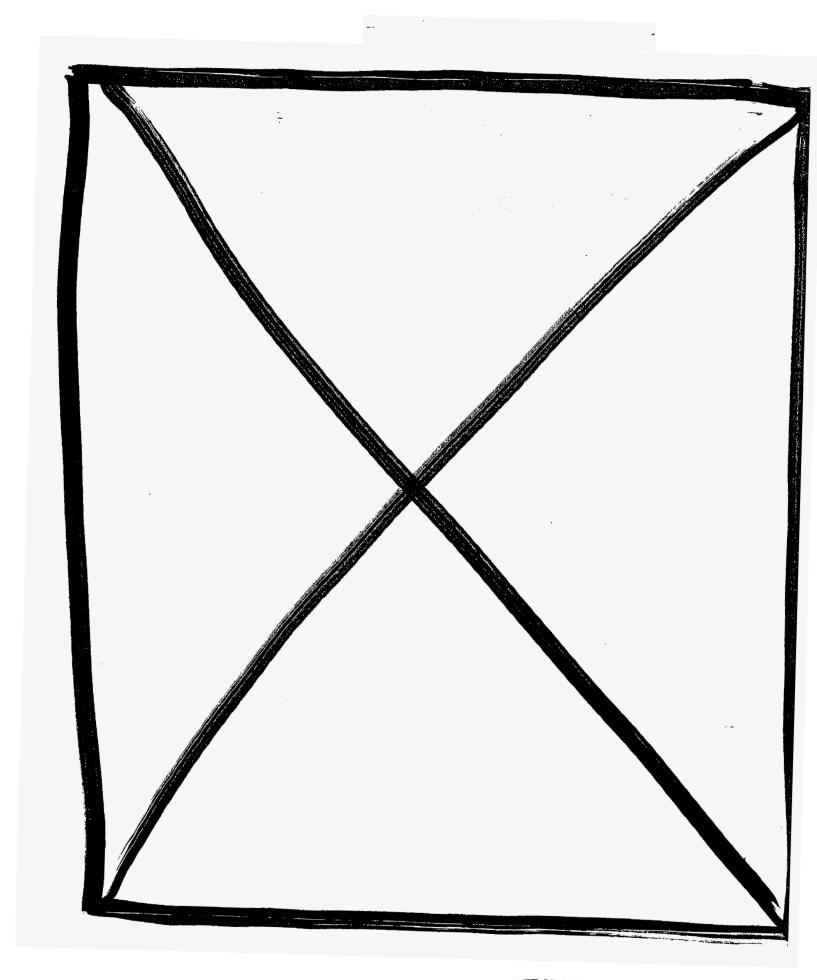


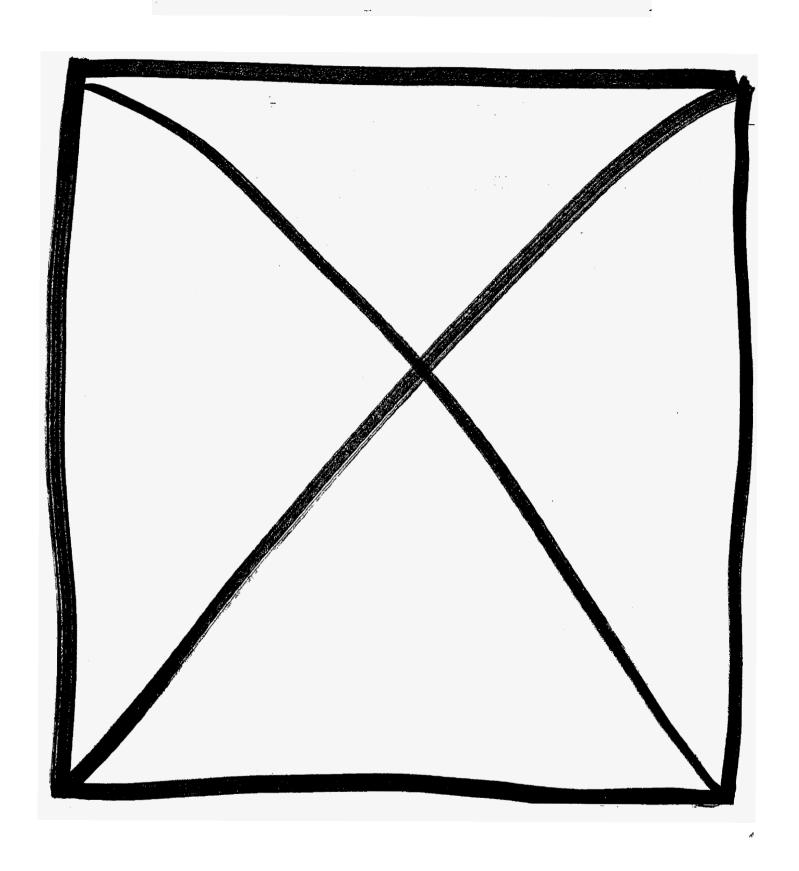
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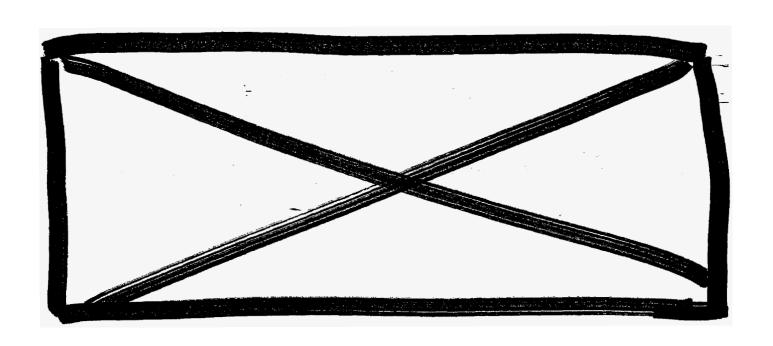


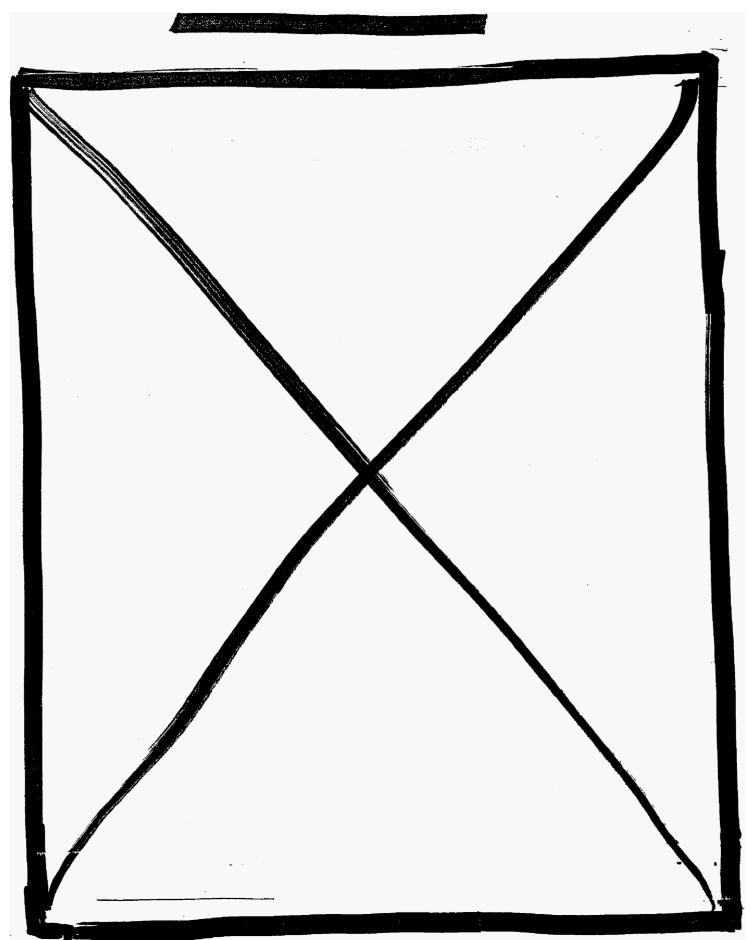


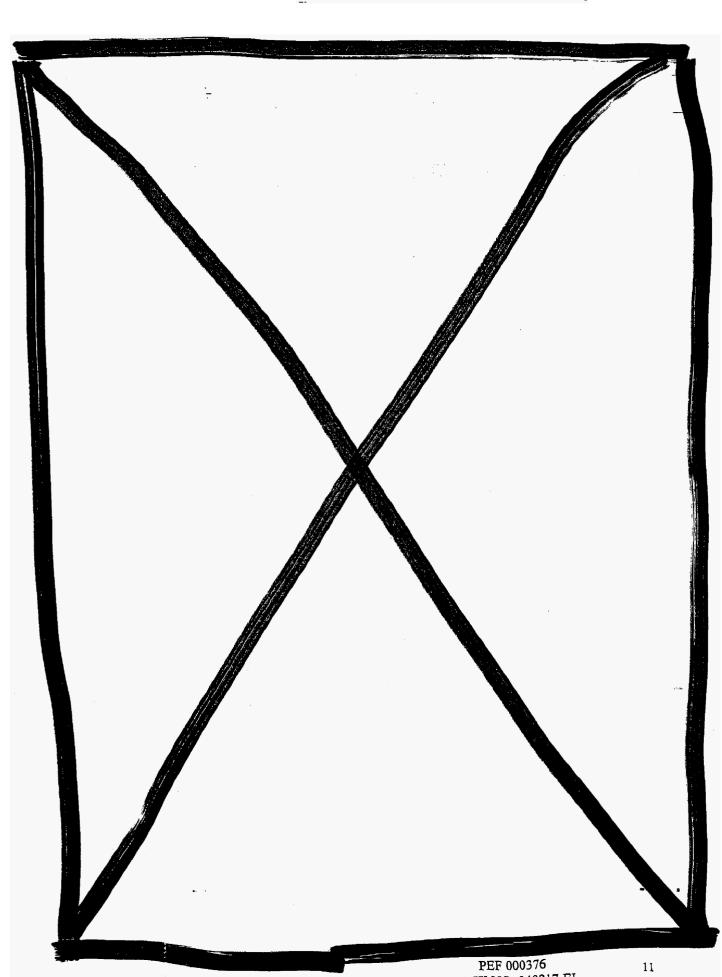


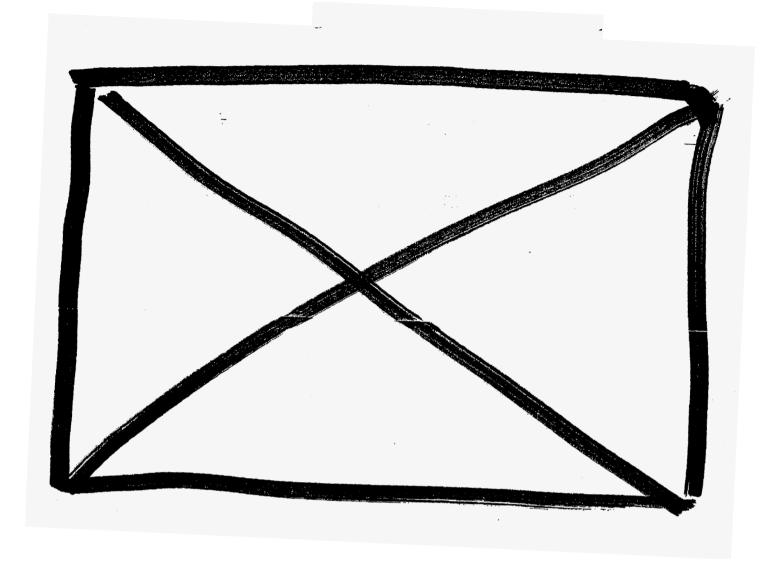


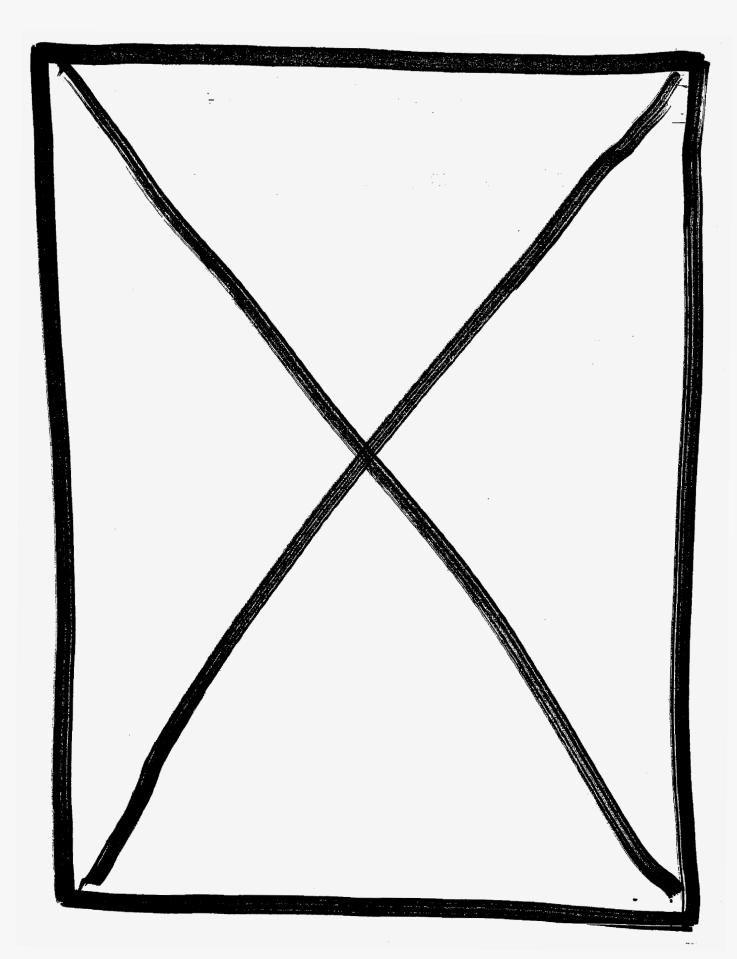


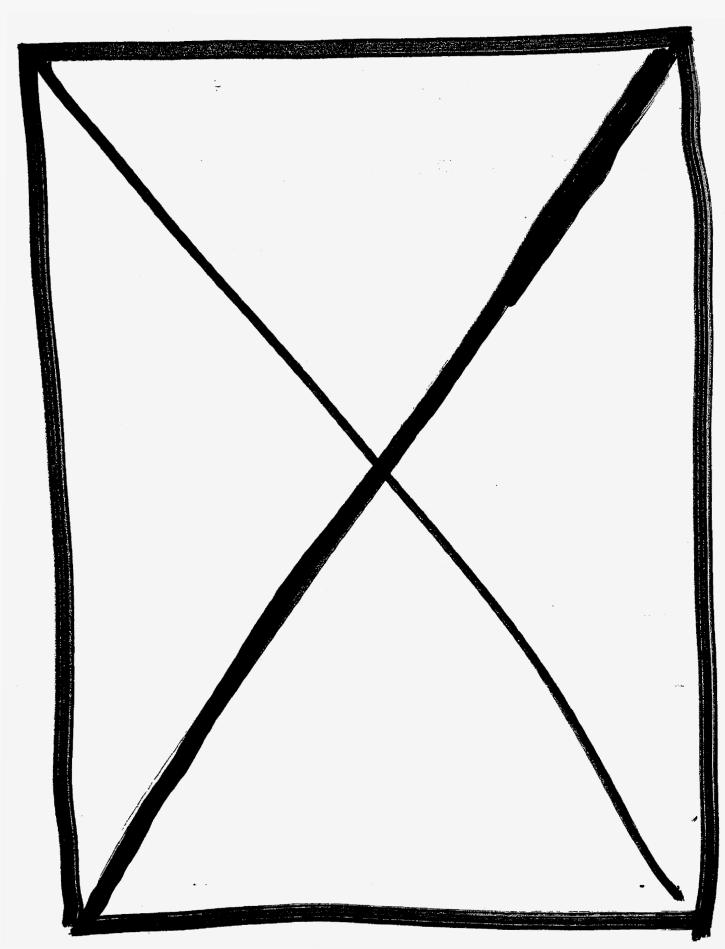




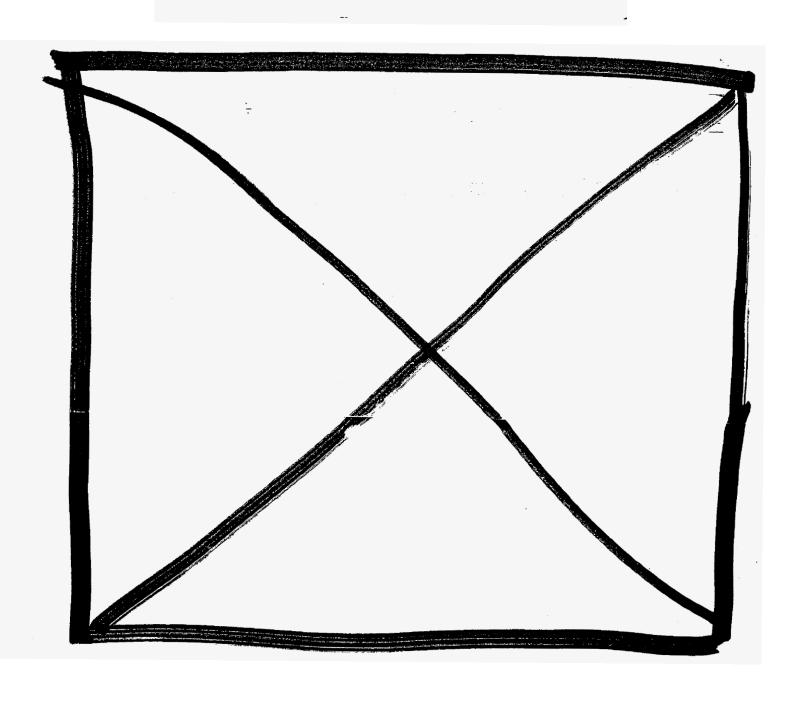


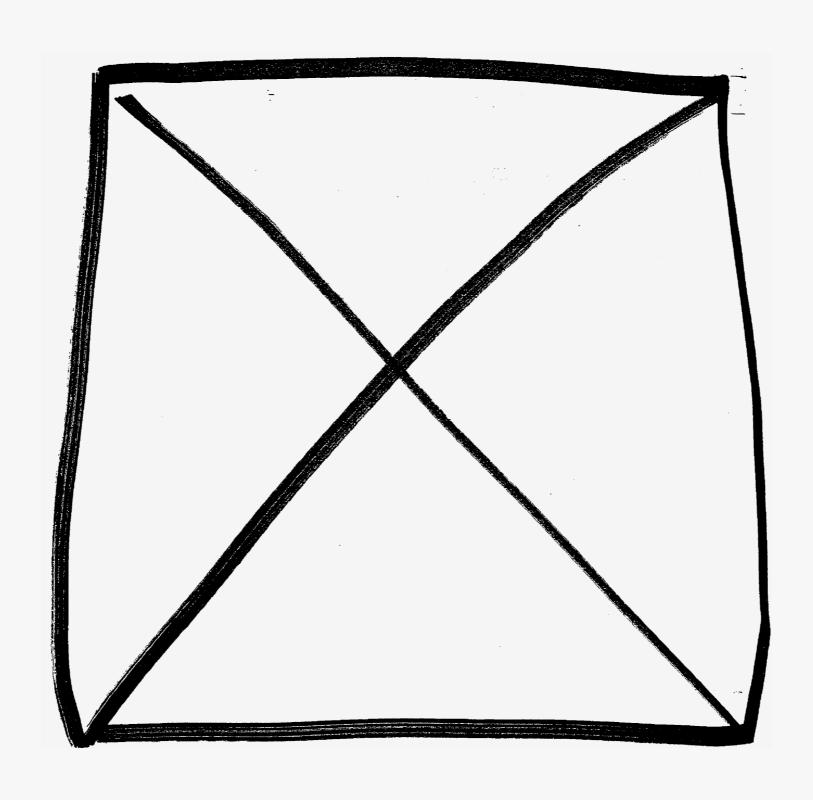


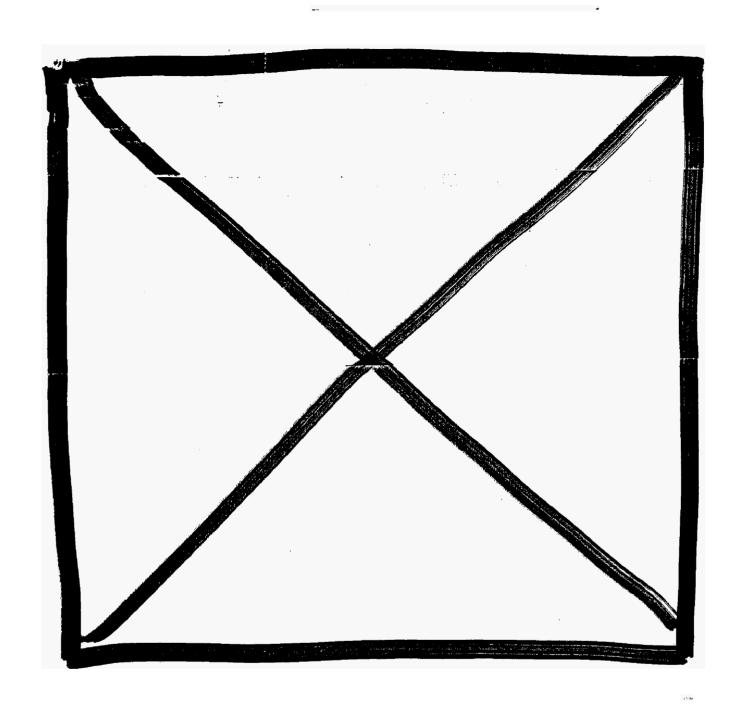


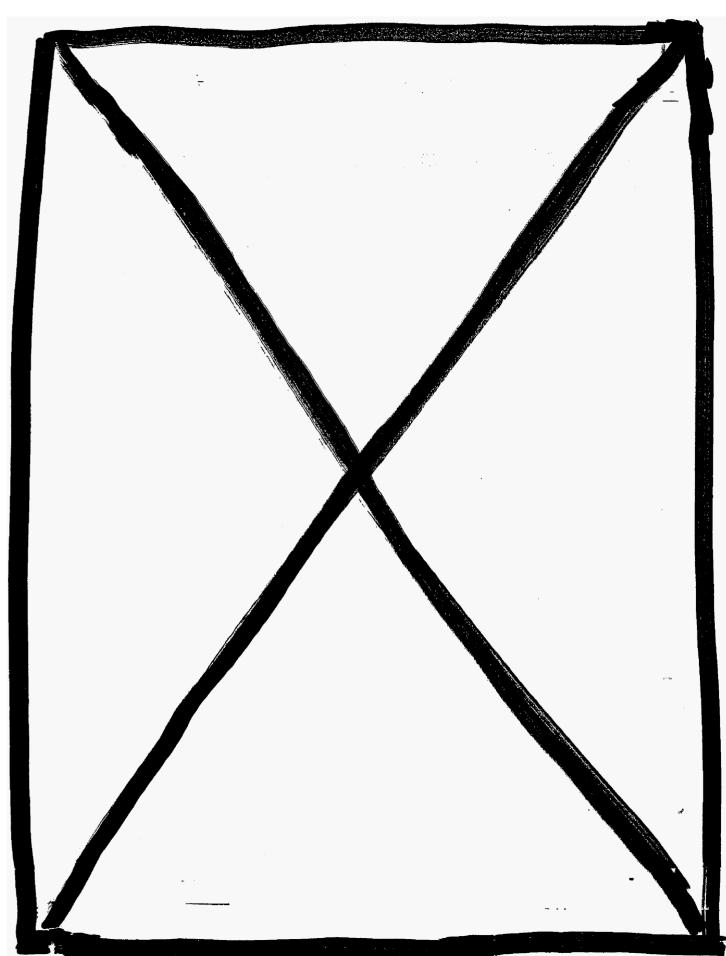


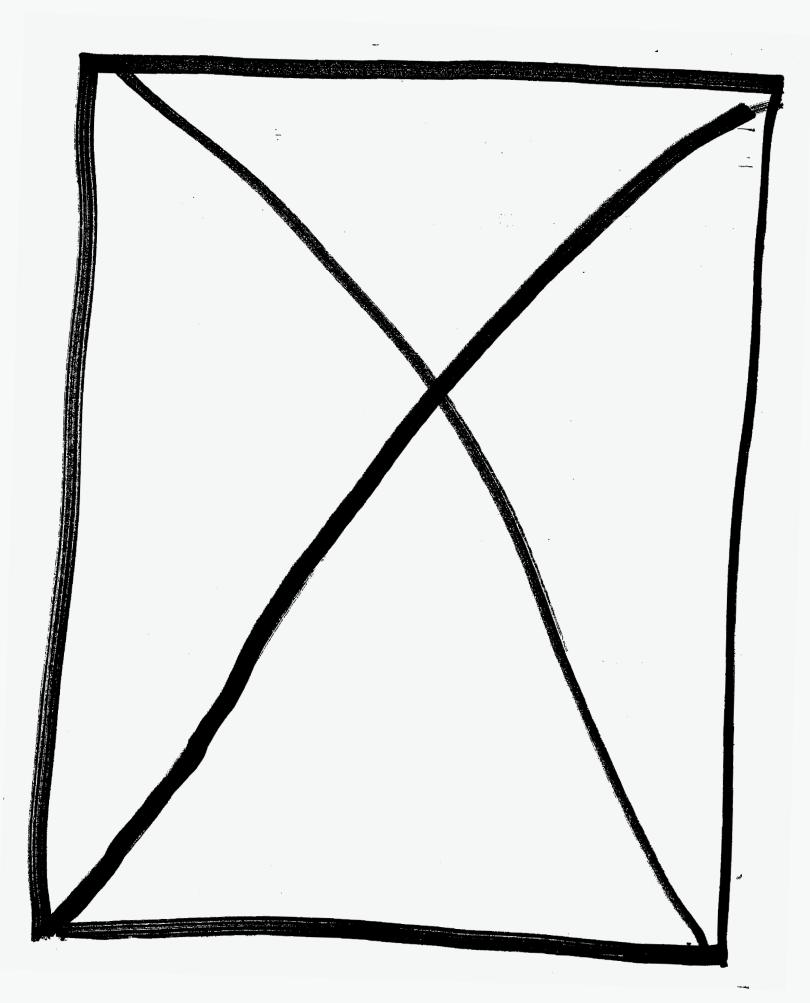
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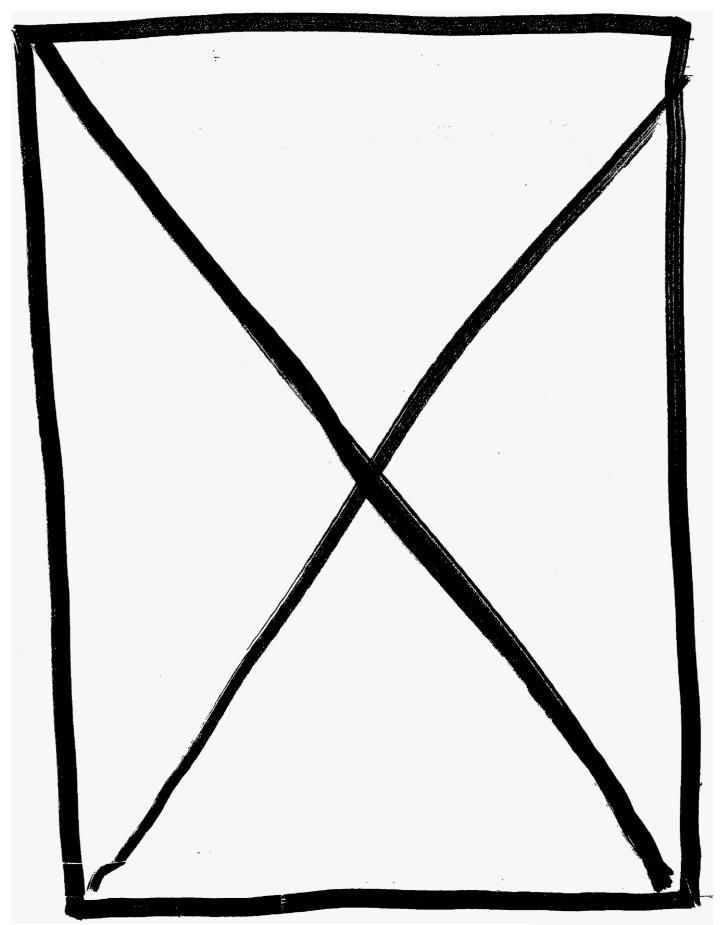


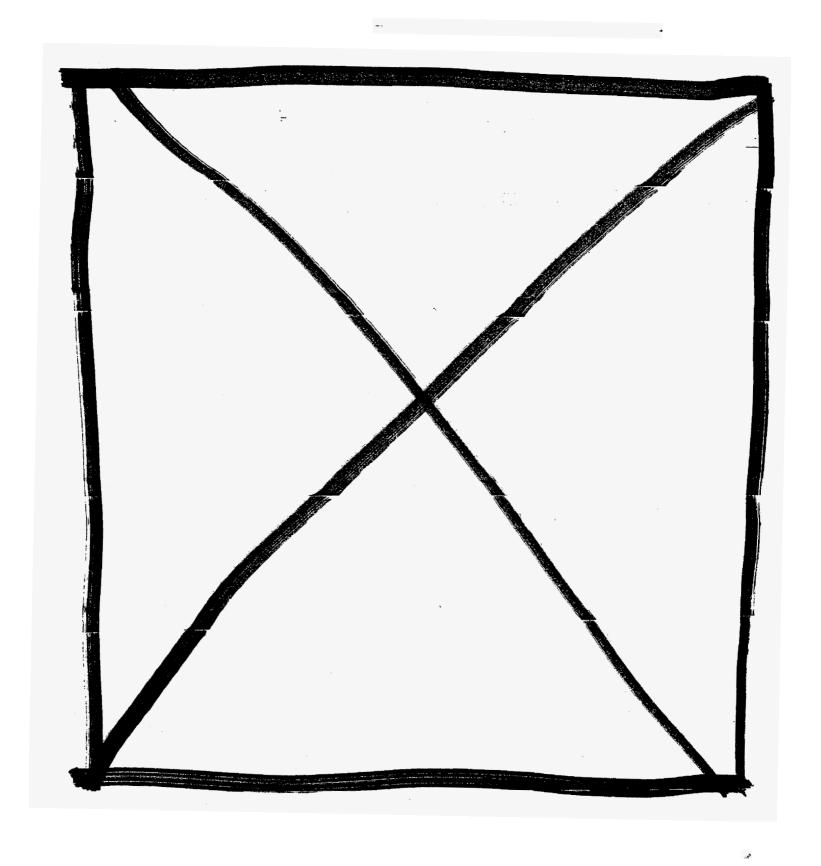


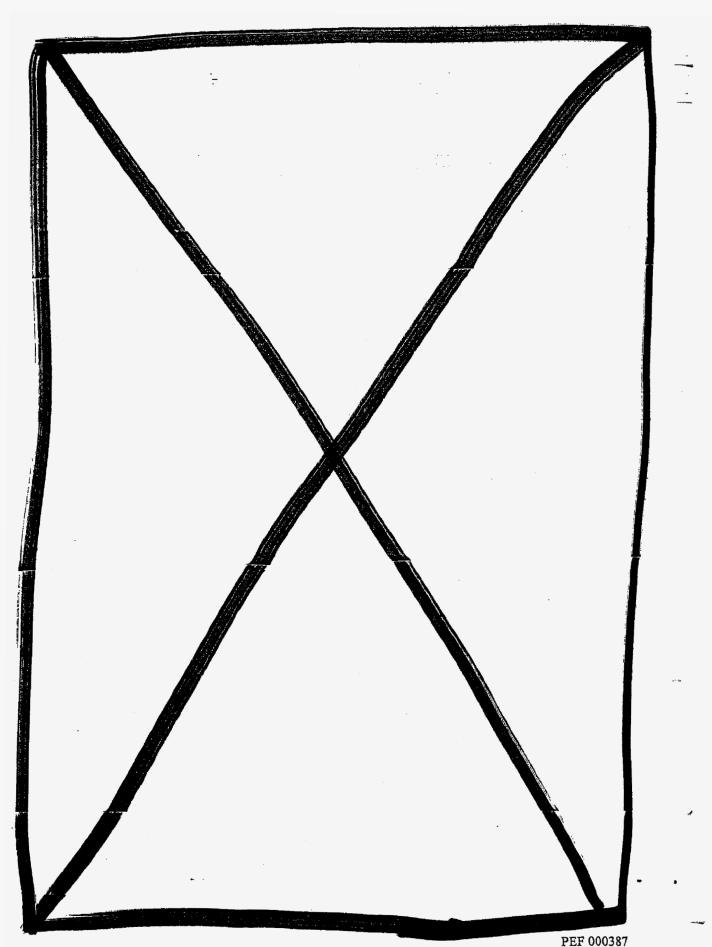


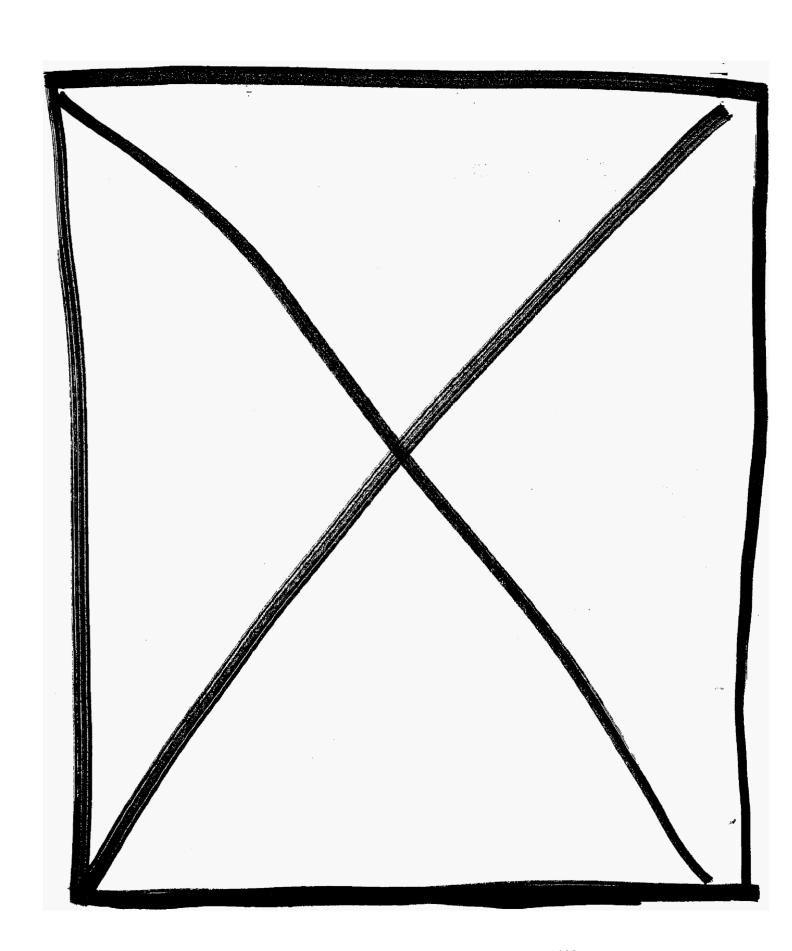


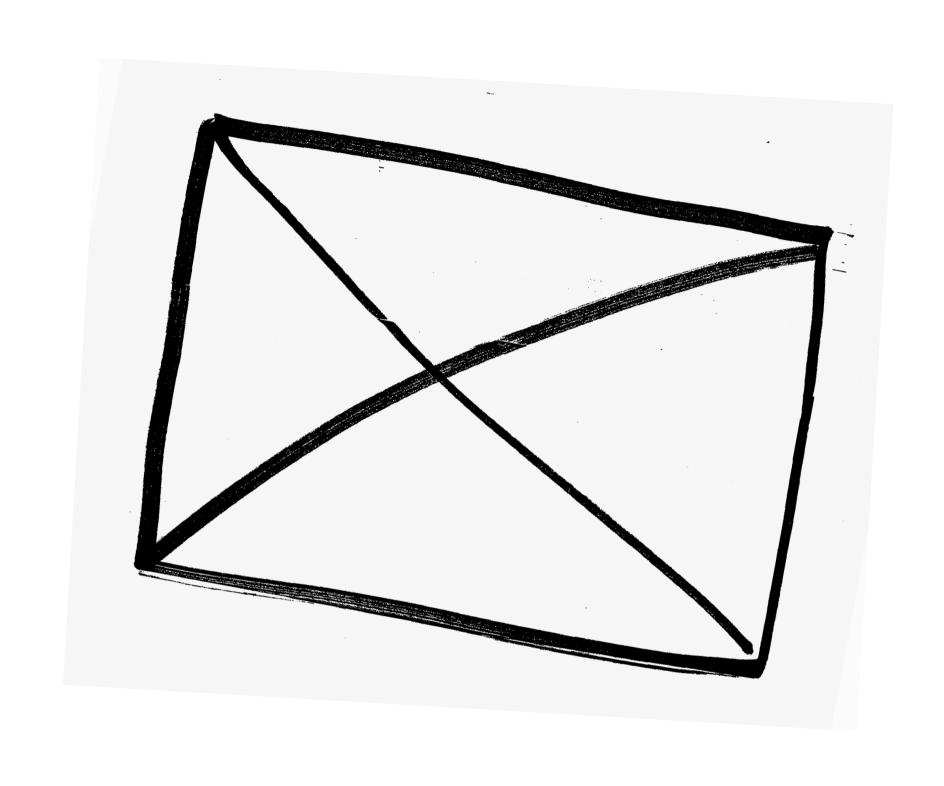






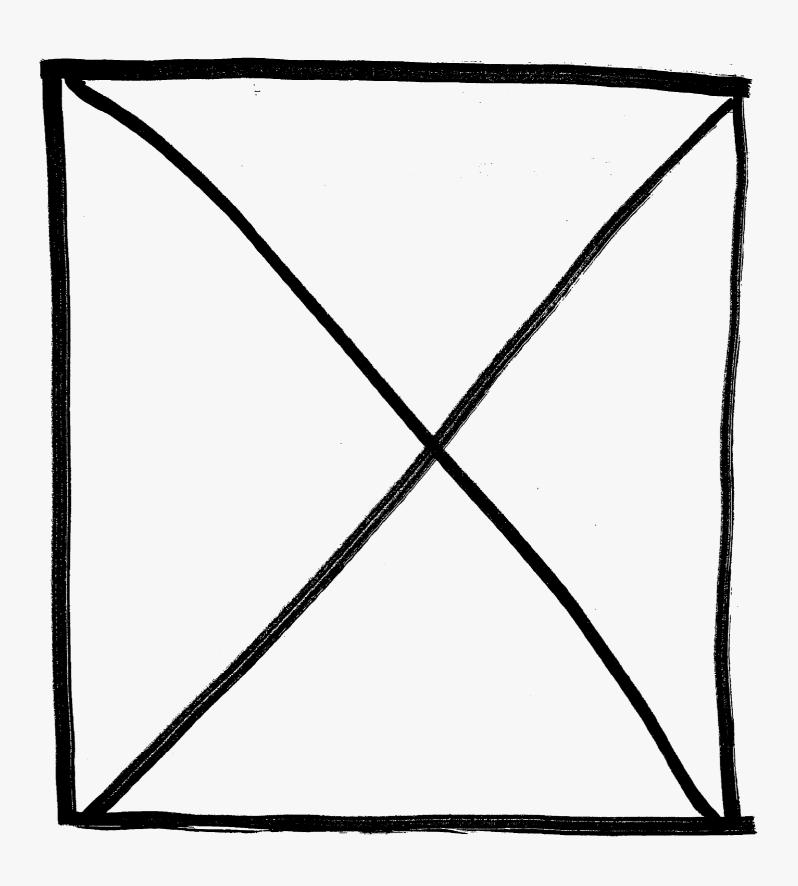


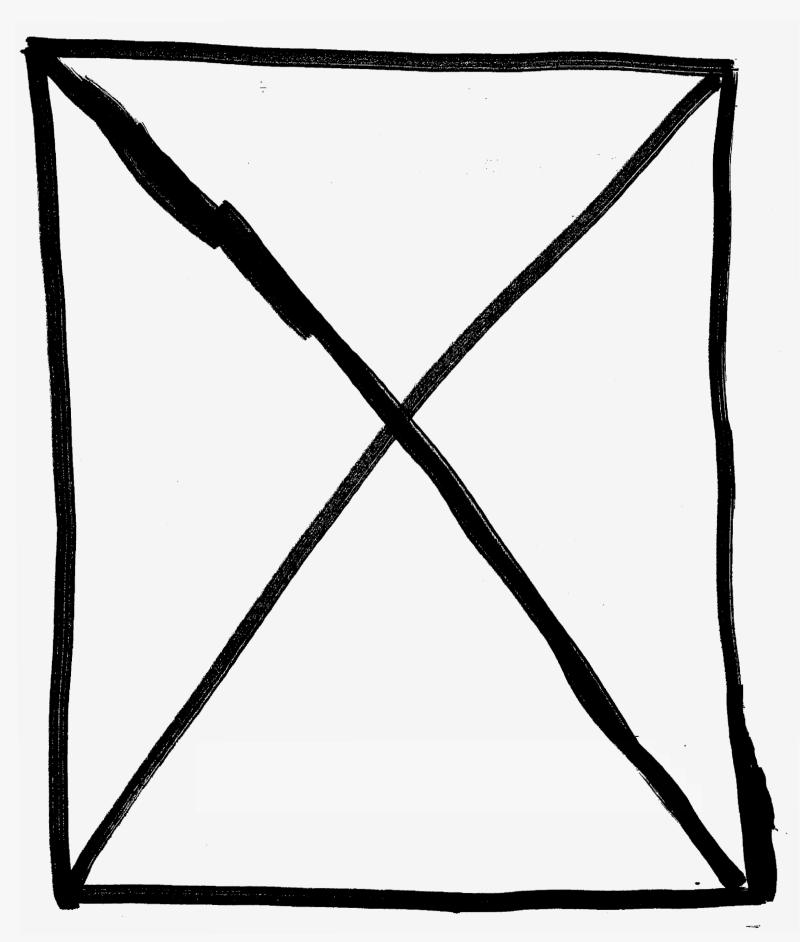




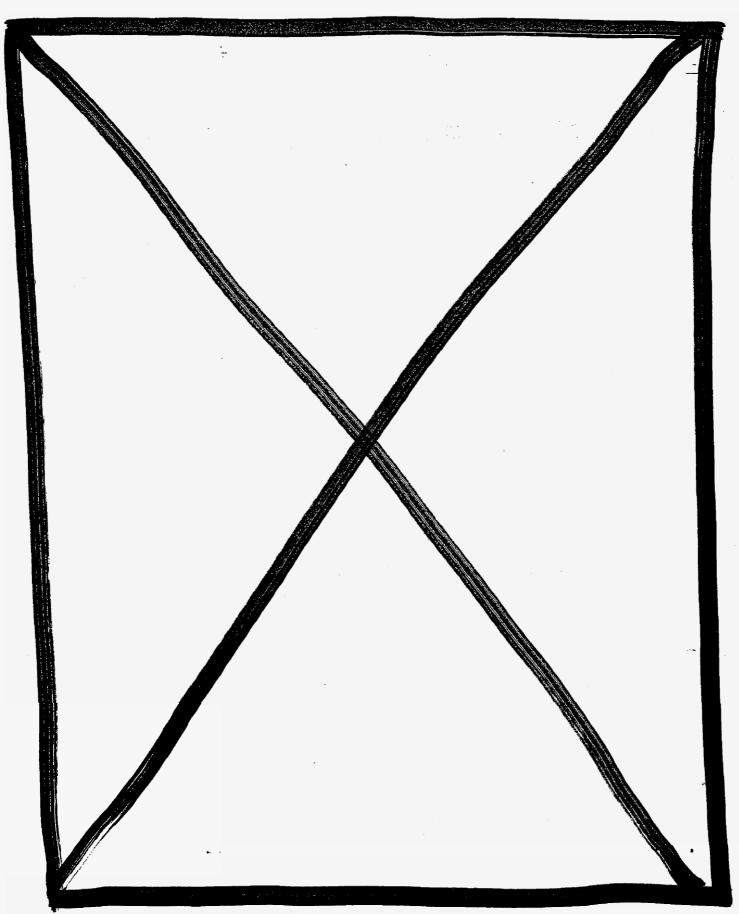
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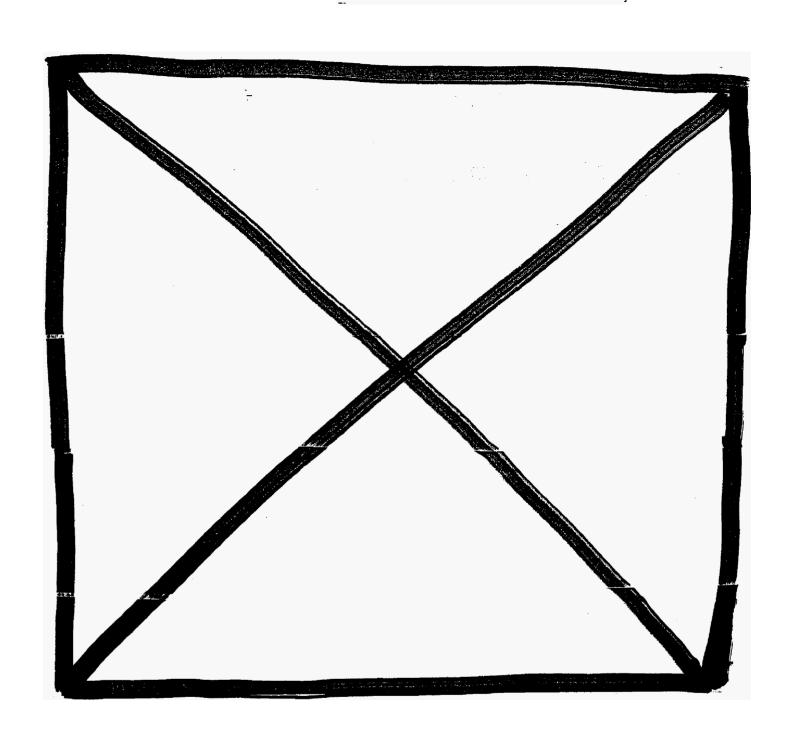
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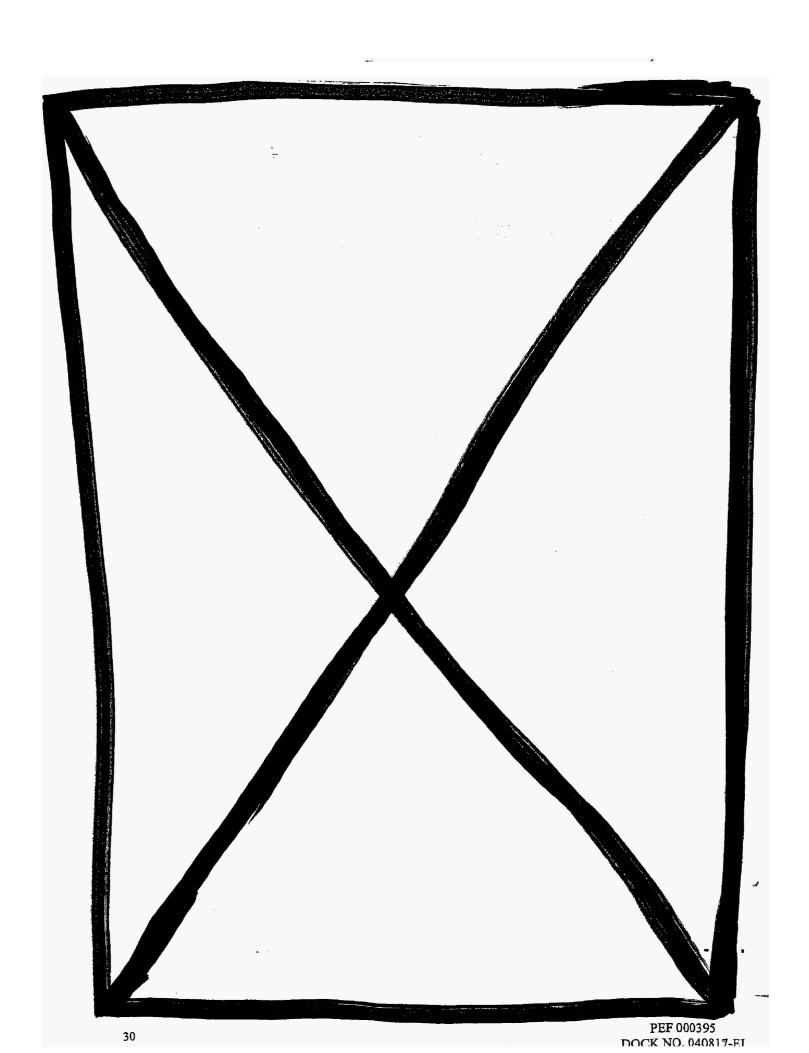


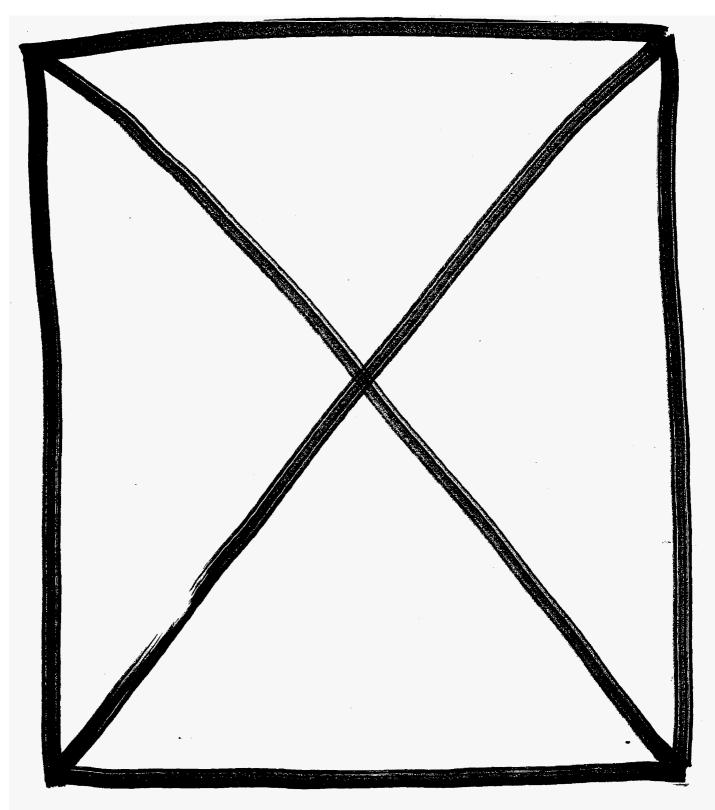


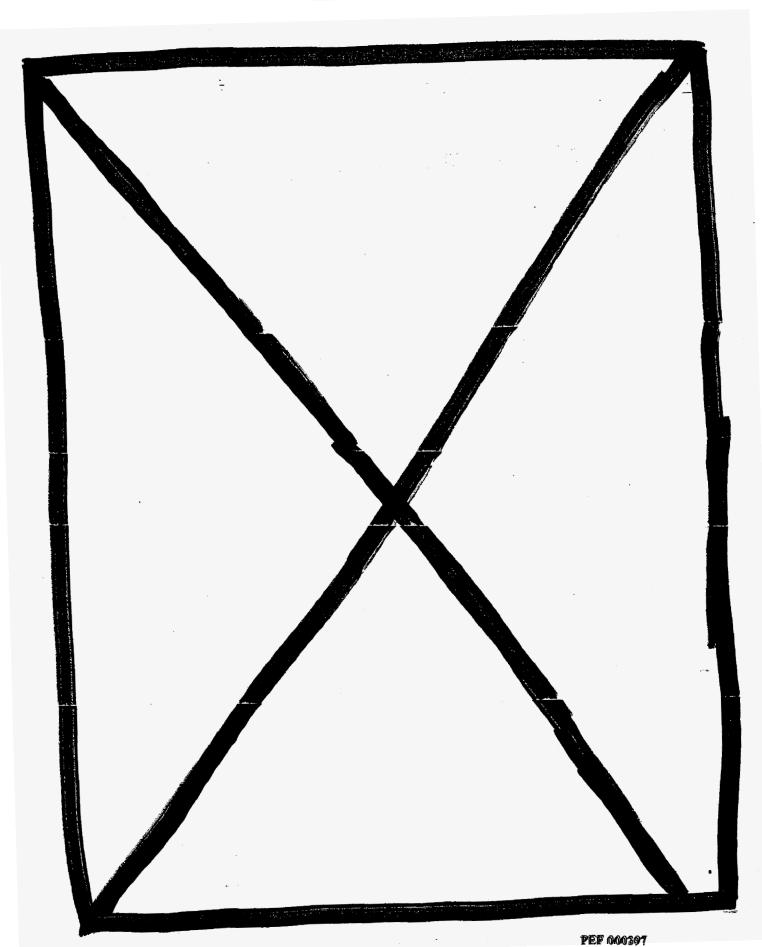
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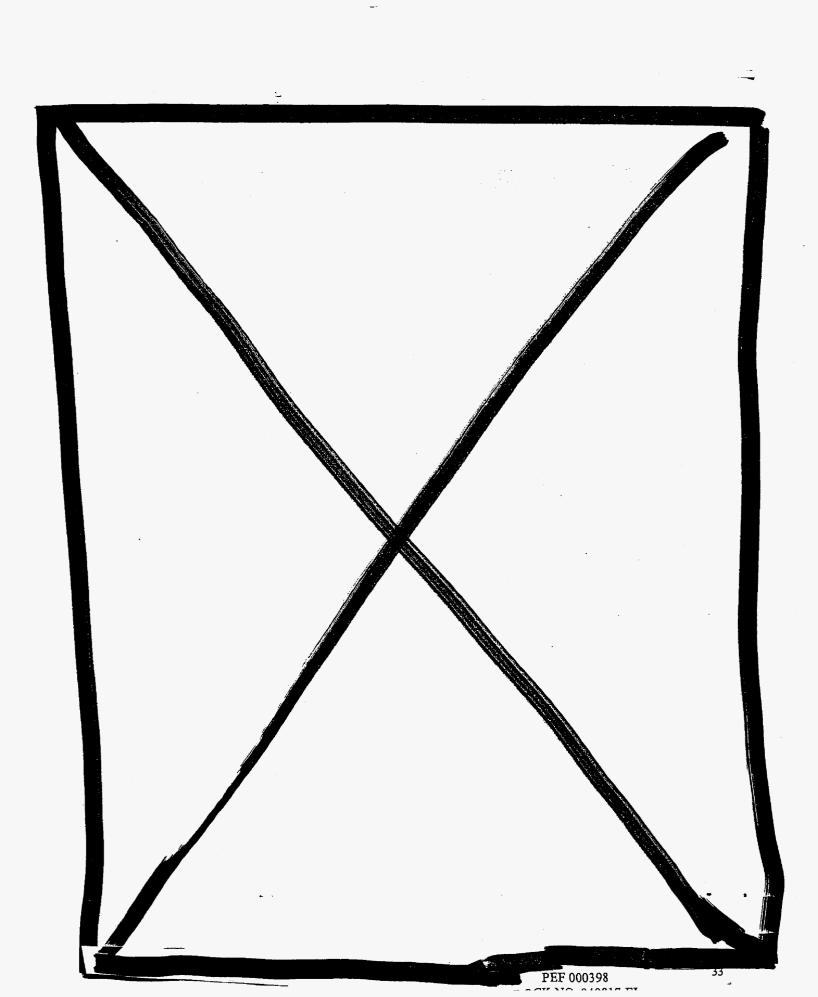


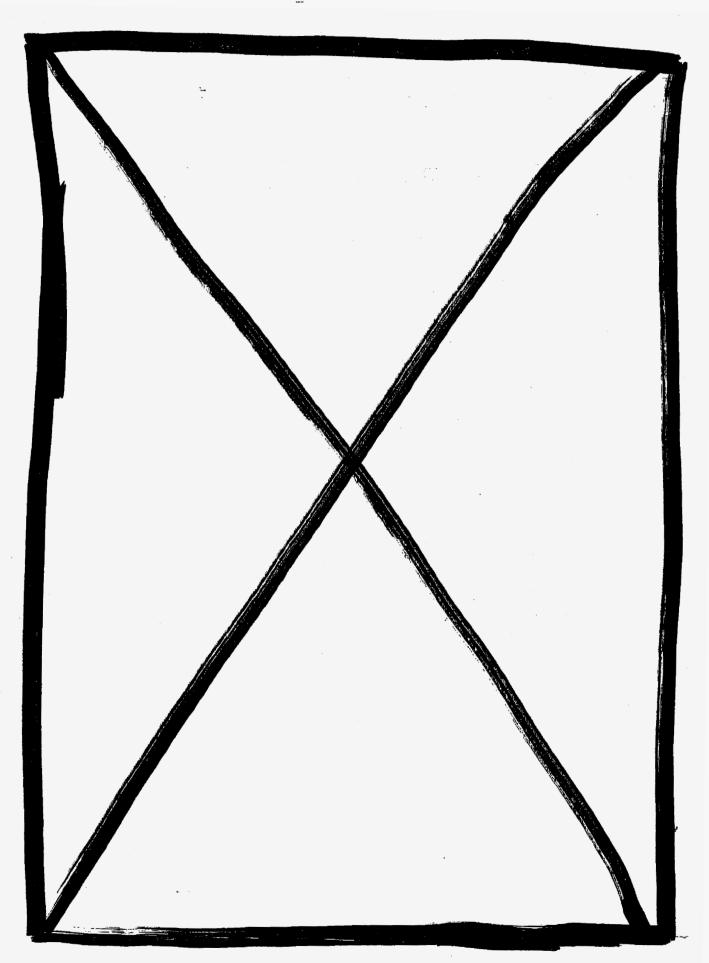


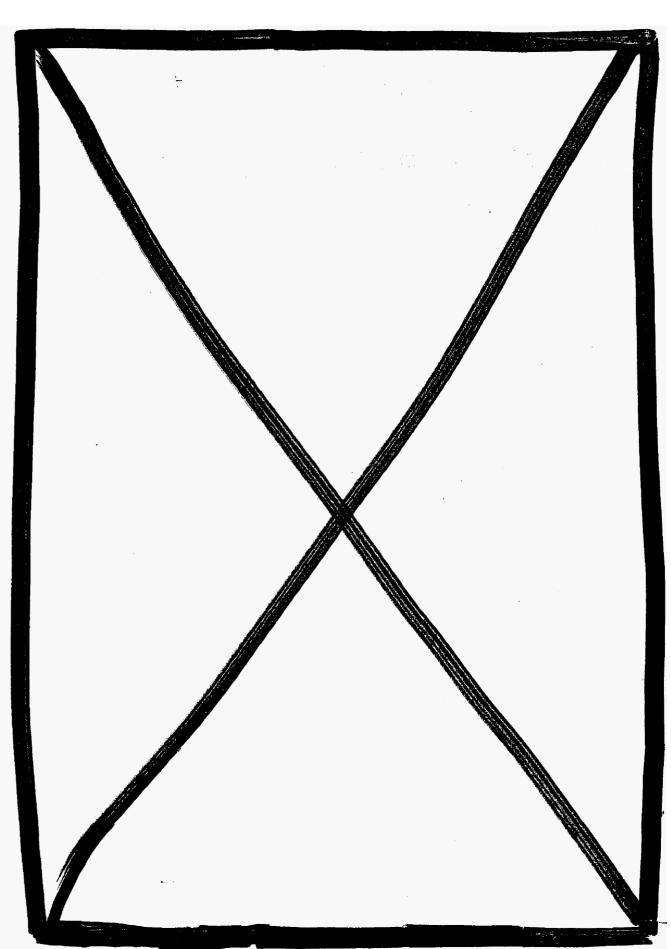


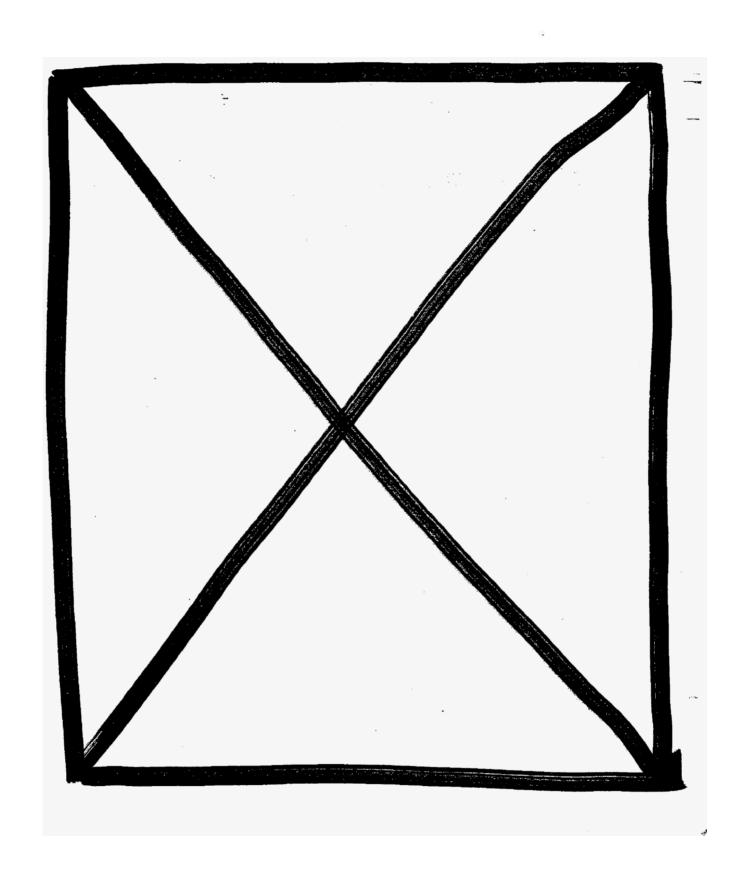


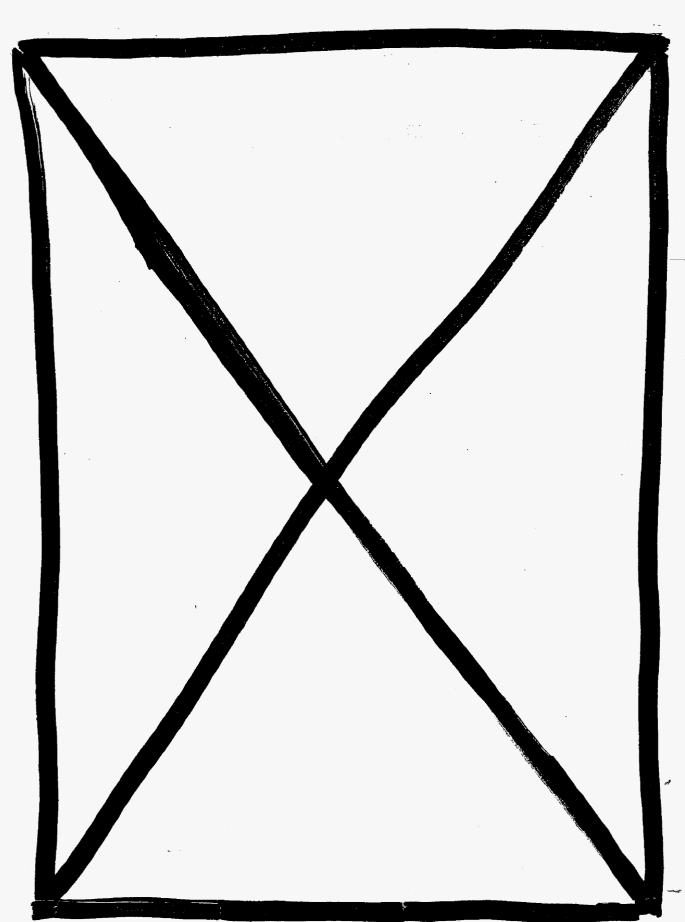


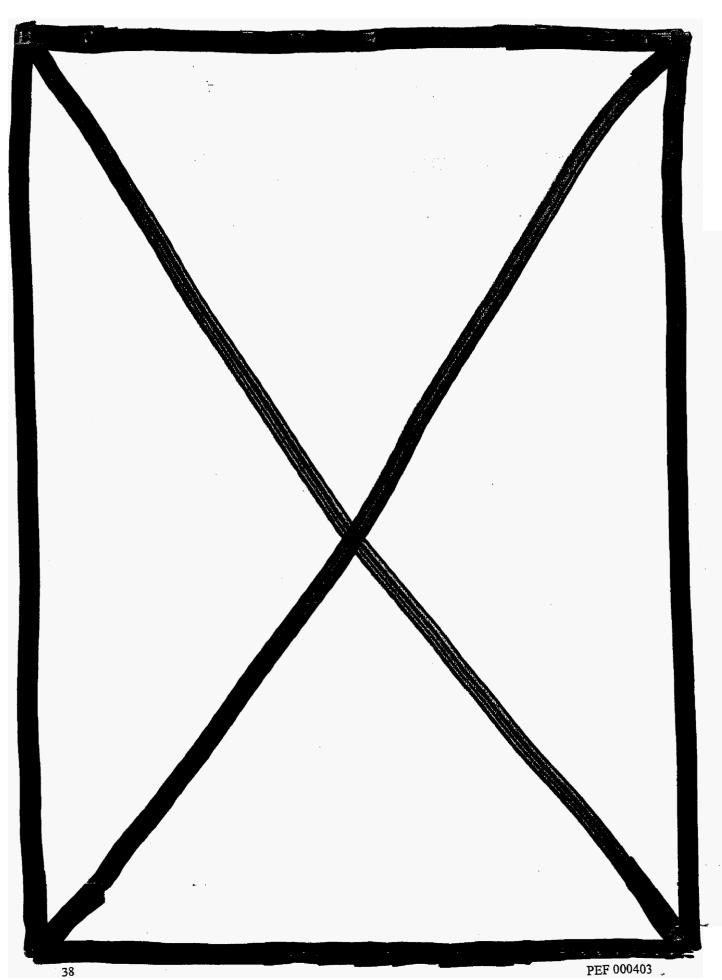


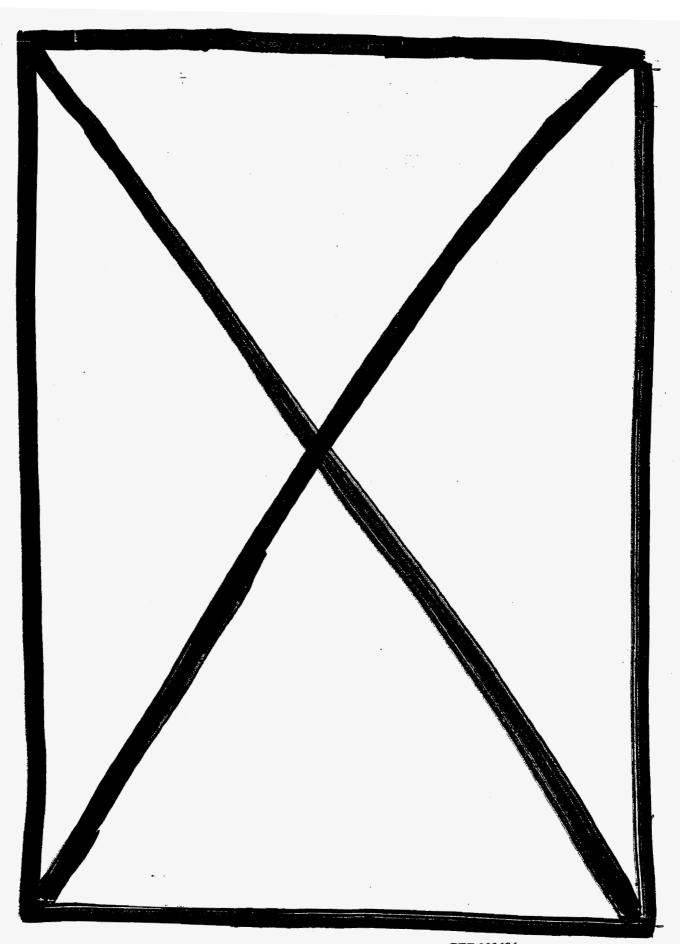




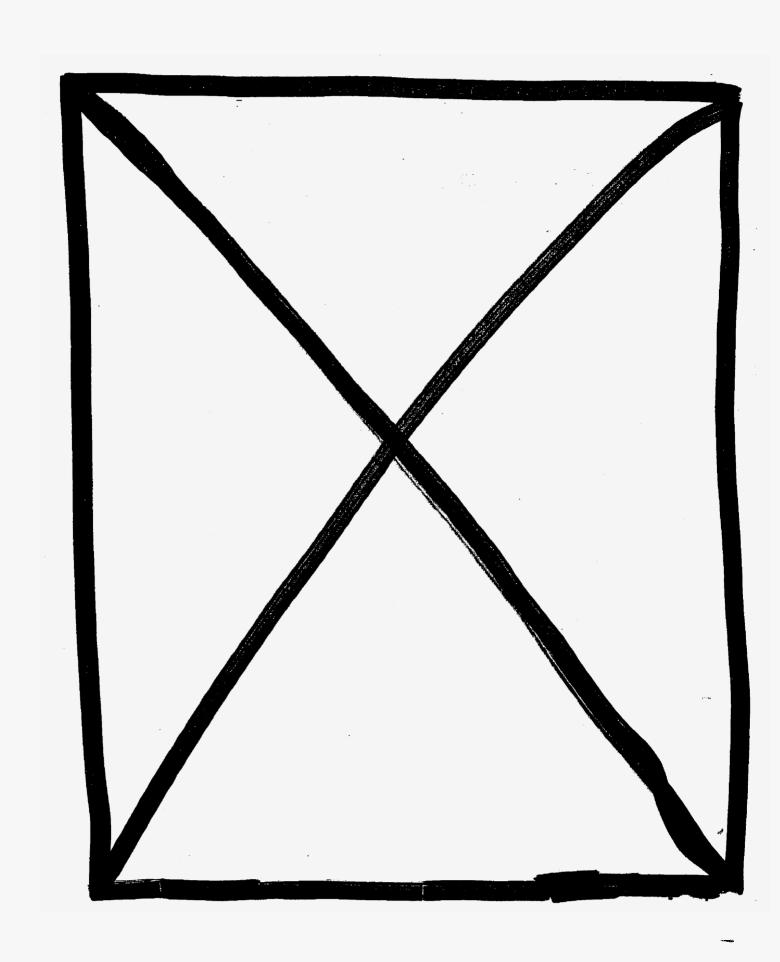


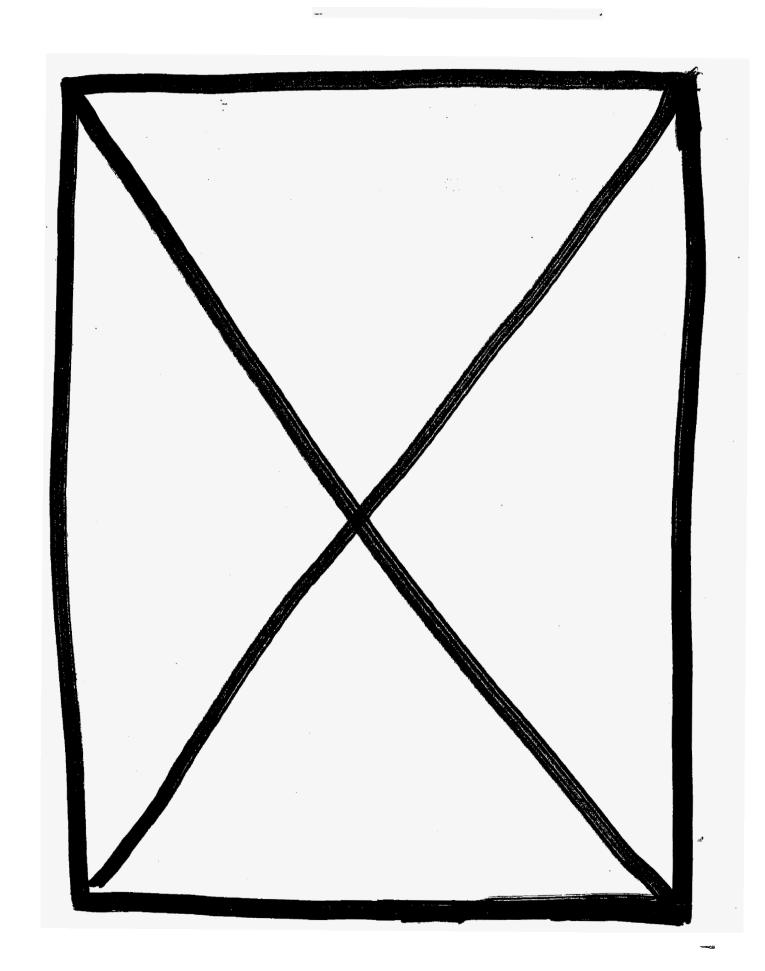


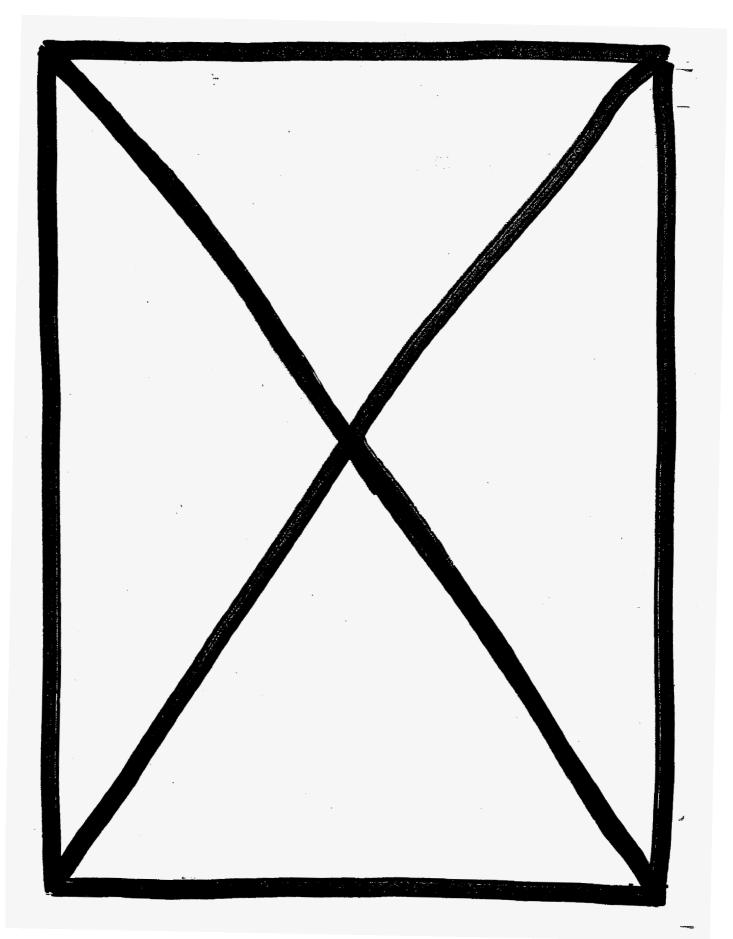


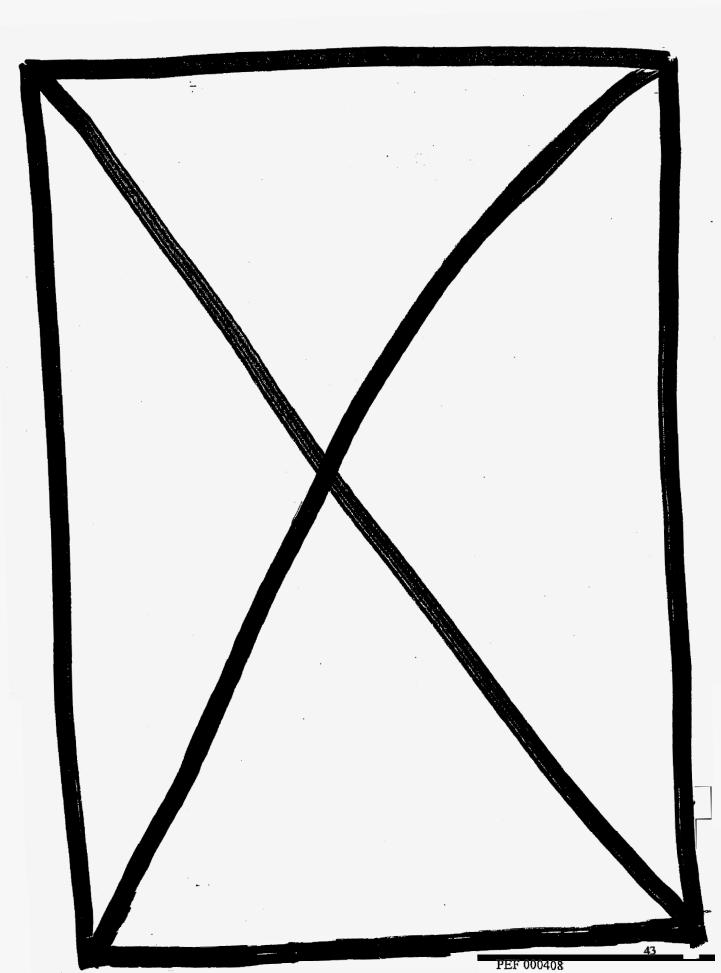


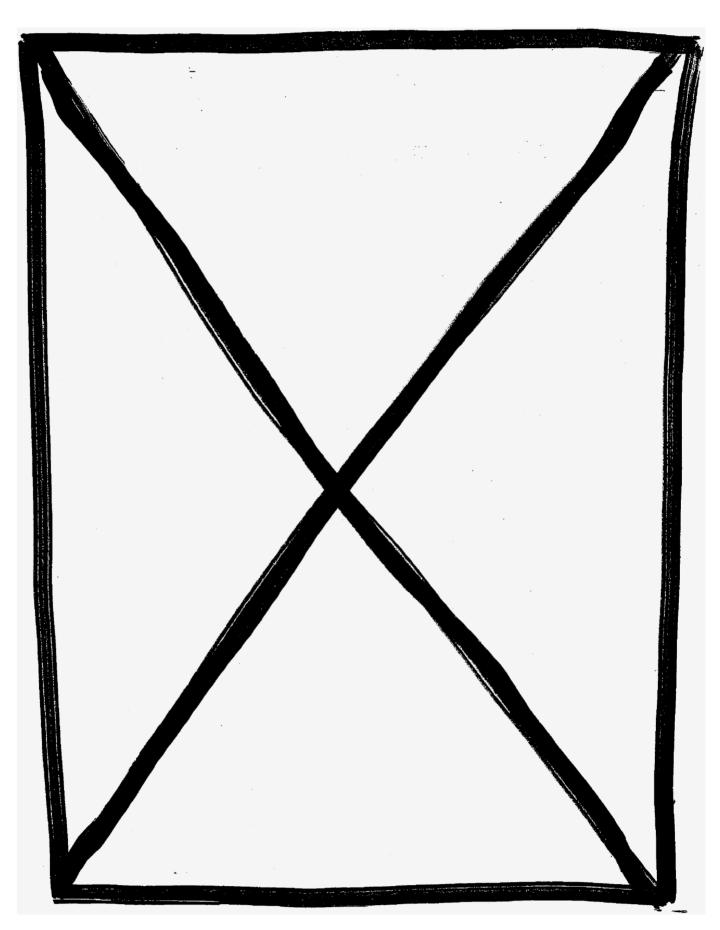
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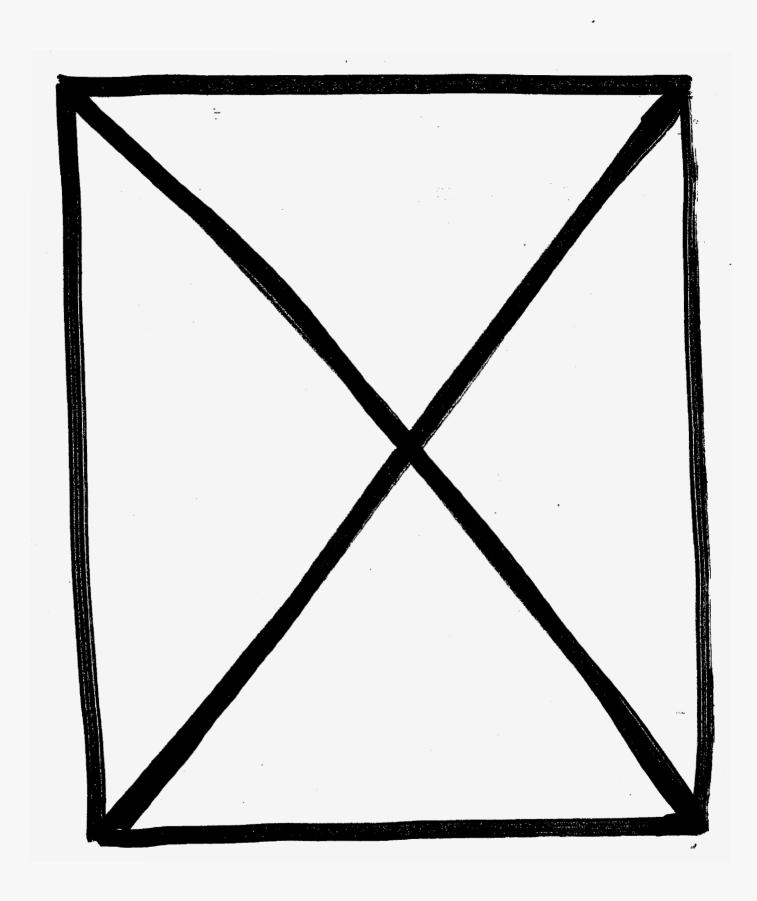


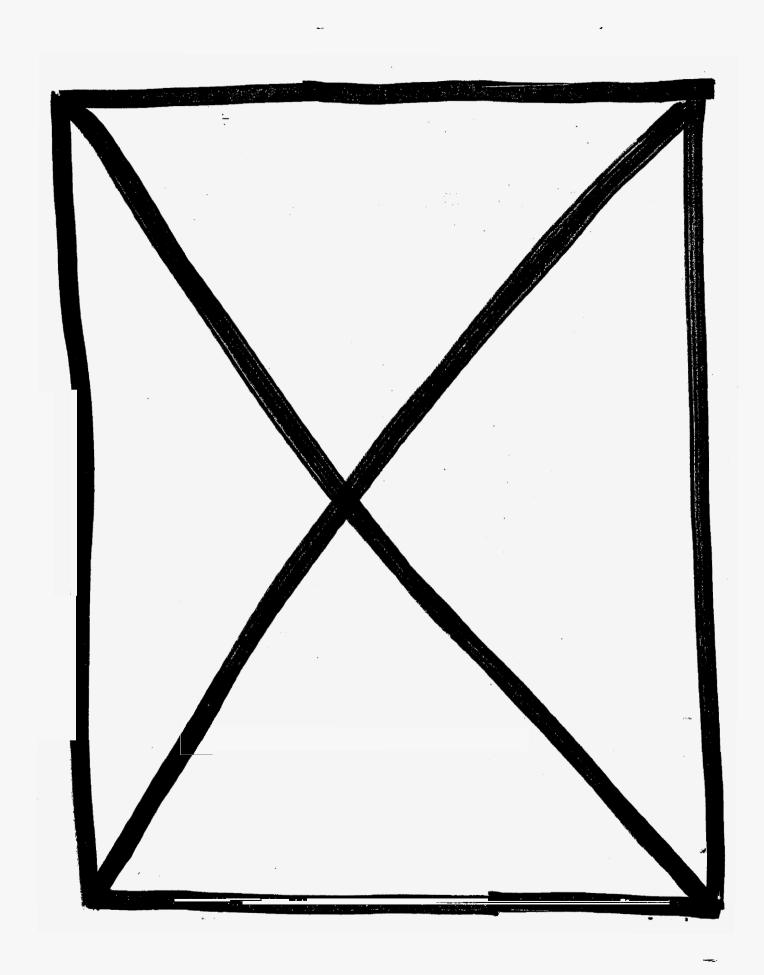


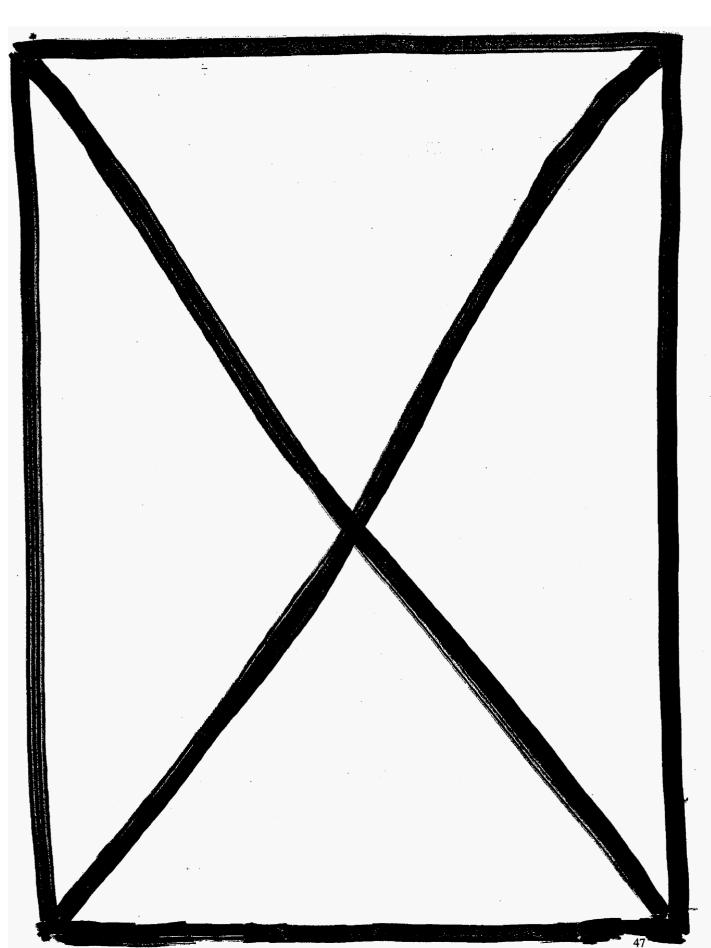


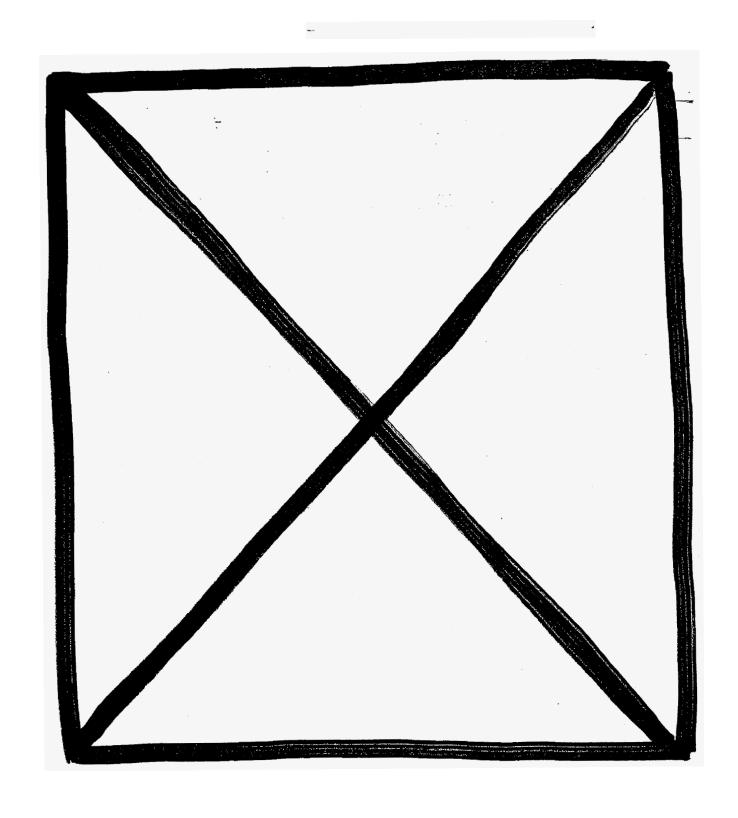


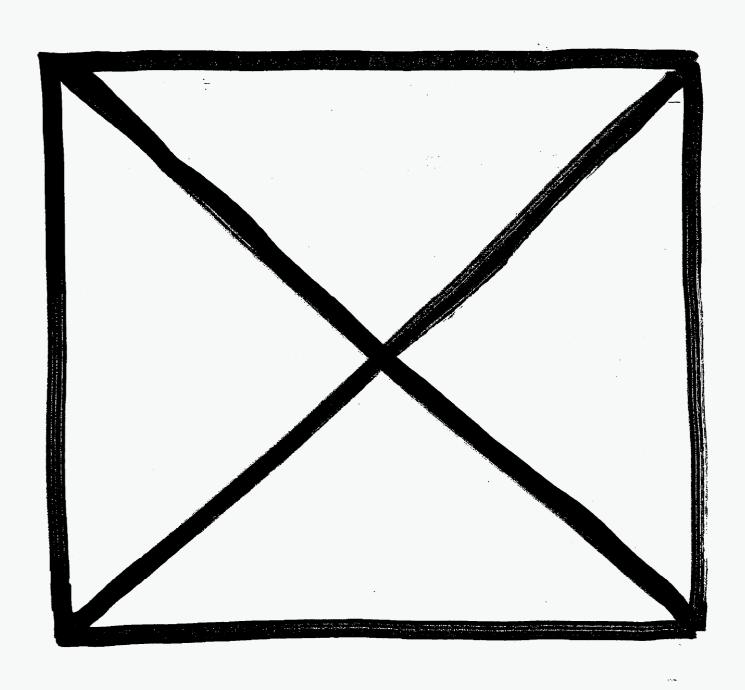
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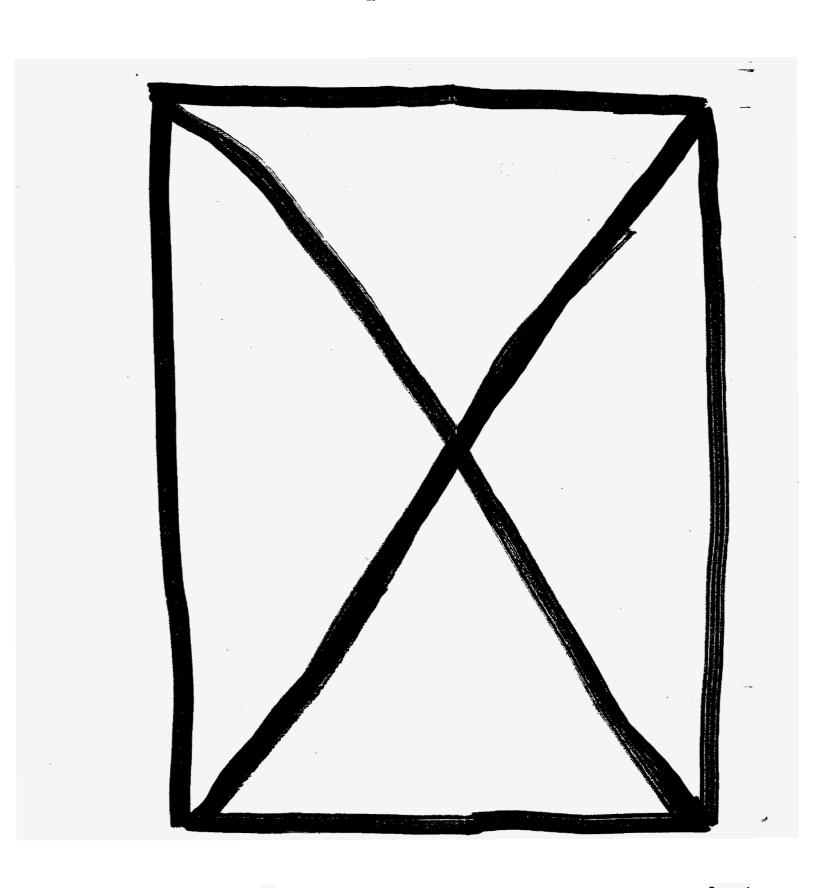


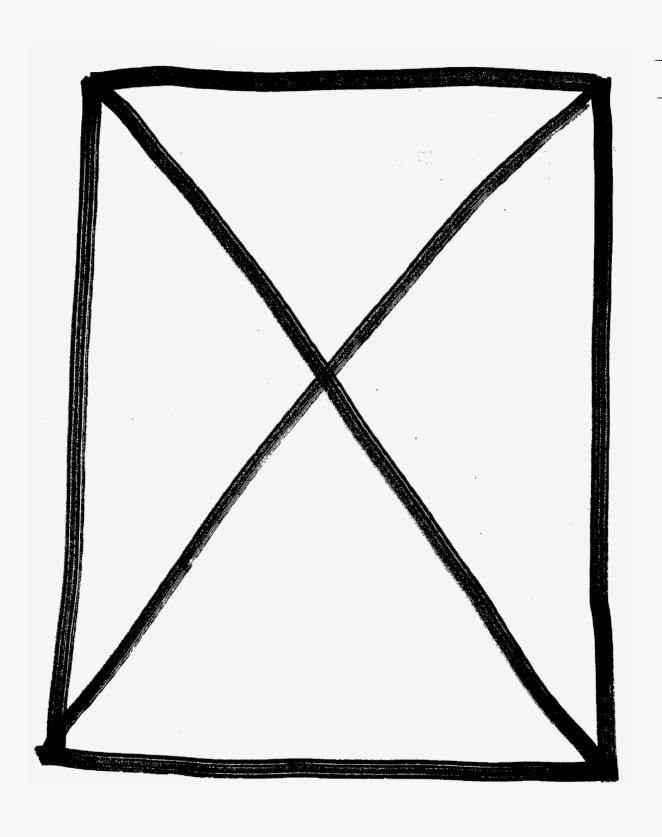


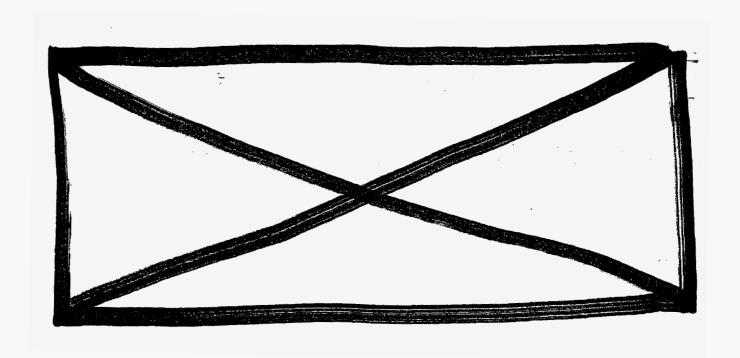


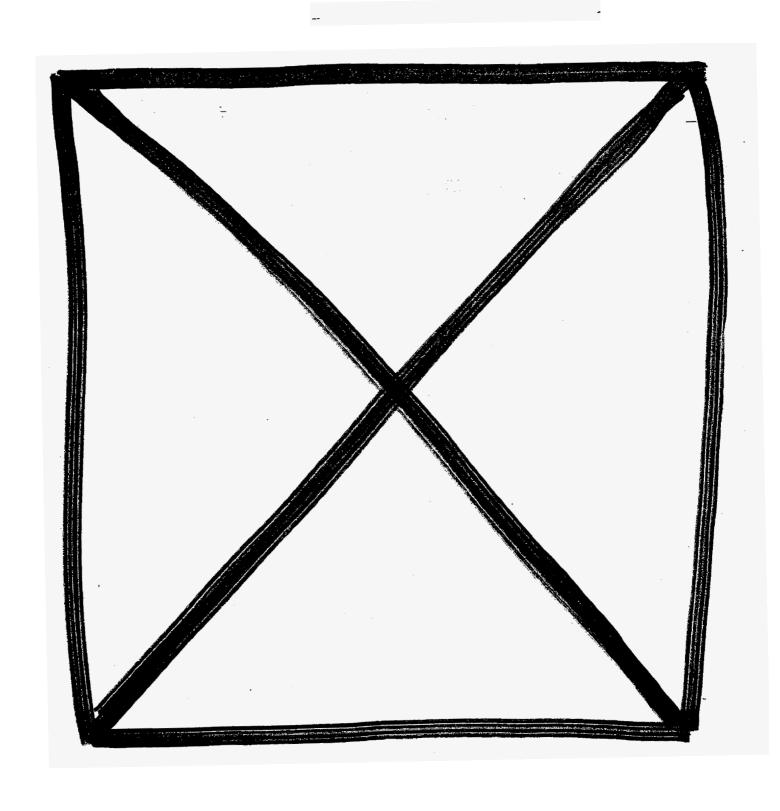


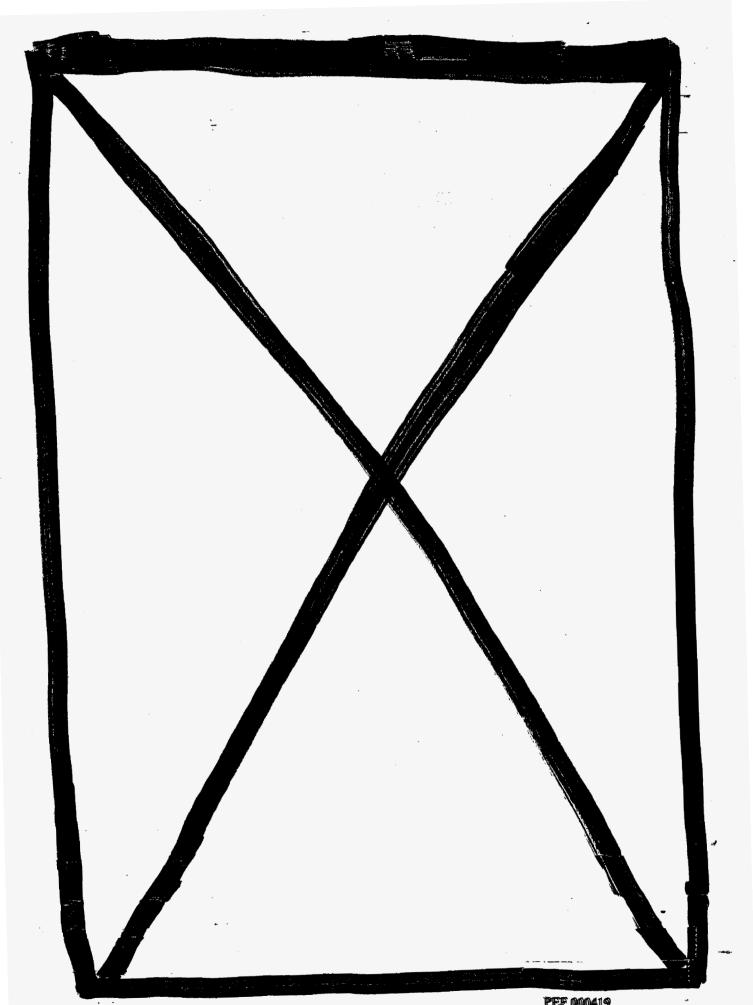


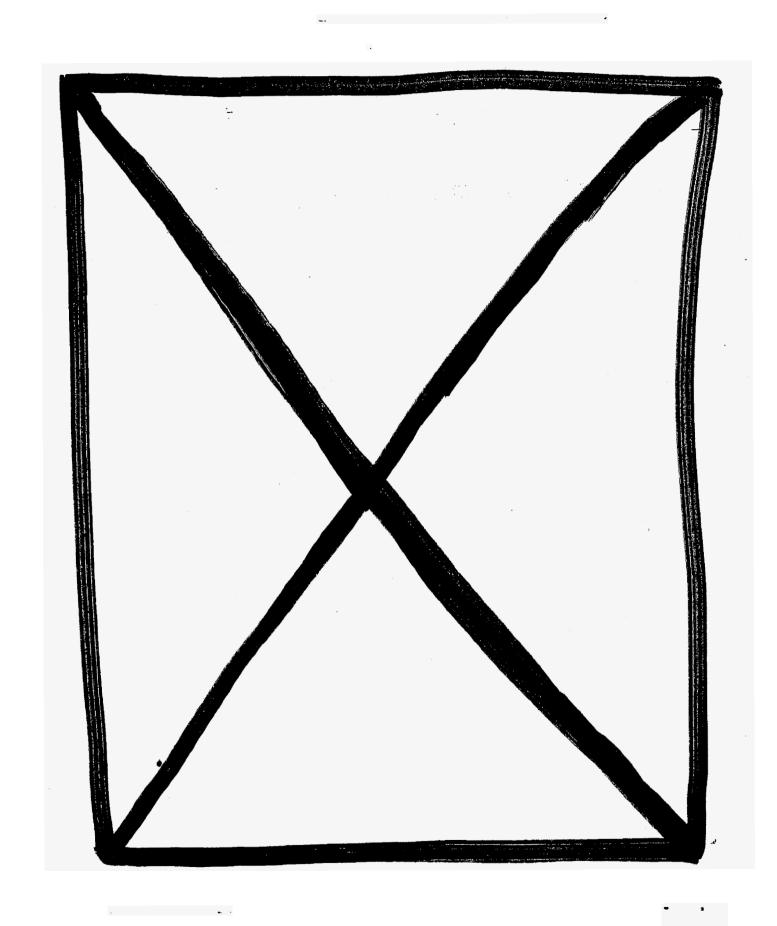


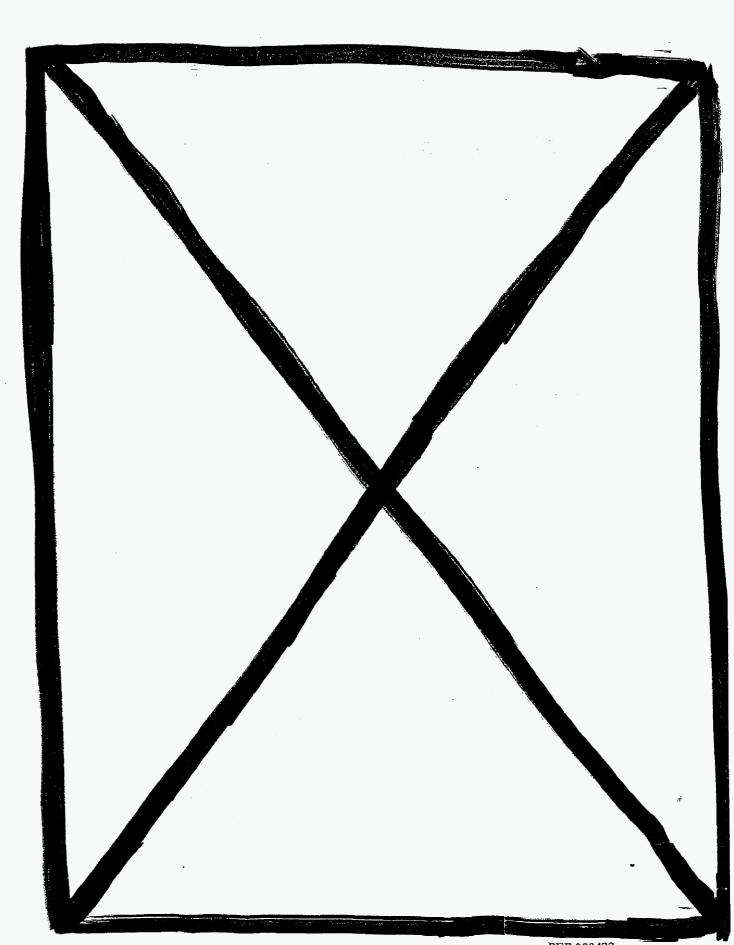


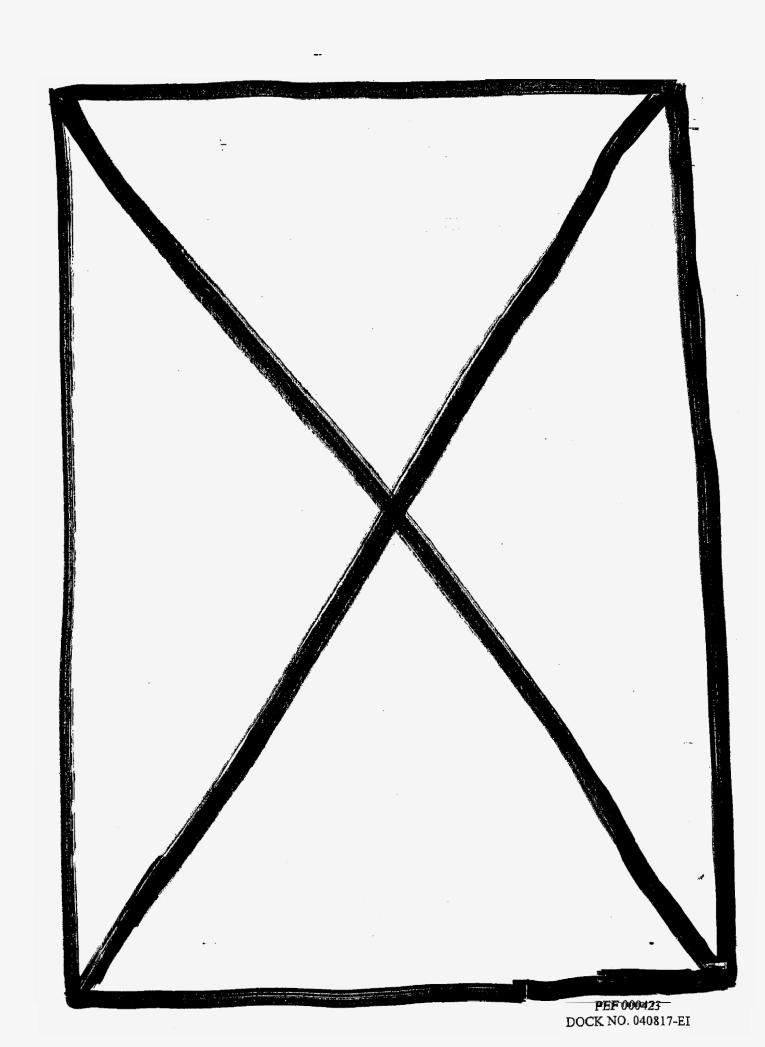


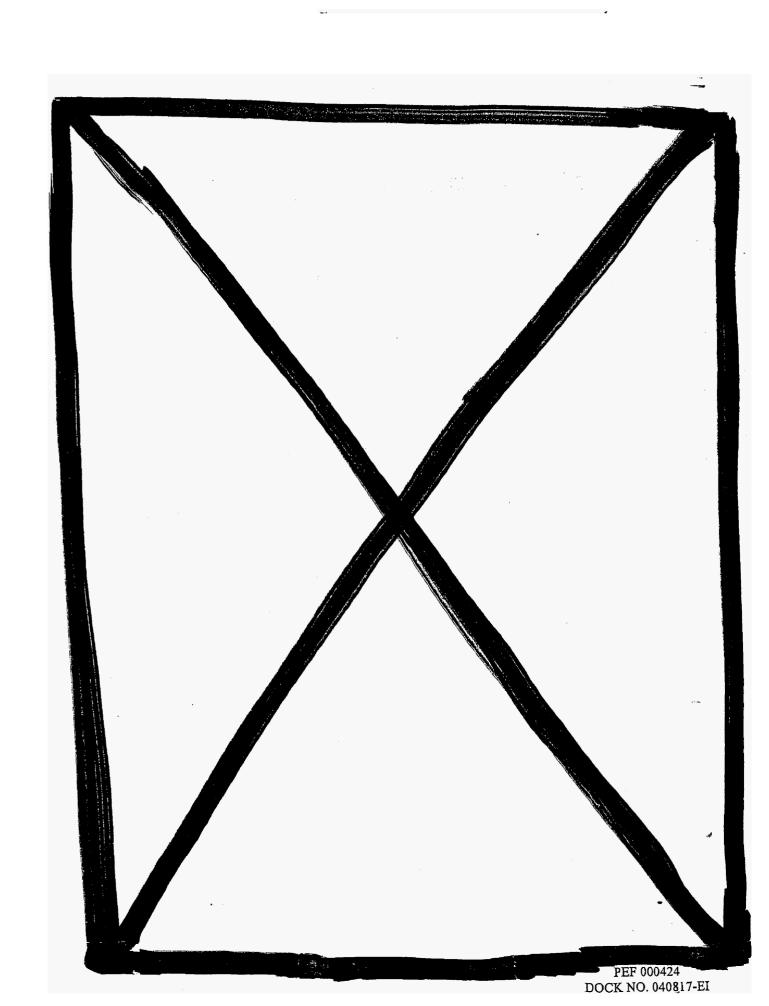


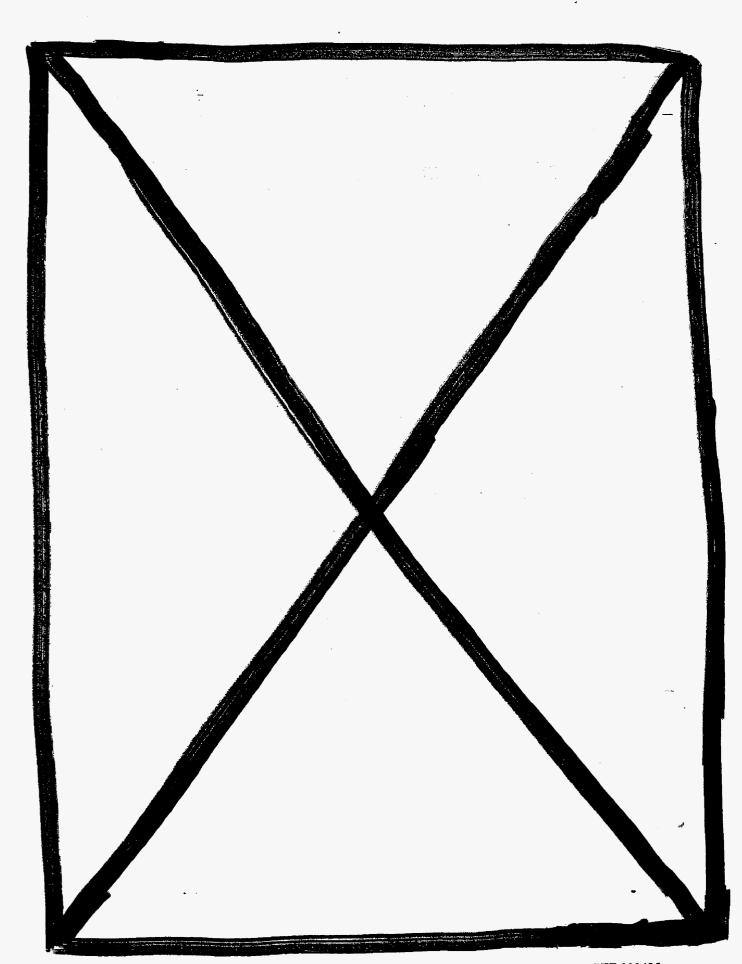


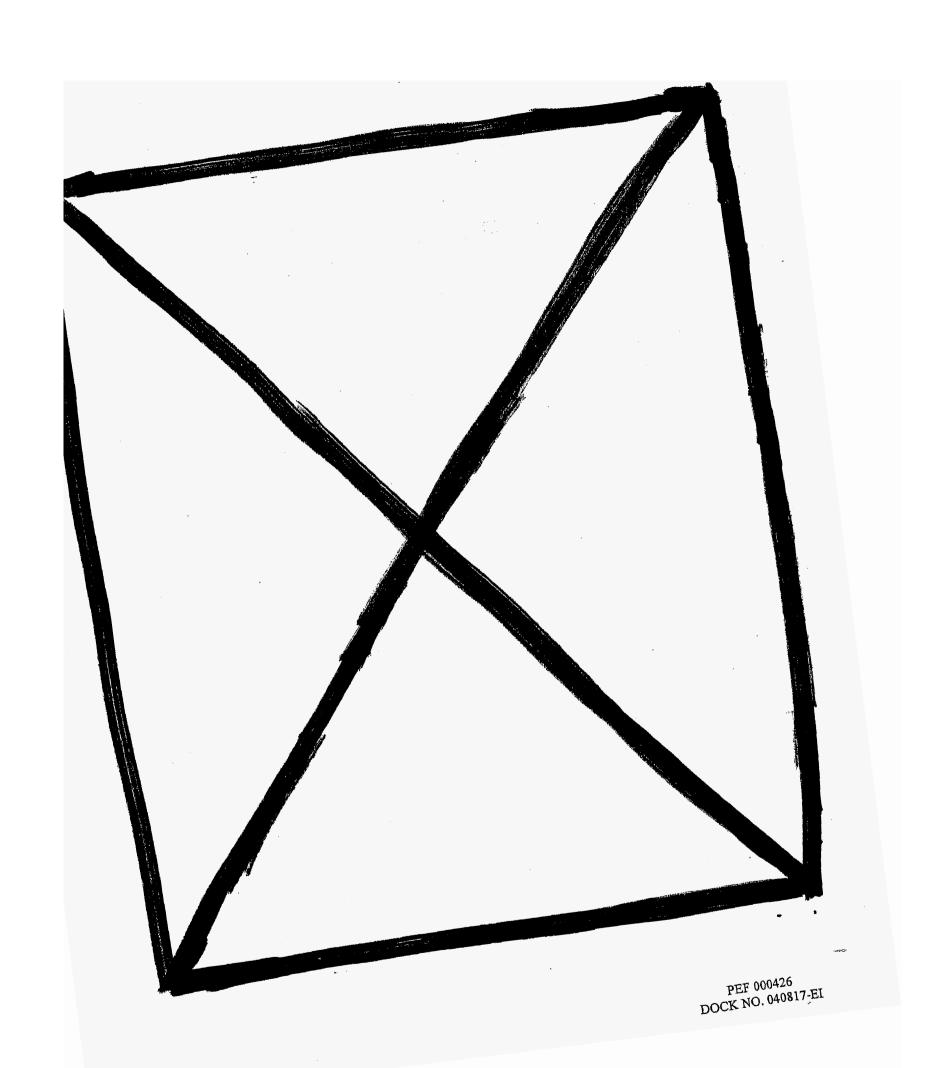


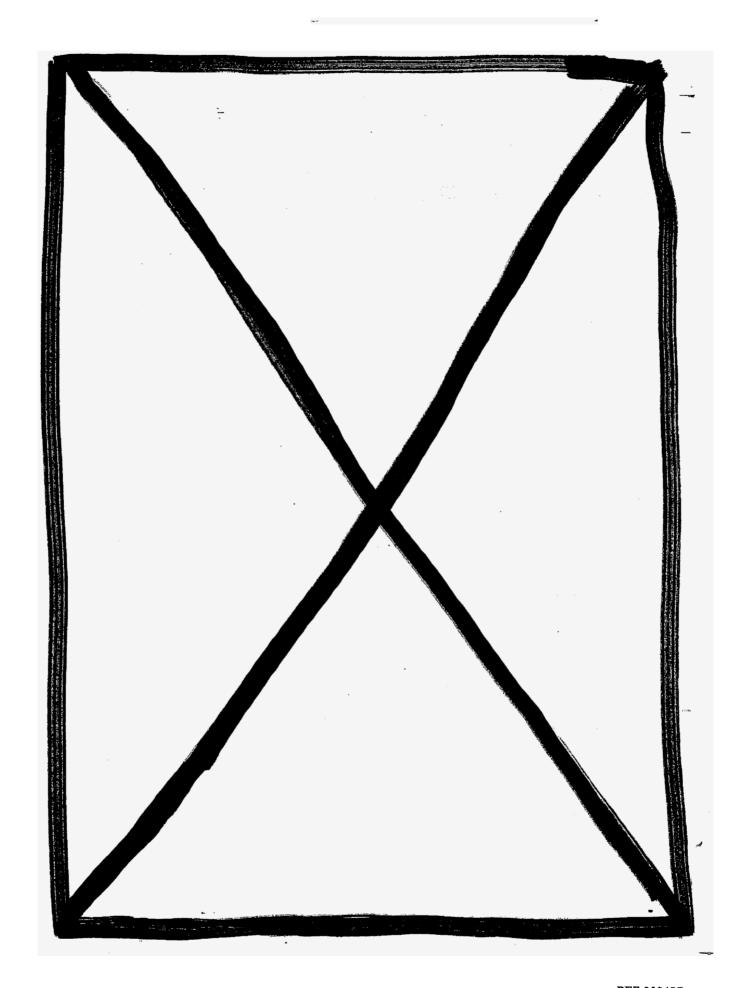


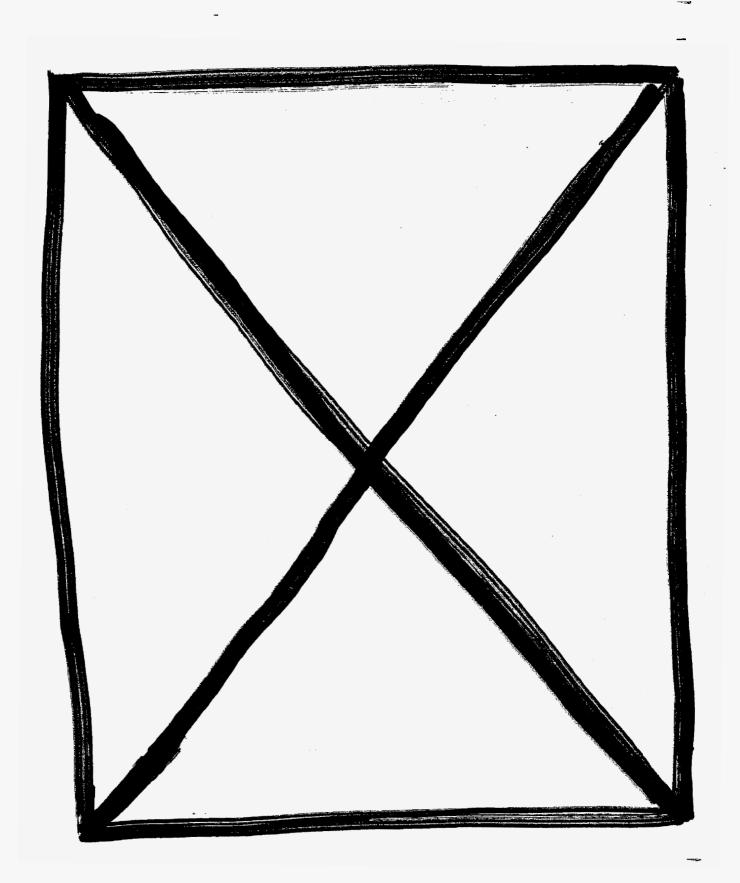




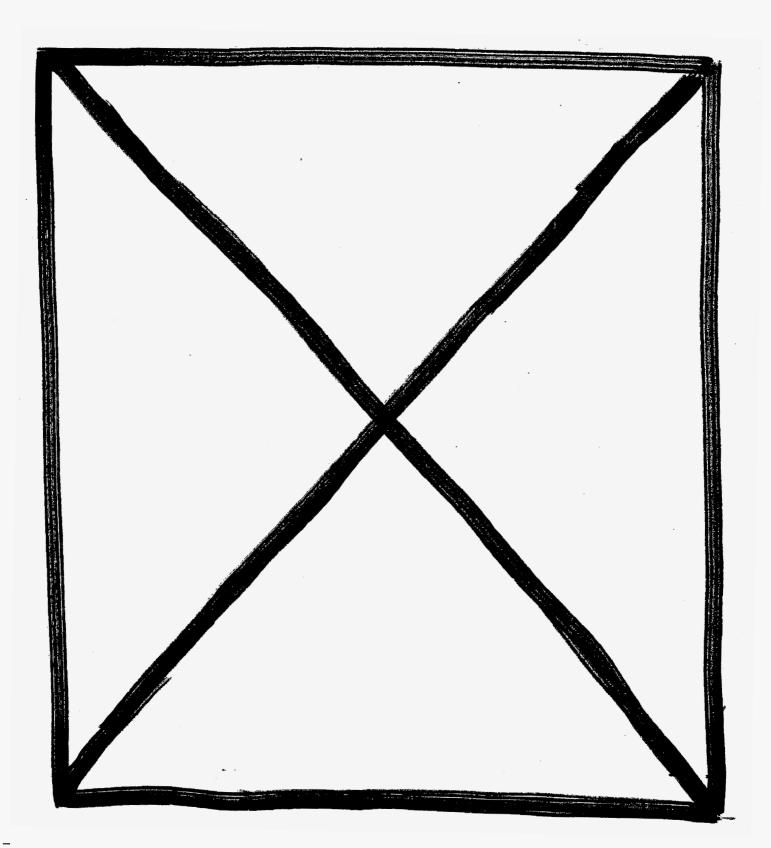






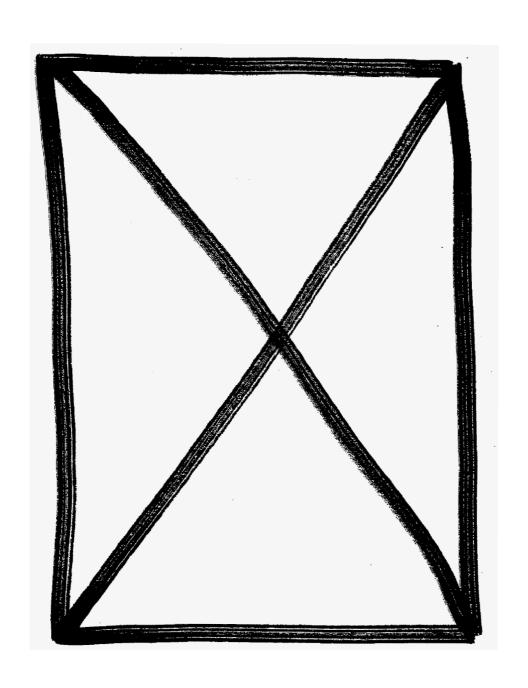


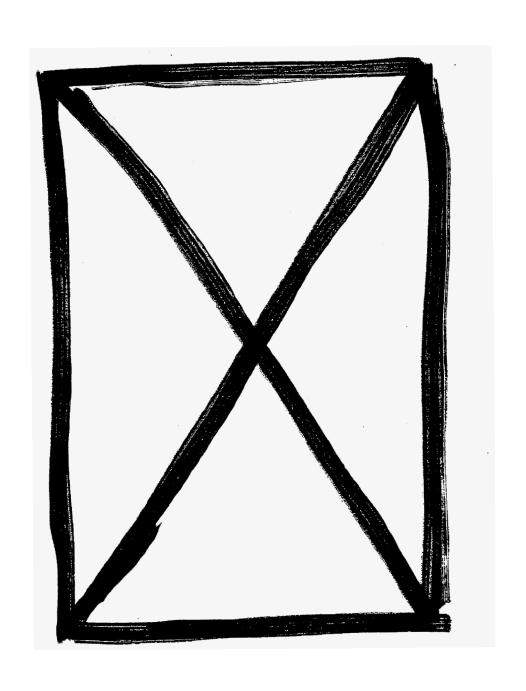
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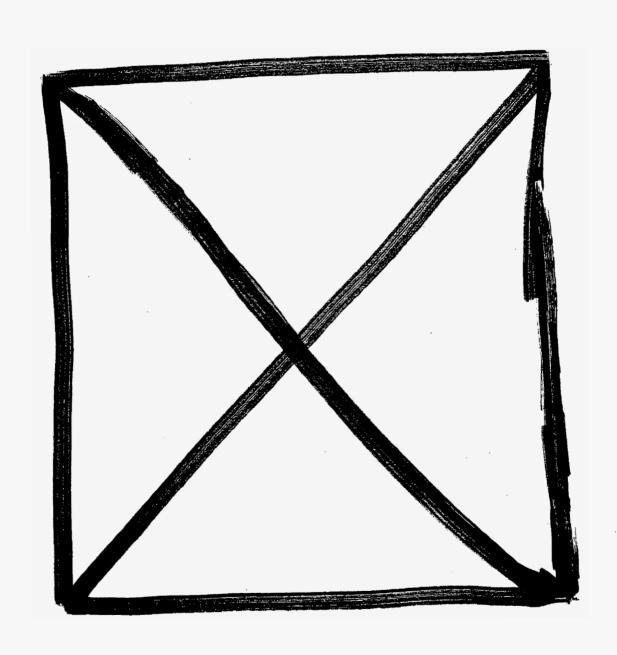


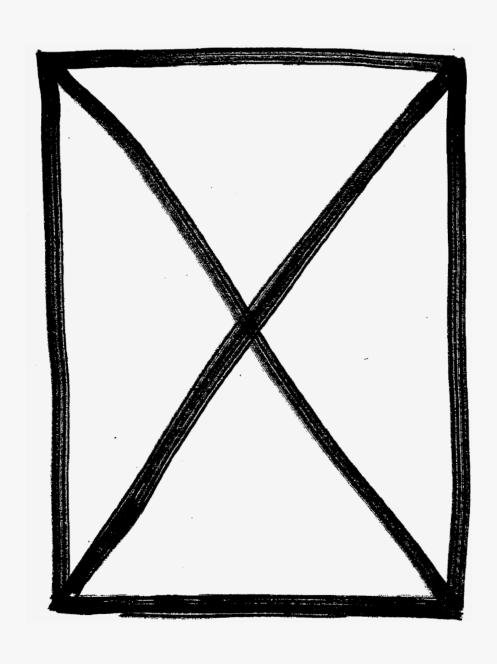


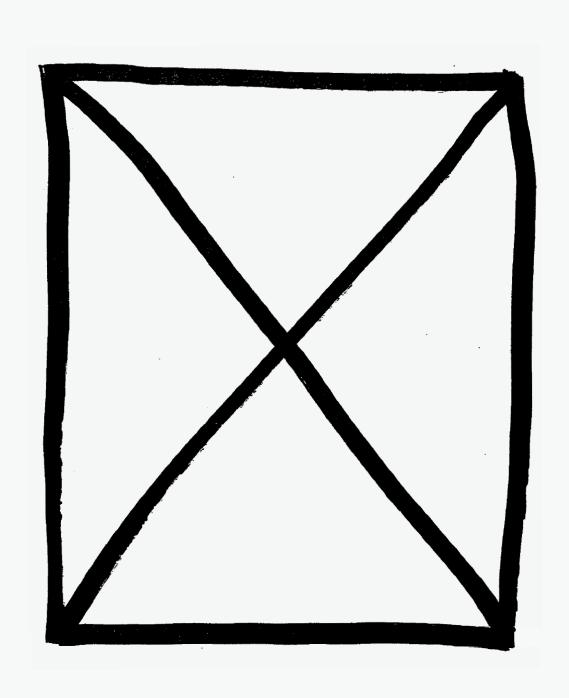
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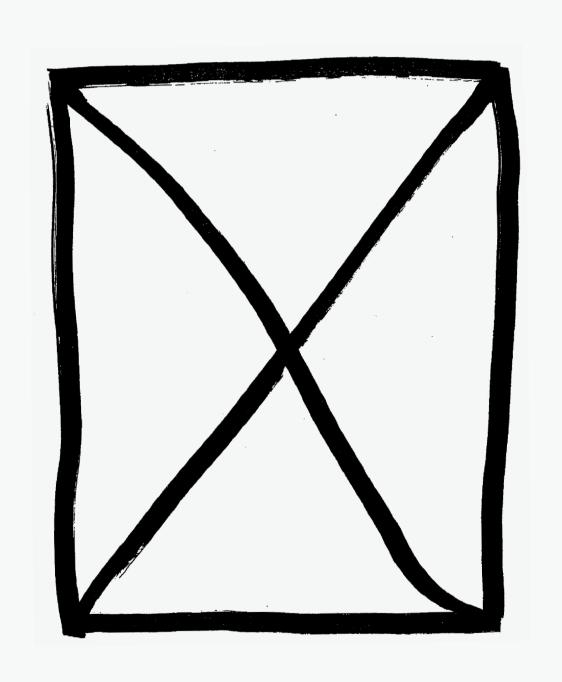


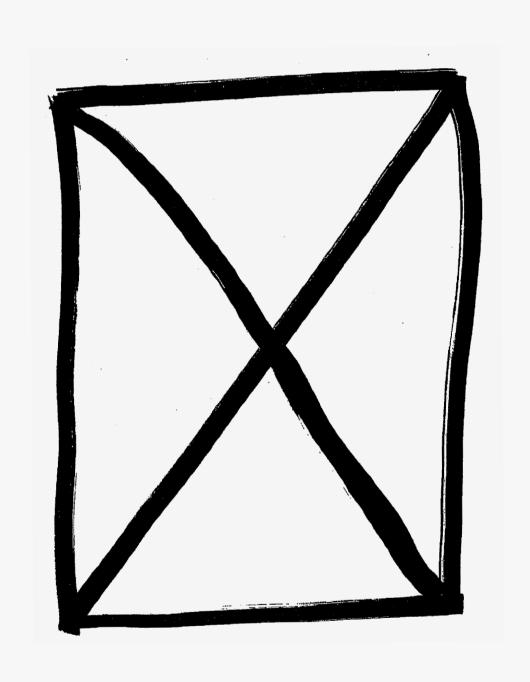


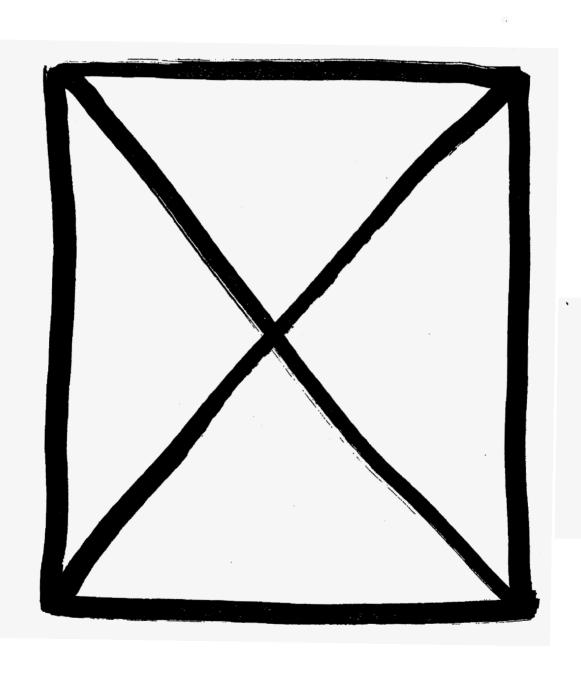


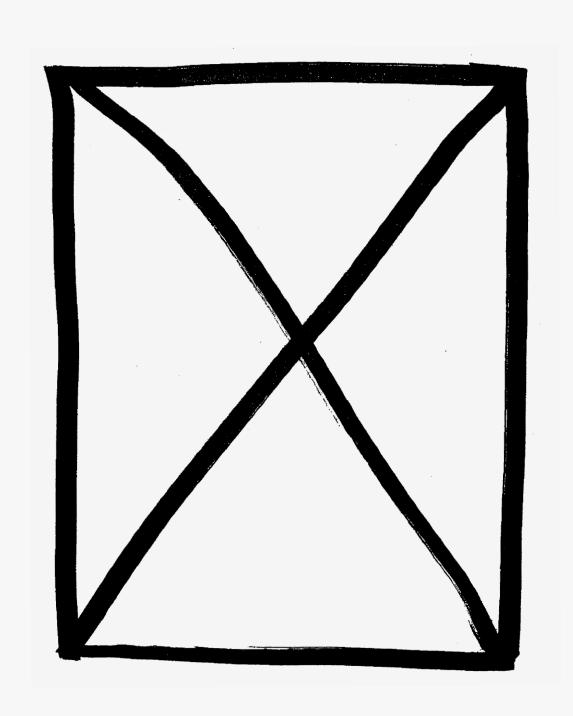


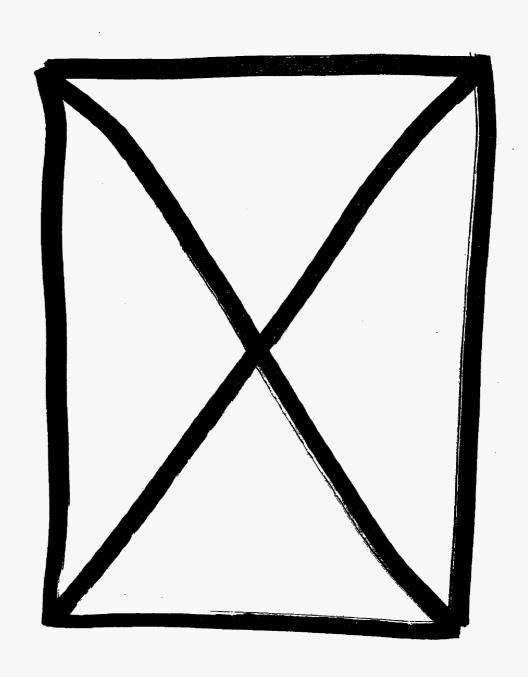


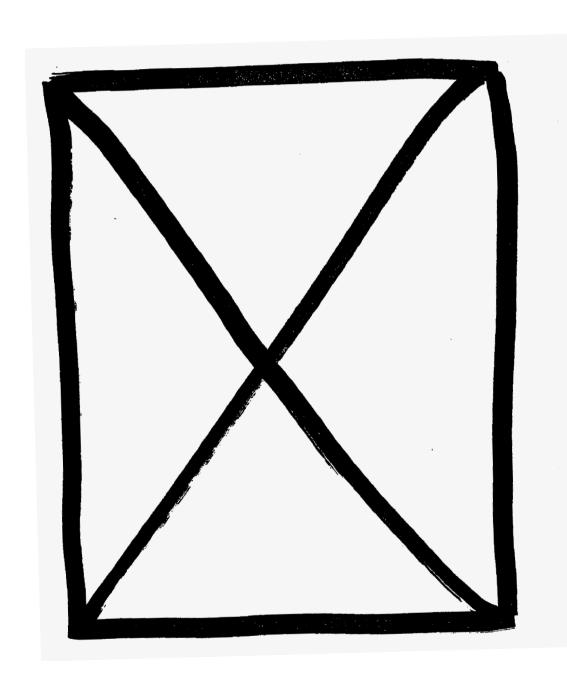


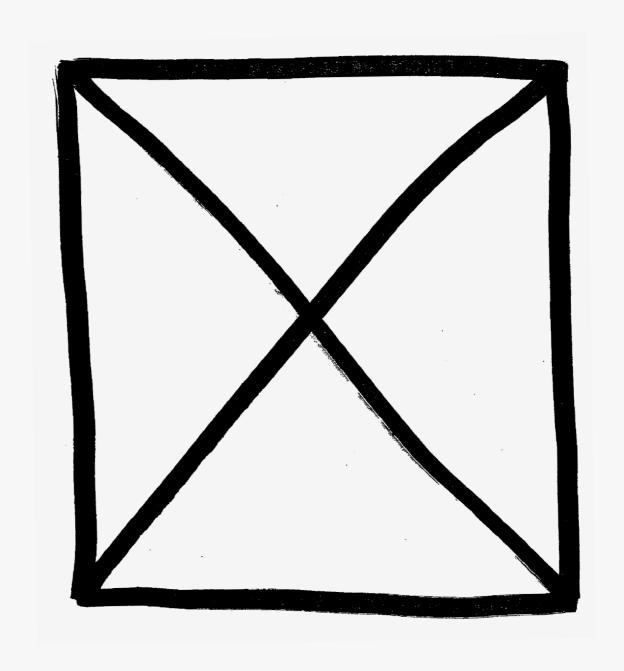


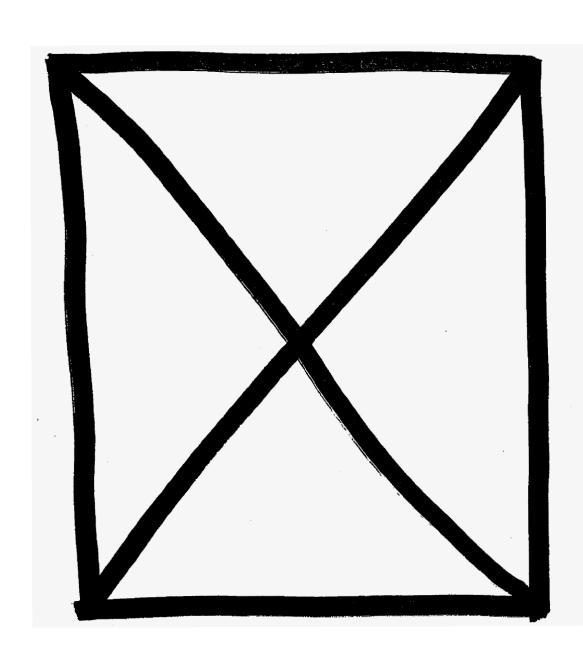


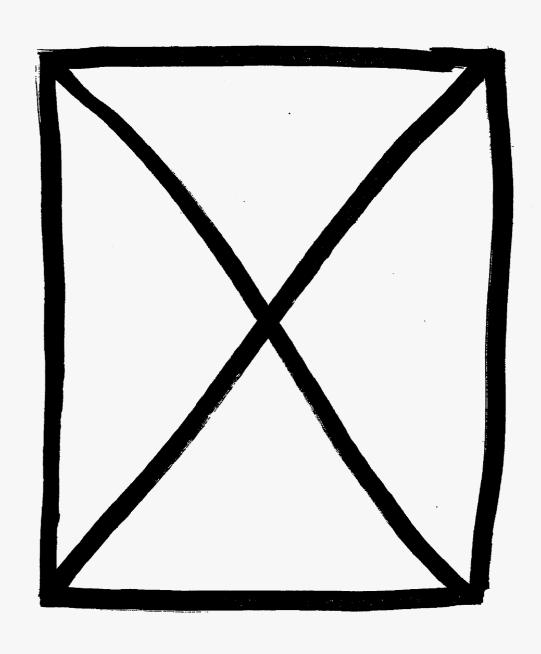


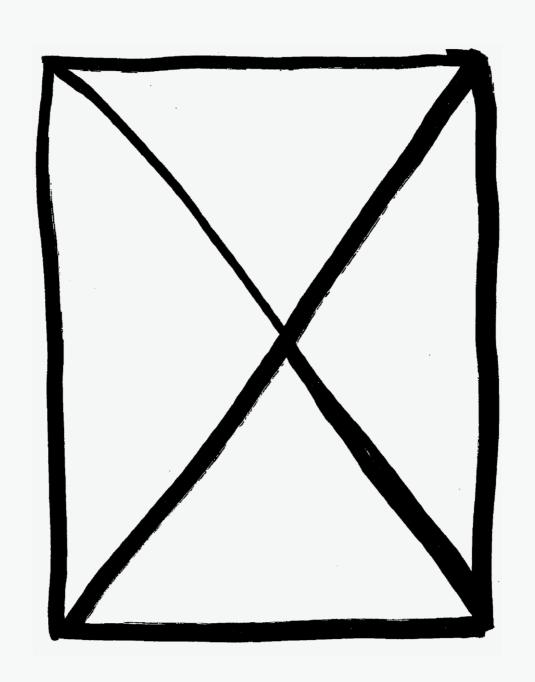


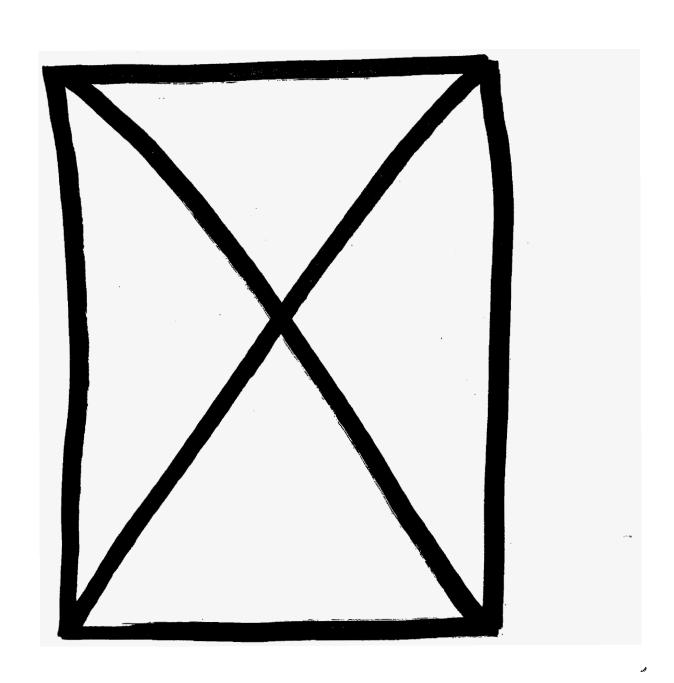


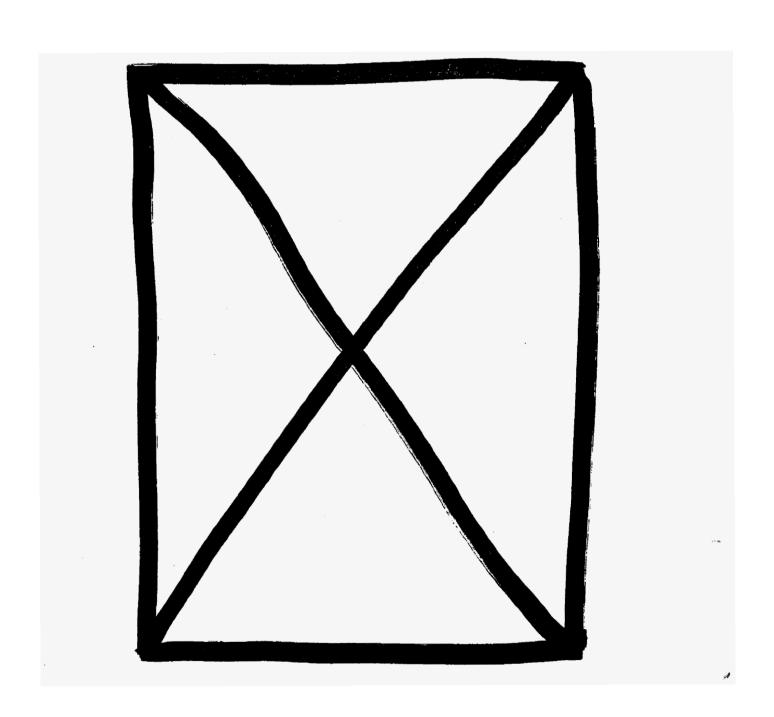


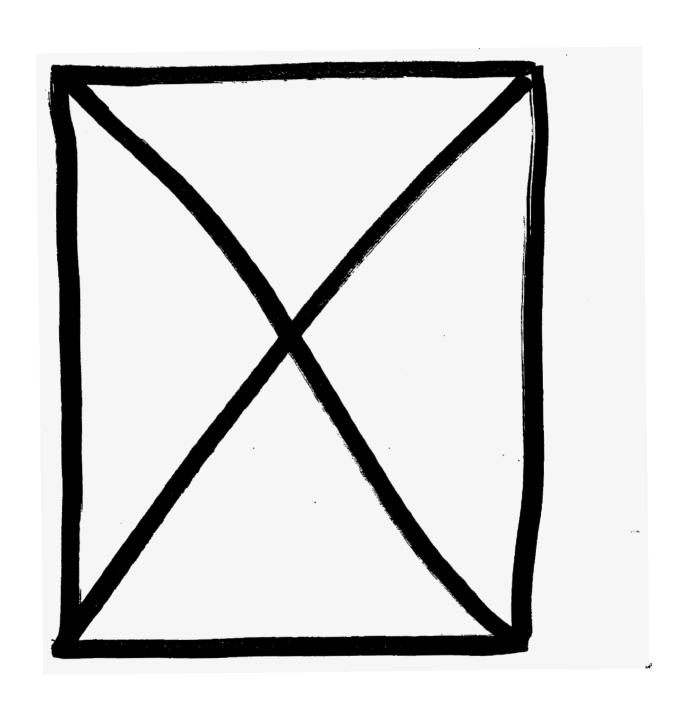


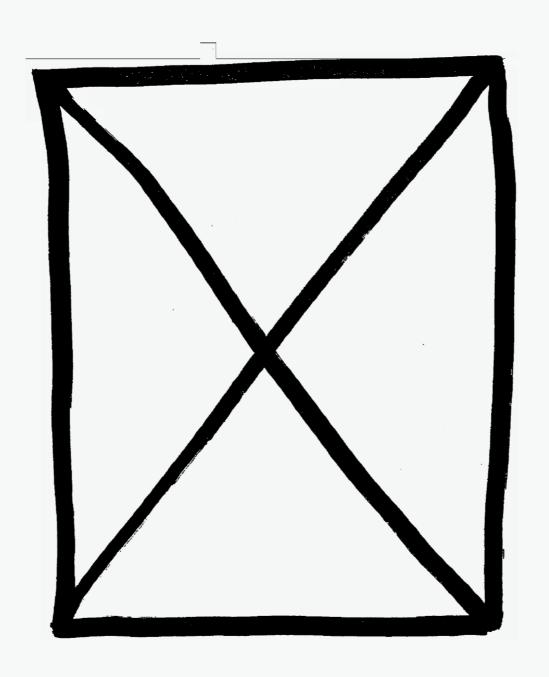


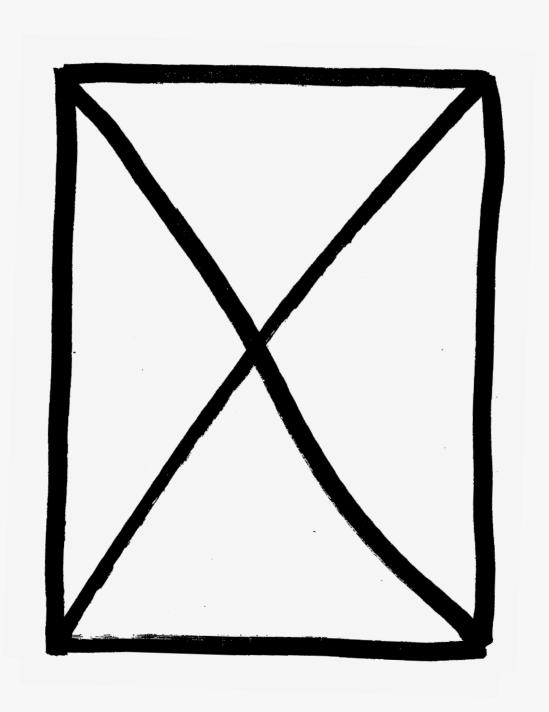


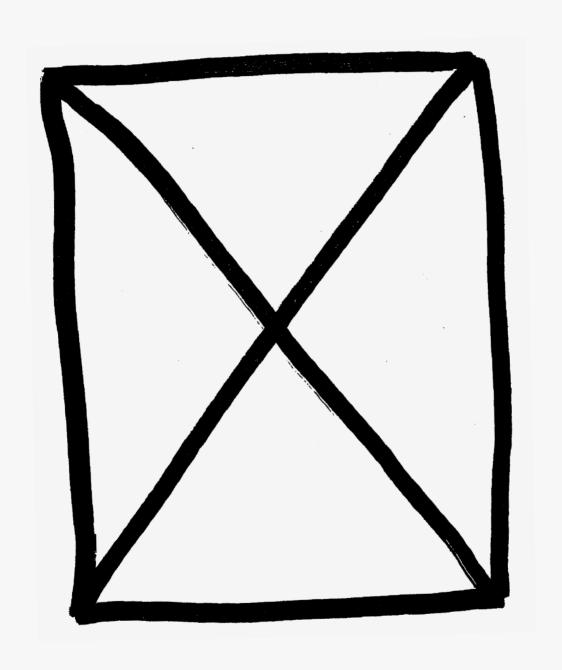


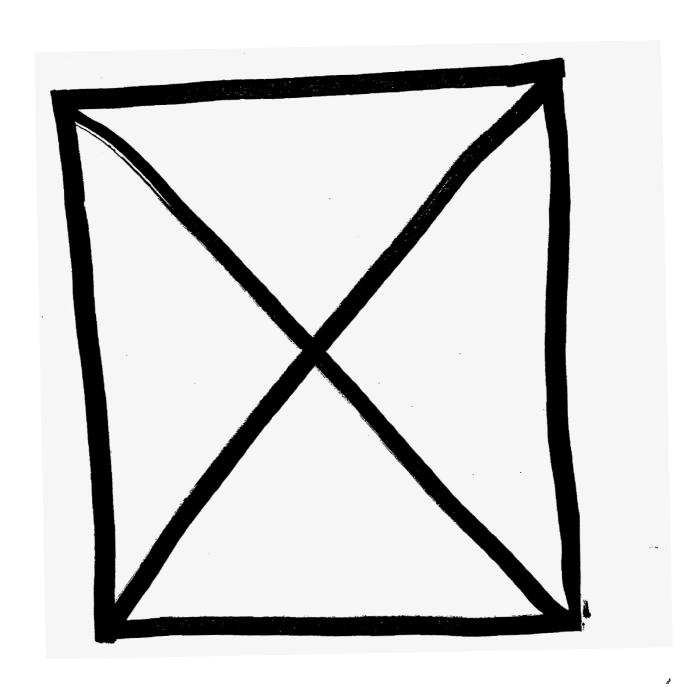


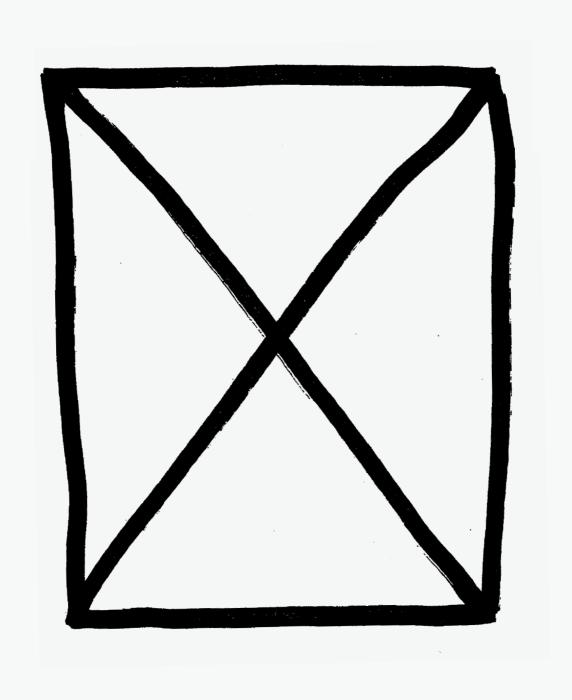


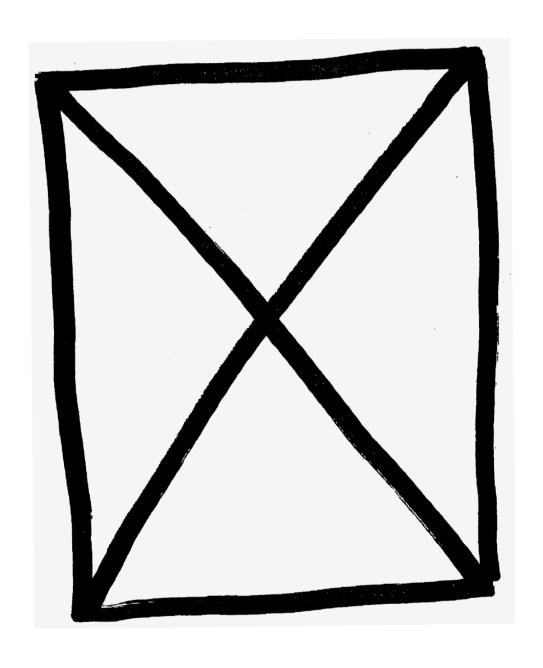


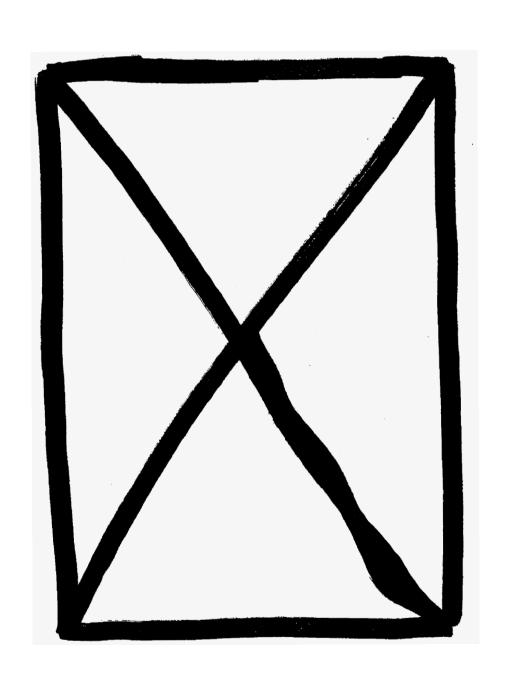


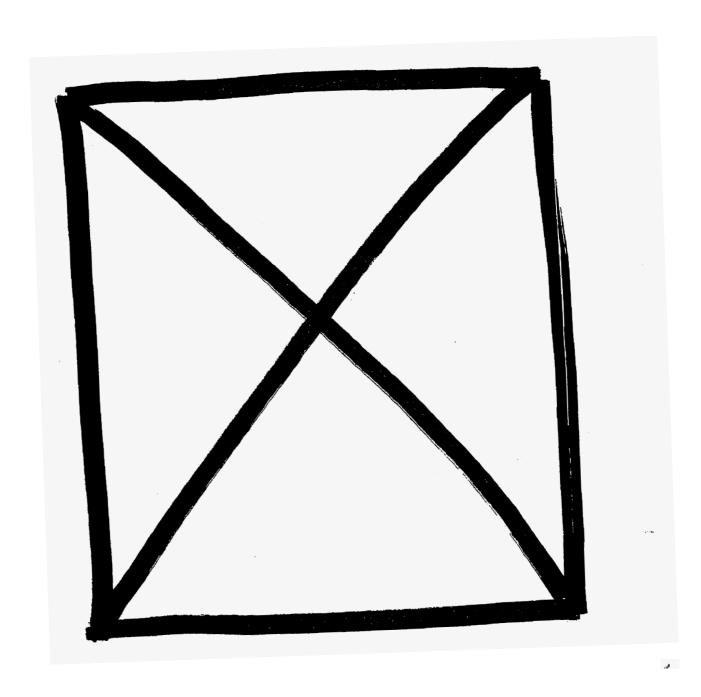


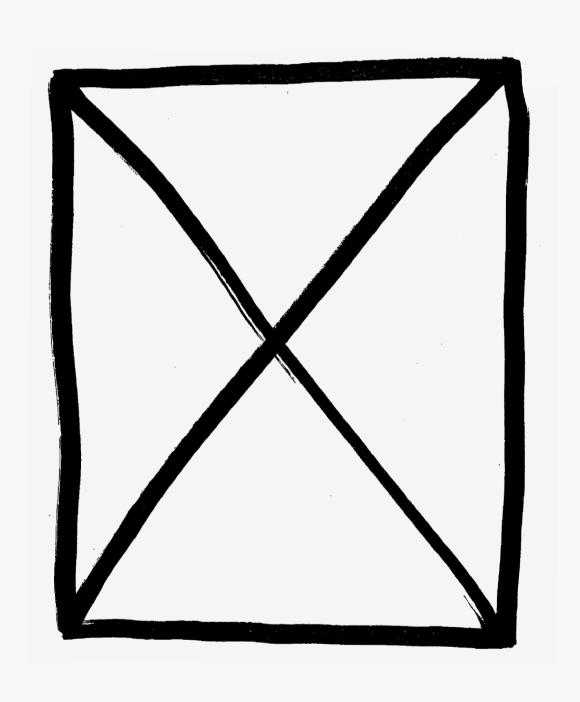


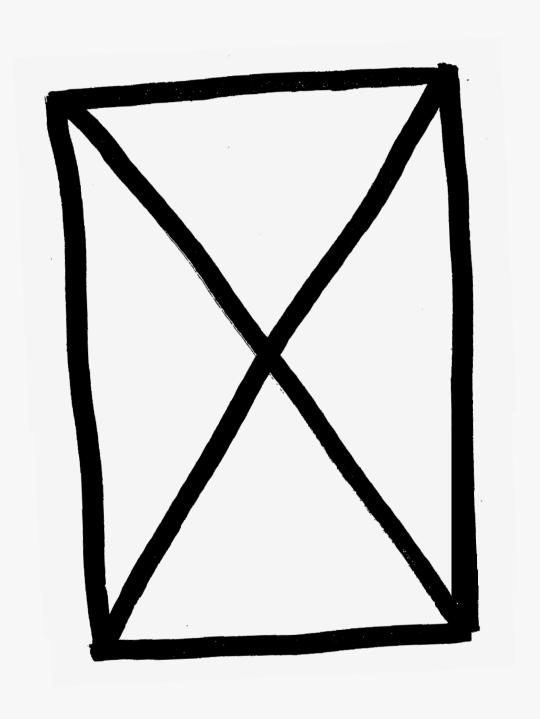


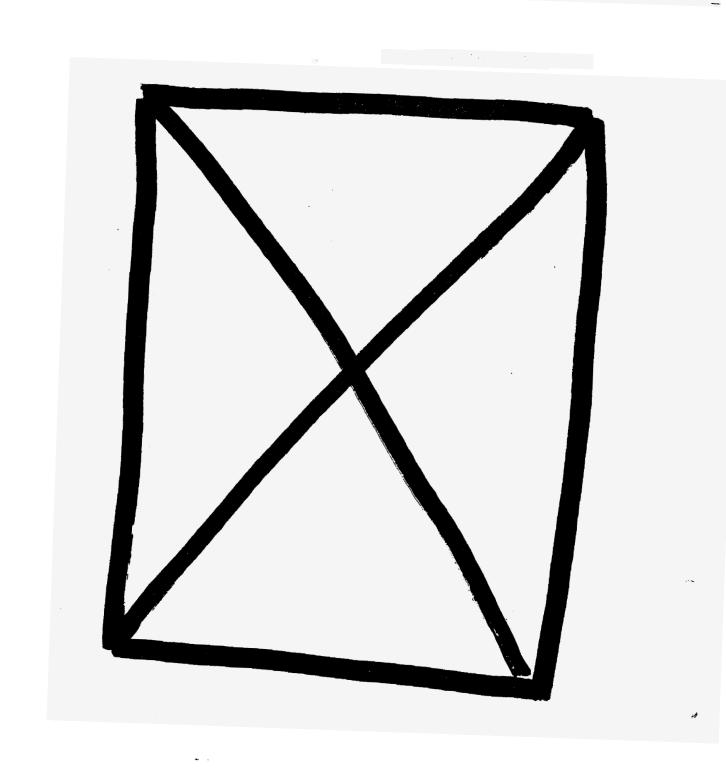


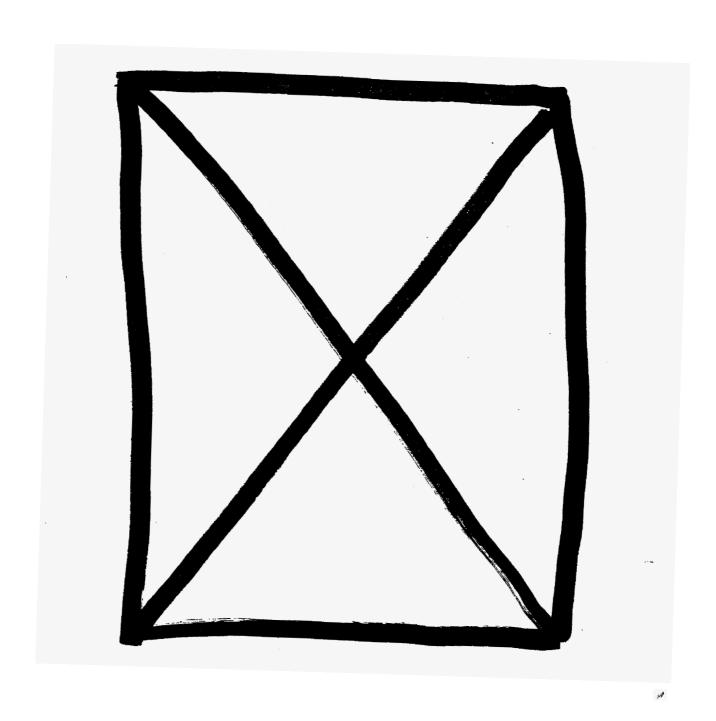


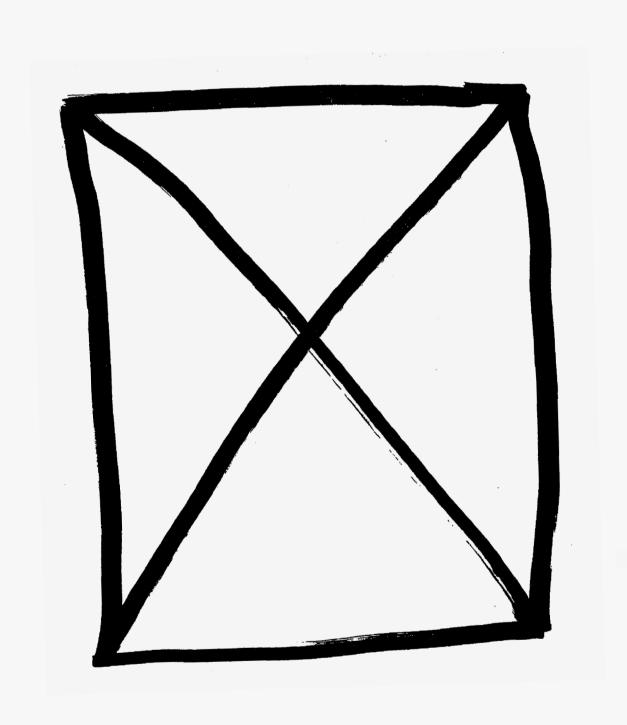


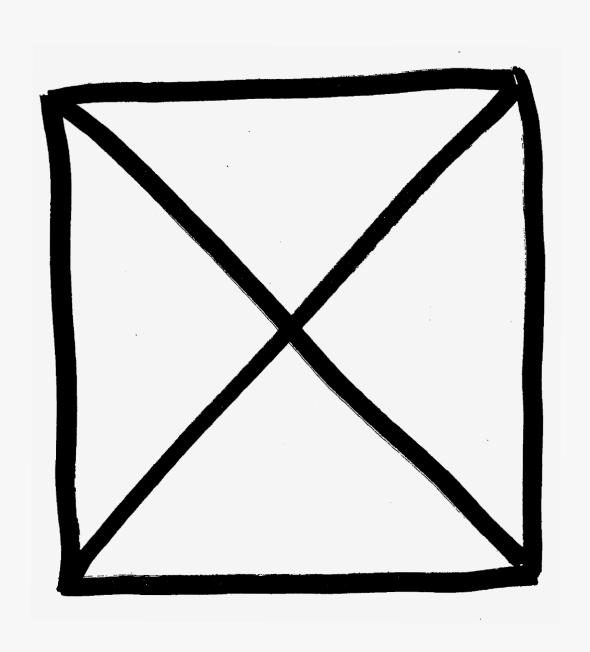


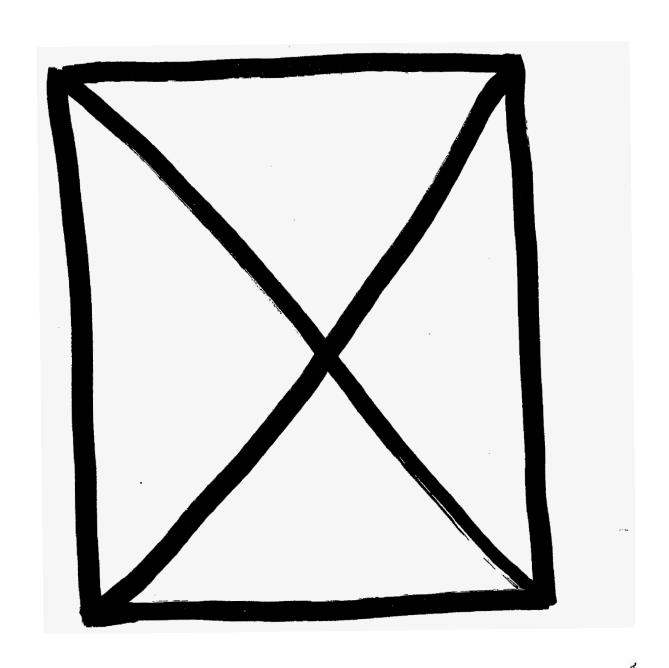


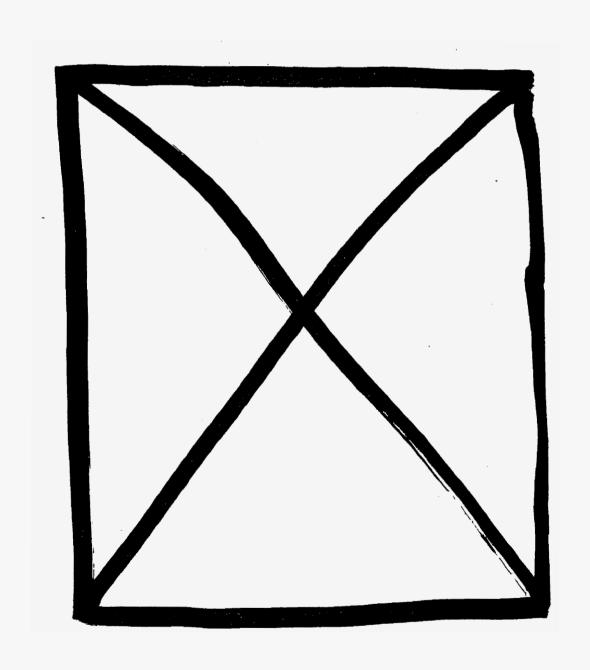


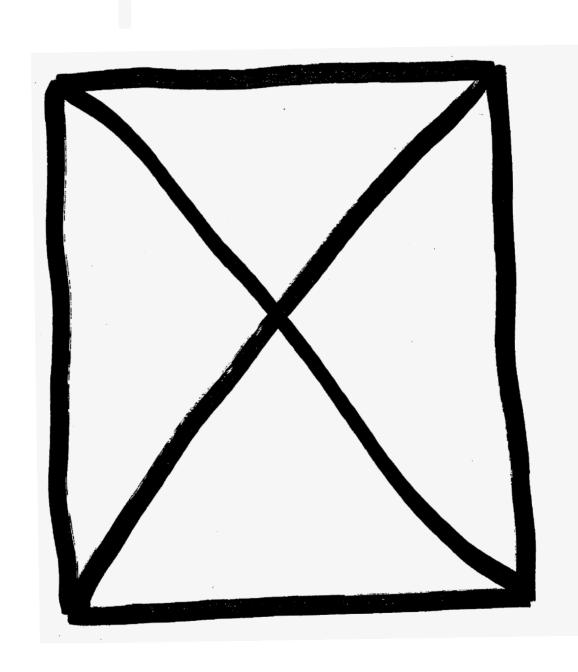


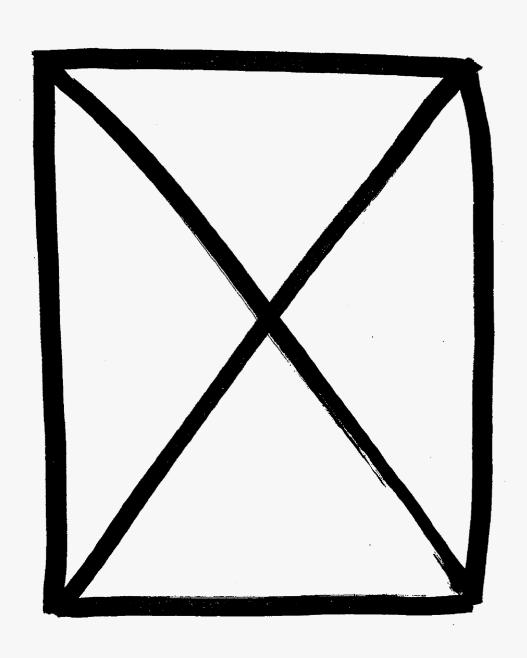


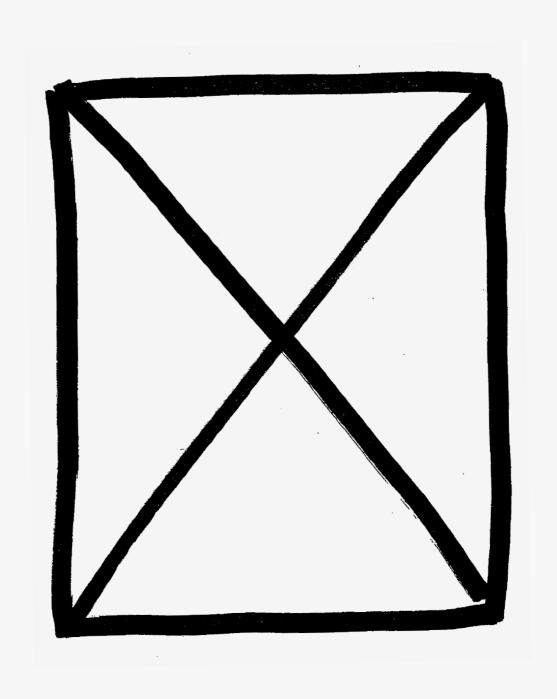


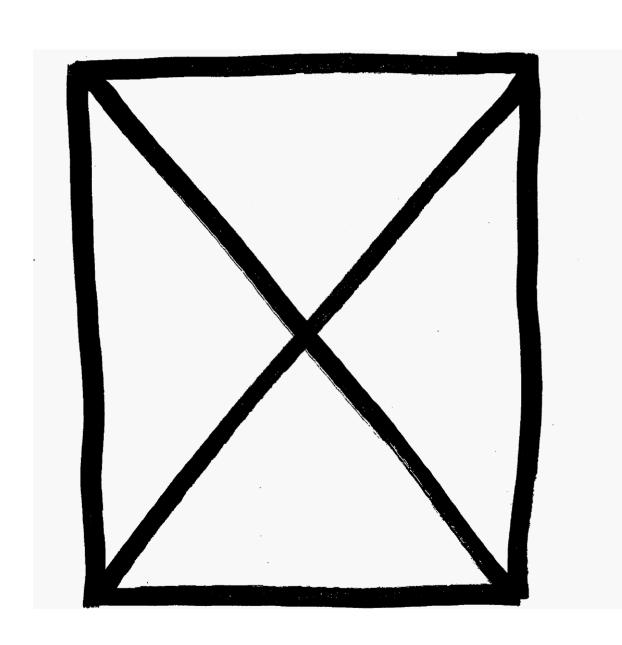


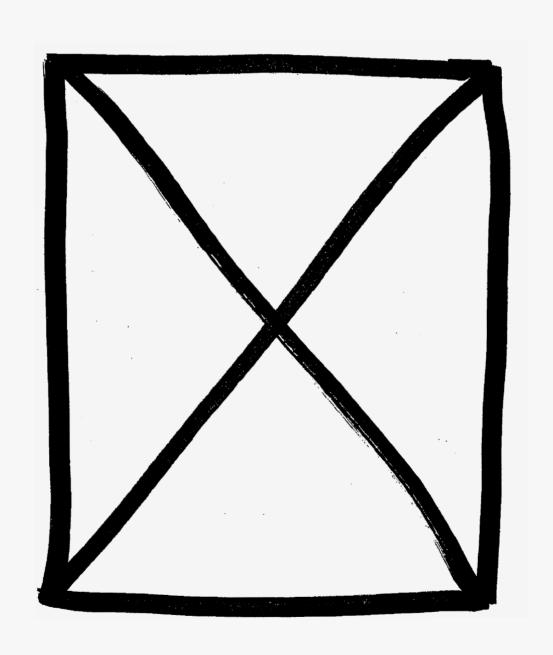


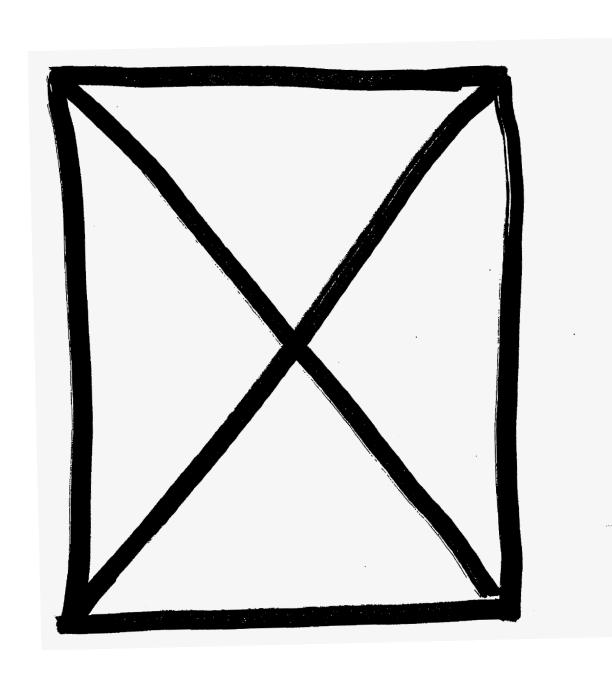












From:

Sent: To:

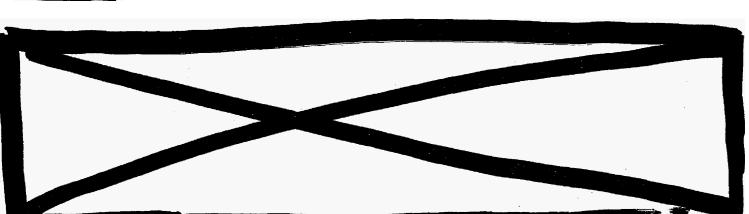
Cc: Subject: McQuade, Mark

Monday, October 04, 2004 6:01 PM

Murphy, Pam (CP&L)

#218154 v1 -





Pam and I look forward to speaking with you about the agreement.

From:

Sent: To:

Cc:

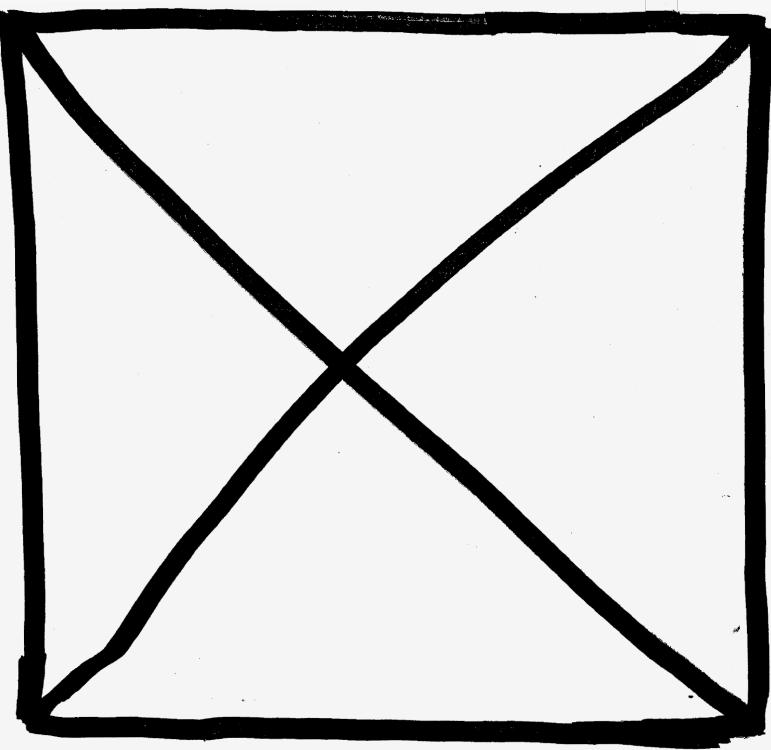
Subject:

Tuesday, October 05, 2004 6:01 PM McQuade Mark: Murphy, Pam (CP&I)

Progress-







The information in this email is confidential and may be legally privileged. It is intended solely for the addressee. Access to this email by anyone else is unauthorized. If you are not the intended recipient, any disclosure, copying, distribution or any action taken or omitted to be taken in reliance on it, is prohibited and may be unlawful.



From:

Sent: To:

Murphy, Pam (CP&L) Wednesday, October 06, 2004 9:28 AM McQuade, Mark

Subject:

----Original Message--

From:

Sent:

To: Subject: Murphy, Pam (CP&L) Wednesday, October 06, 2004 8:51 AM



From:

Sent:

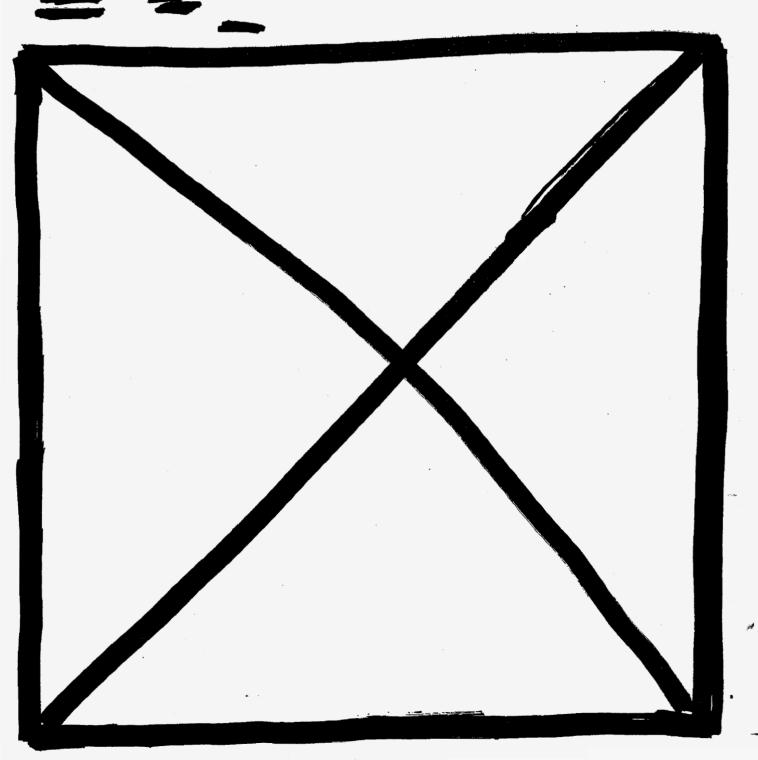
Murphy, Pam (CP&L) Wednesday, October 06, 2004 8:34 AM

To: Subject:

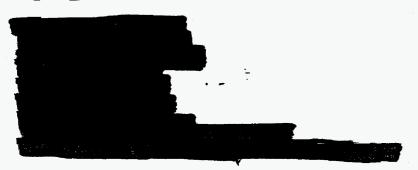
FW: Progress-







#### Regards

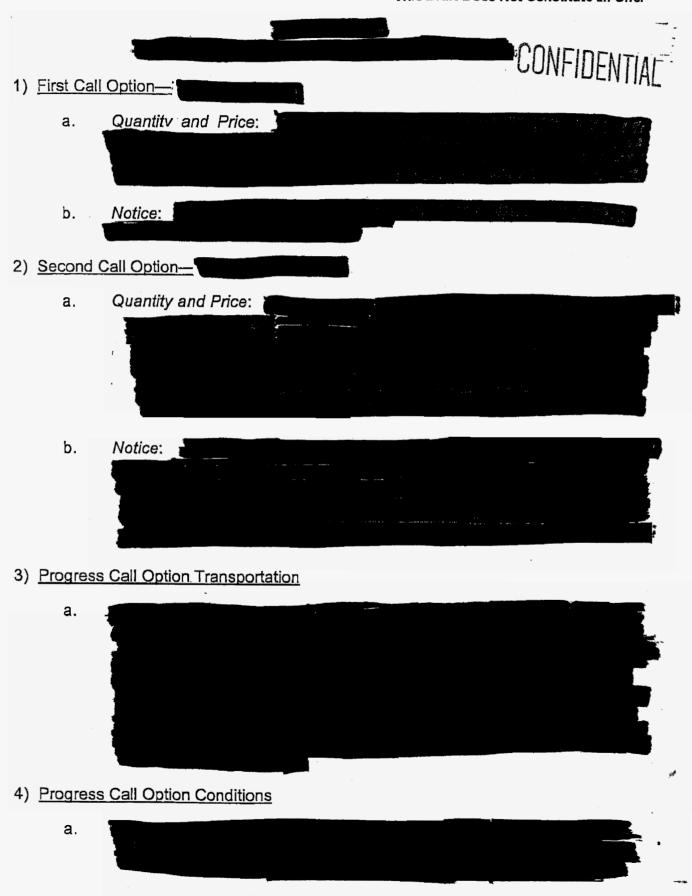


## CONFIDENTIAL

#### IMPORTANT NOTICE:

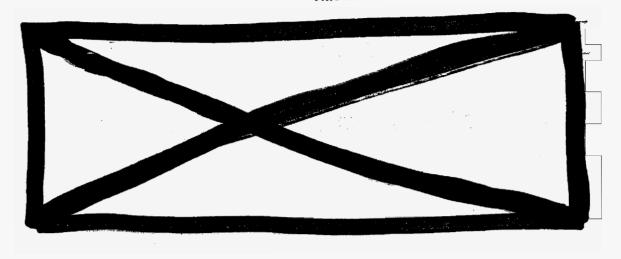
The information in this email is confidential and may be legally privileged. It is intended solely for the addressee. Access to this email by anyone else is unauthorized. If you are not the intended recipient, any disclosure, copying, distribution or any action taken or omitted to be taken in reliance on it, is prohibited and may be unlawful.

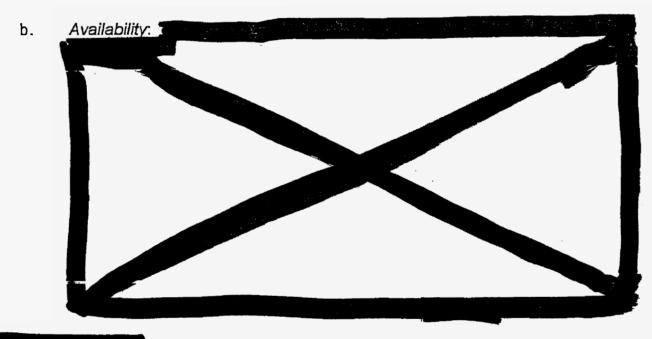


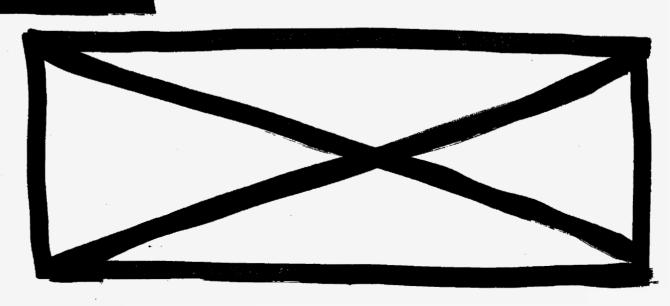


# CONFIDENTIAL

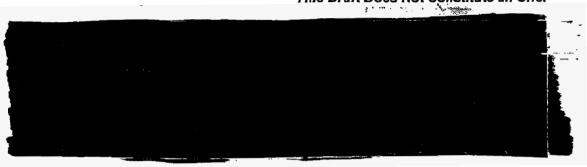
Confidential Draft—For Discussion Purposes Only This Draft Does Not Constitute an Offer







Confidential
Draft—For Discussion Purposes Only
This Draft Does Not Constitute an Offer



d. .

From:

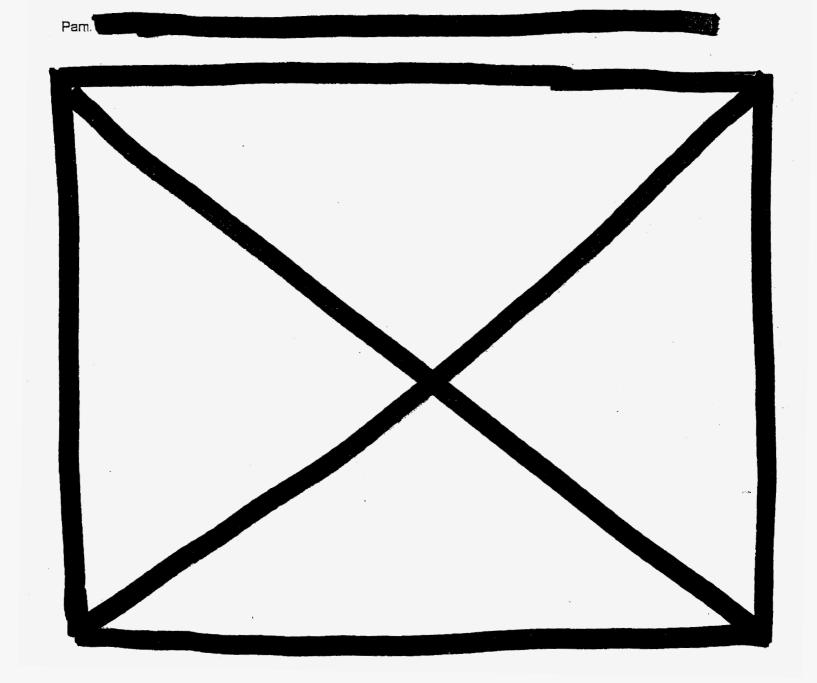
Sent: Monday, October 04, 2004 6:05 PM

To:

Murphy, Pam (CP&I); McQuade, Mark

Çc:

Subject: Progress Call Option - Open Items



From:

Sent: To:

Murphy, Pam (CP&L) Wednesday, October 06, 2004 8:44 AM

Subject:

FW: Progress-

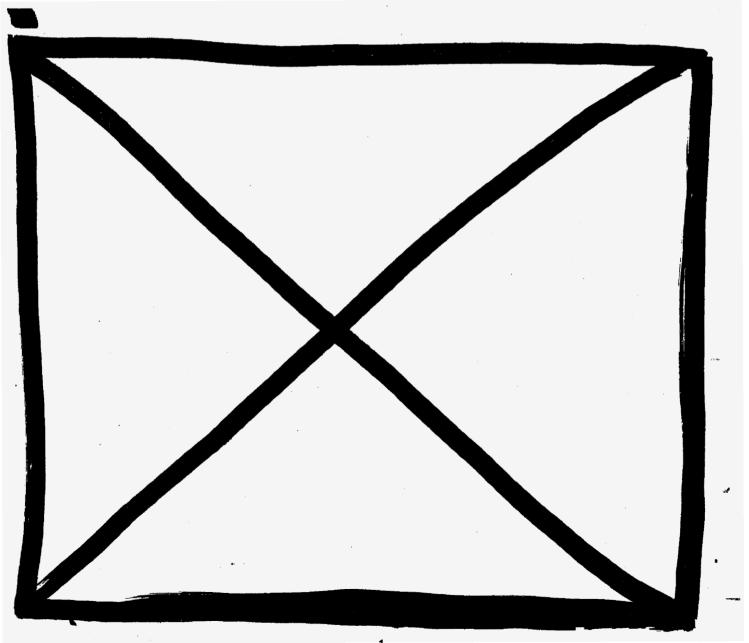
CONFIDENTIAL

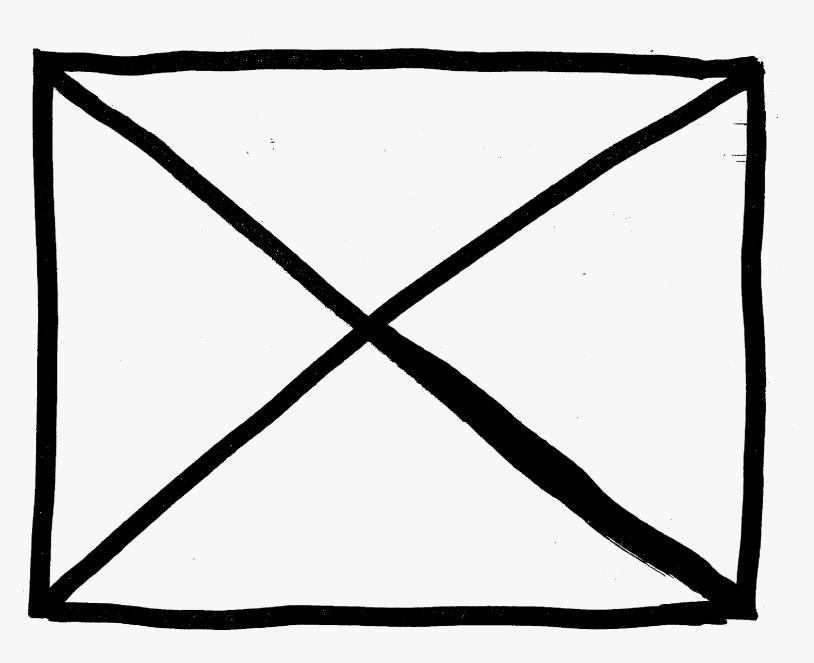




----Original Message---From: Murphy, Pam (CP&L)
Sent: Wednesday, October 06, 2004 8:34 AM

Subject: FW: Progress-





2

### DRAFT

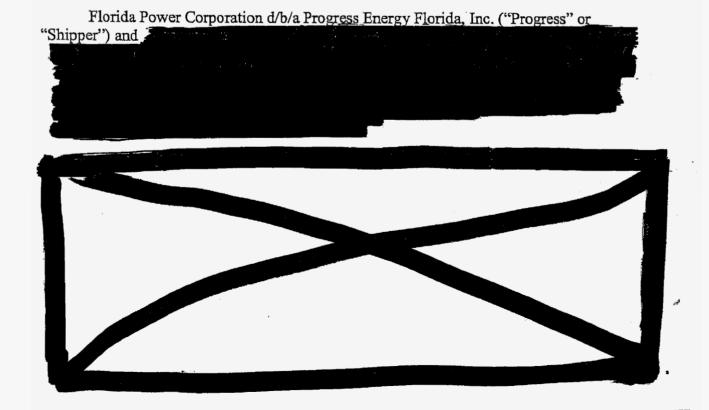


OctoberSeptember 21 , 2004

Progress Energy Florida, Inc. Attention: Ms. Pamela Murphy P. O. Box 1551<del>, PEB 10A</del> 410 South Wilmington St., PEB10A Raleigh, North Carolina27602-1551

Re: Proposal for by and between Florida Power Corporation, d/b/a Progress Energy Florida, Inc.,

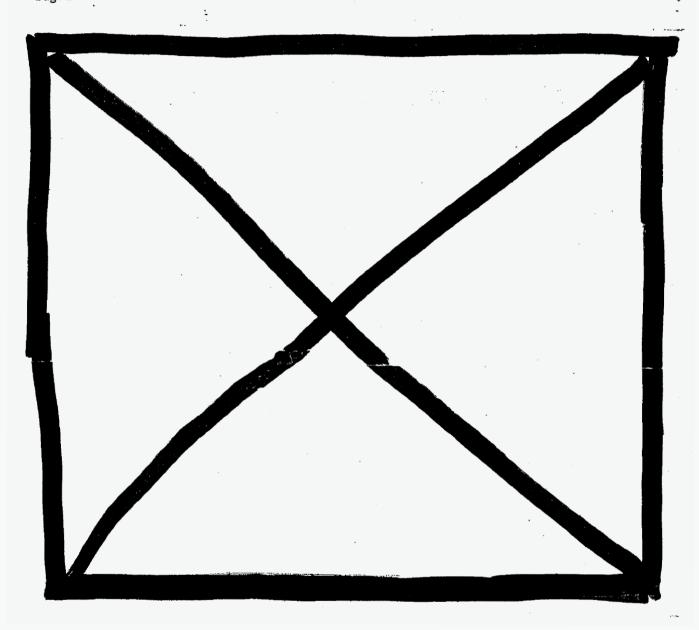
Dear Ms. Murphy:



Progress Energy Florida, Inc.

CONFIDENTIAL

October September 21, 2004 Page 2



FLORIDA POWER CORPORATION d/b/a PROGRESS ENERGY FLORIDA, INC.

Ву:	
Name:	
Title:	

Attachment

# CONFIDENTIAL

### OctoberSeptember 21\_\_, 2004

Progress Energy Florida, Inc.

Attn: Ms. Pamela Murphy

P. O. Box 1551

410 South Wilmington St., PEB10A

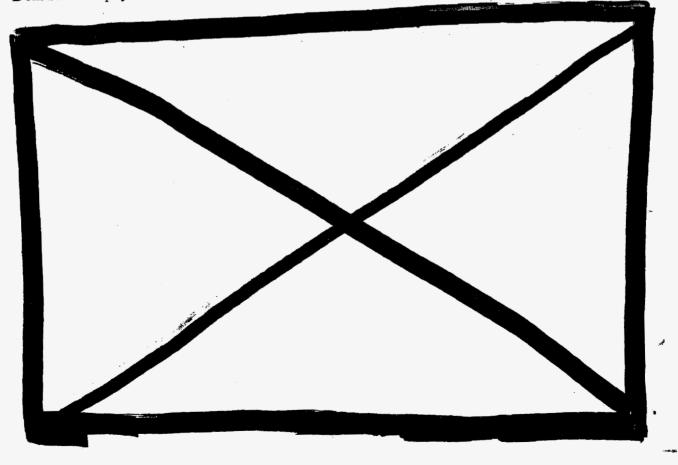
Raleigh, NC 27601

Re:

Florida Power Corporation d/b/a Progress Energy

Florida, Inc. ("Progress"

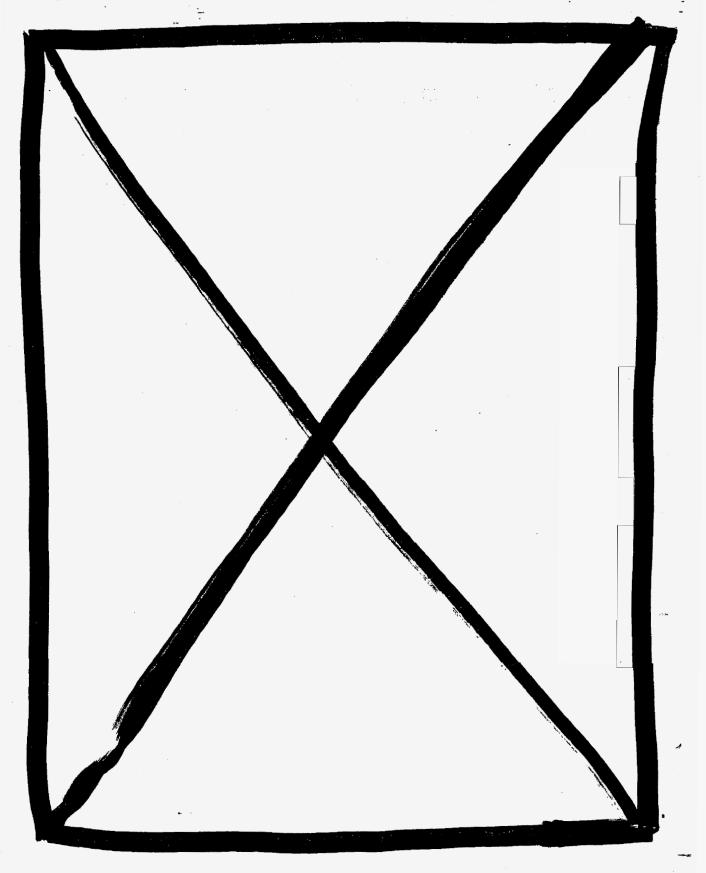
Dear Ms. Murphy:



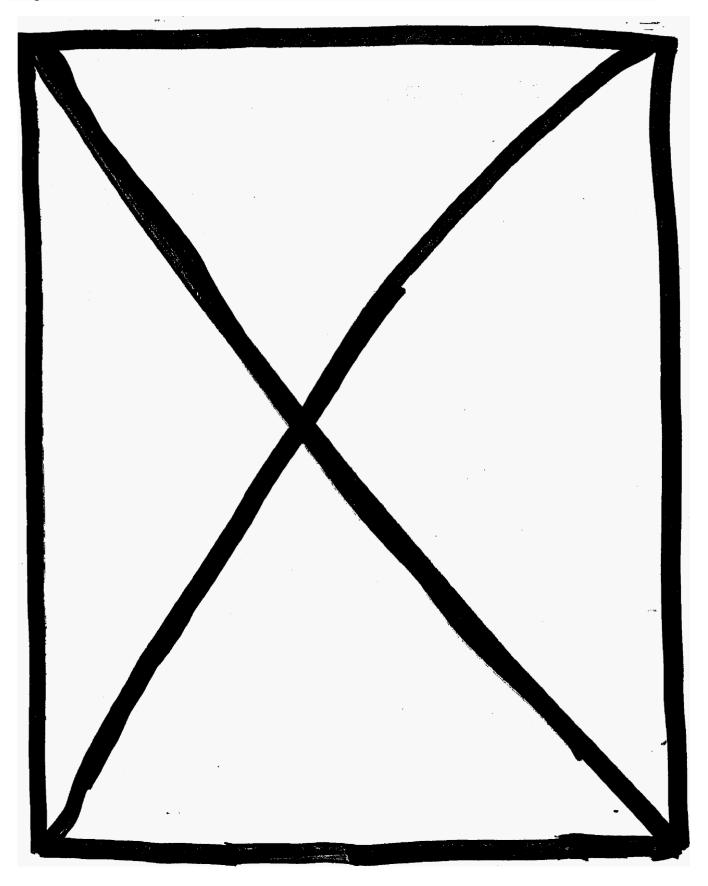
Progress Energy Florida, Inc.
October September 21, 2004

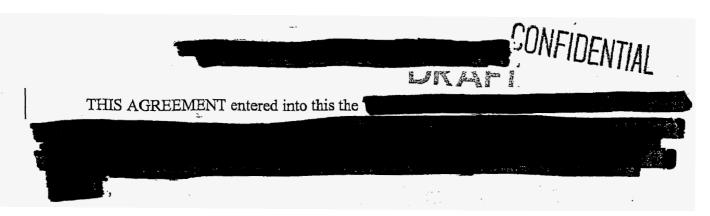
Page 2

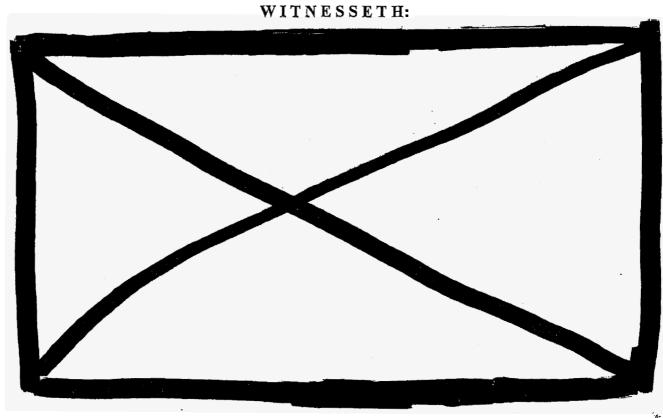
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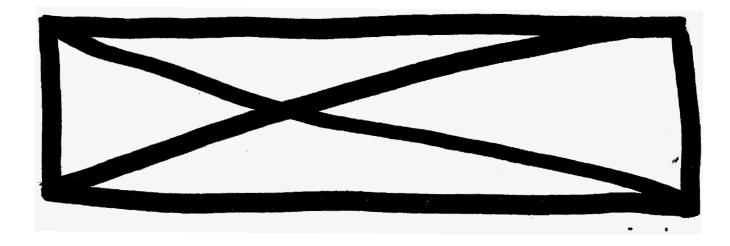
Page 3

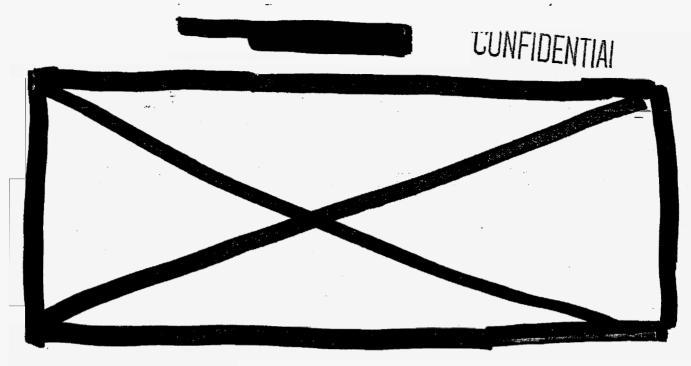




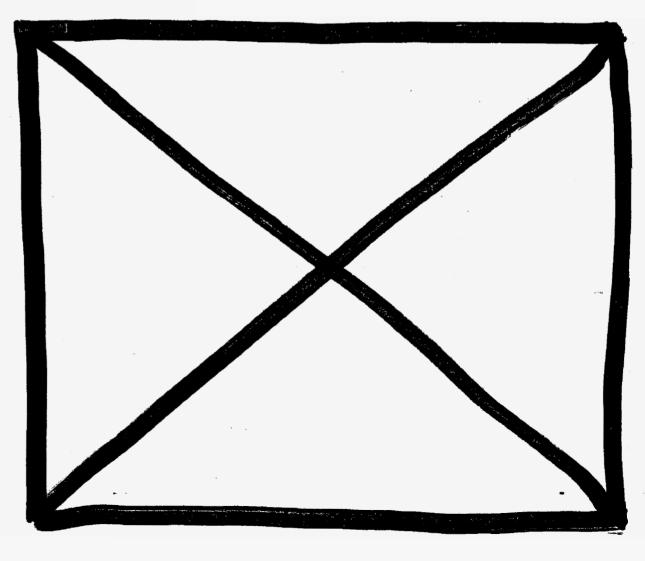


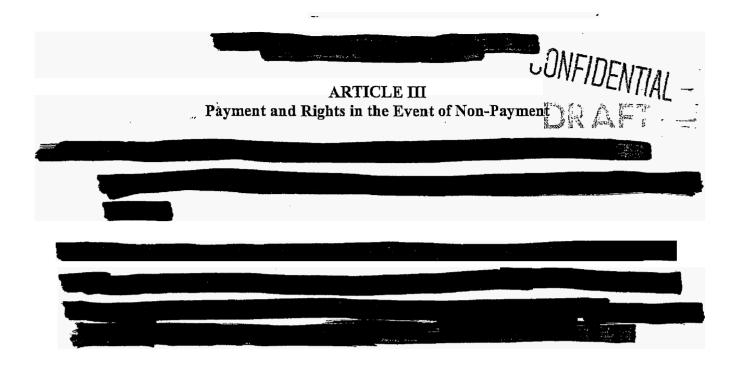
ARTICLE I Definitions



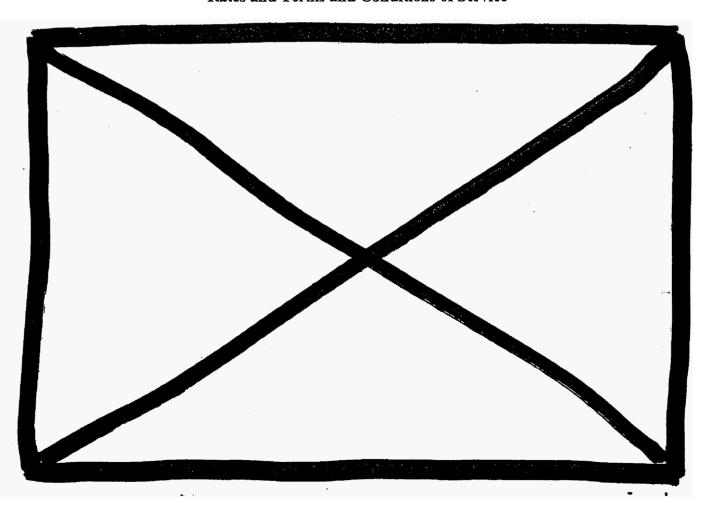


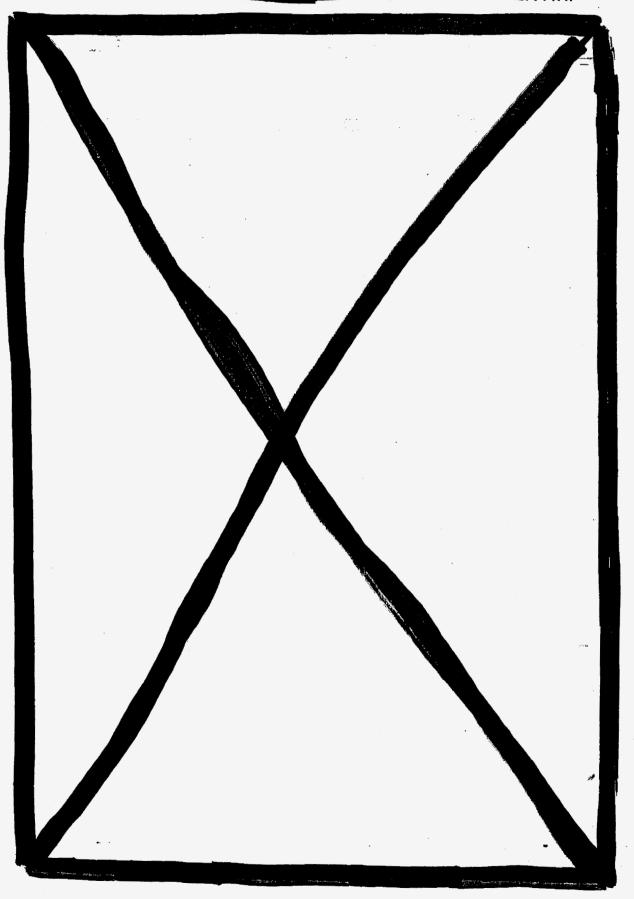
ARTICLE II Quantity

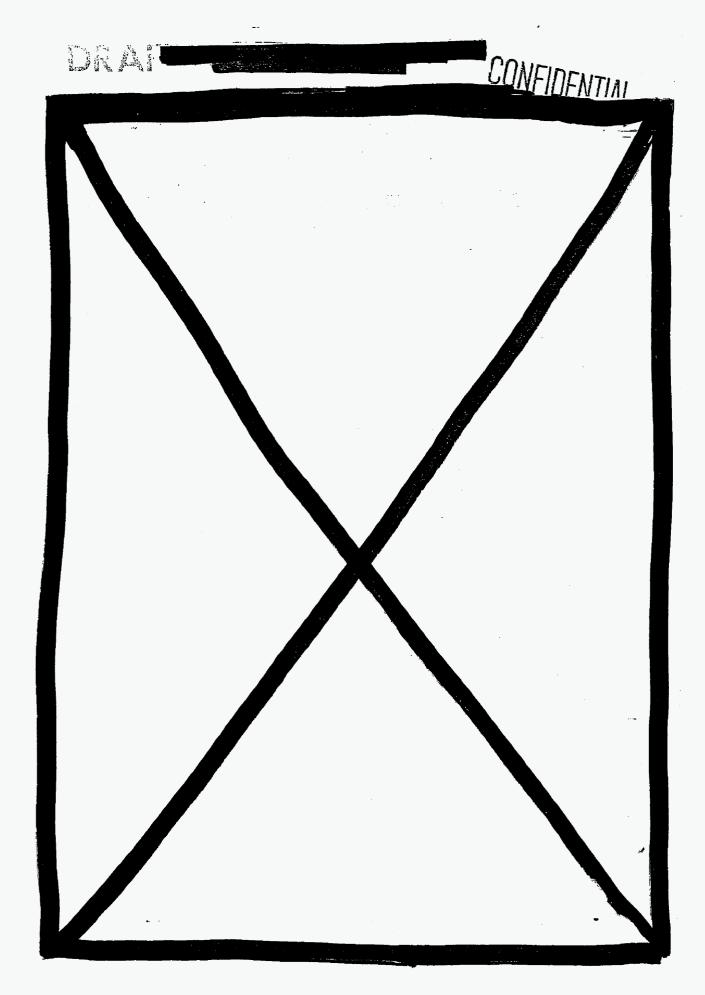


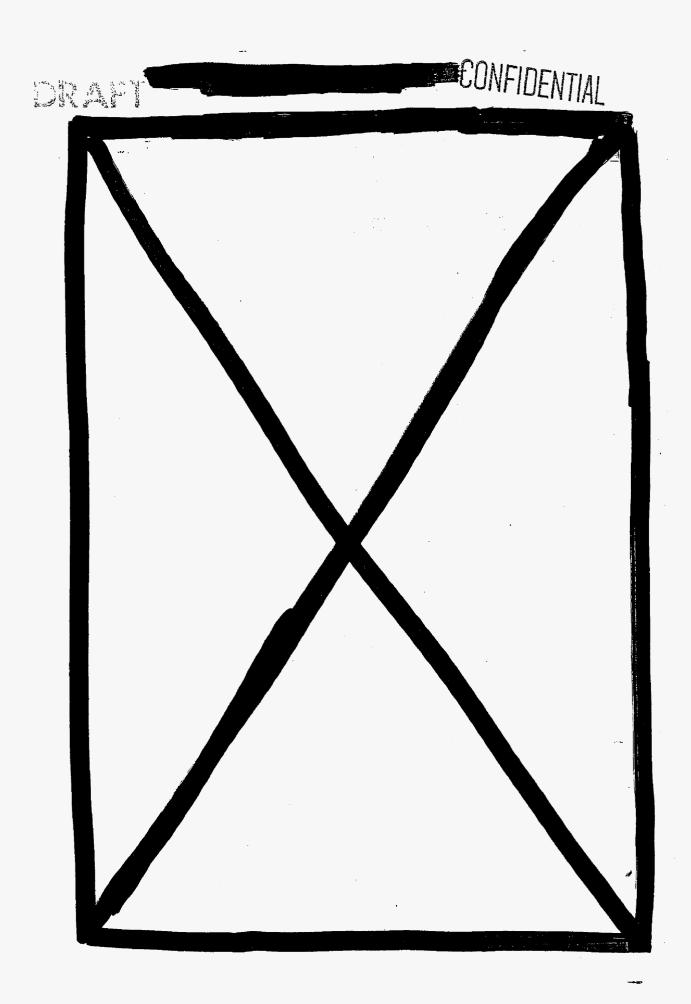


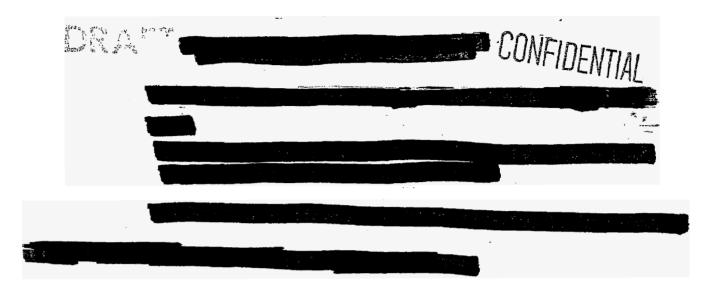
ARTICLE IV
Rates and Terms and Conditions of Service



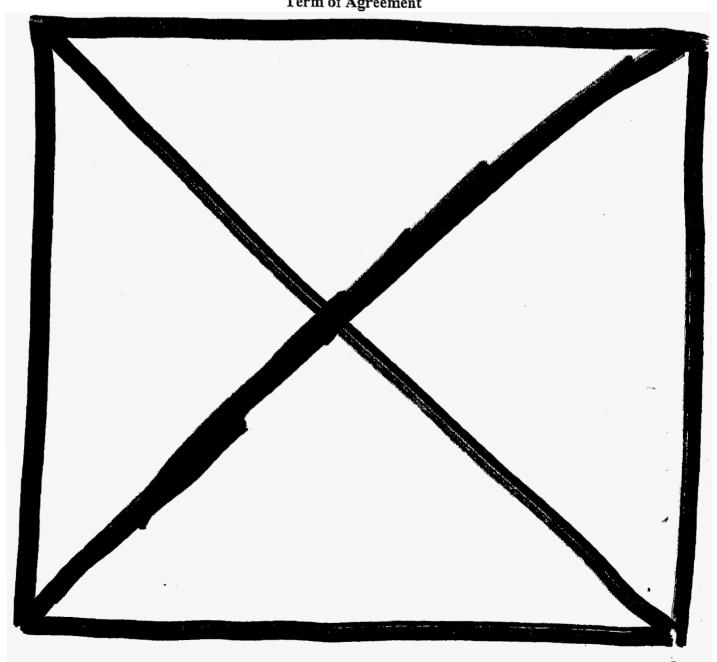


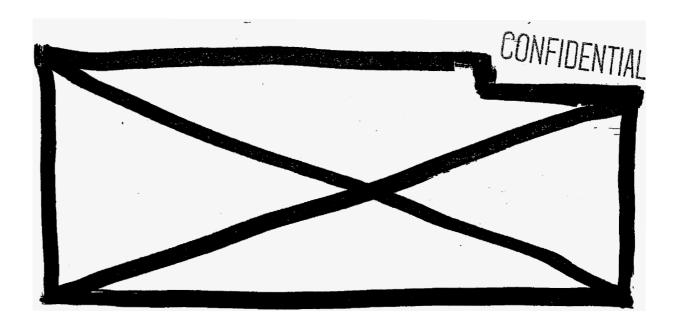




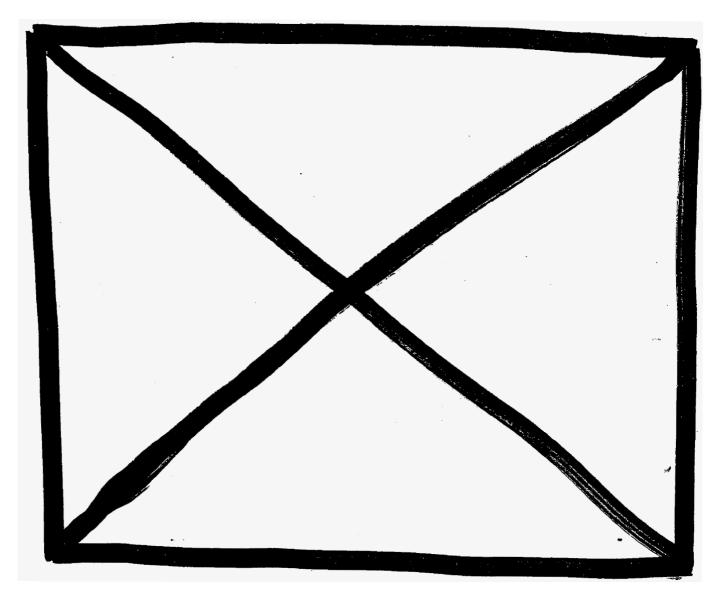


ARTICLE V
Term of Agreement



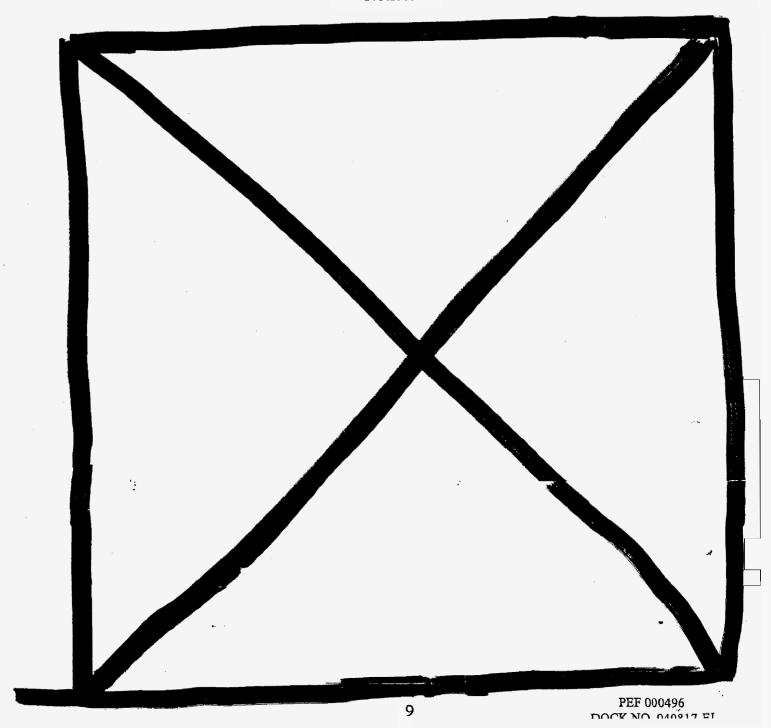


ARTICLE VI
Point(s) of Receipt and Delivery and Maximum Daily Quantities



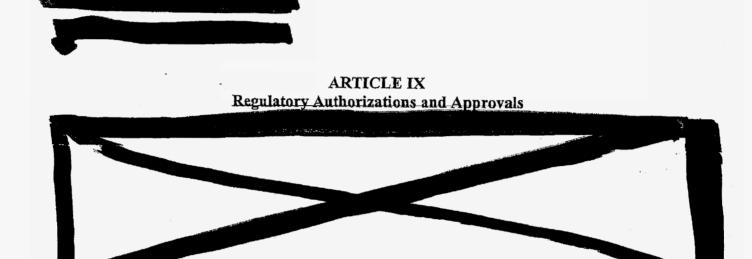


ARTICLE VII Notices

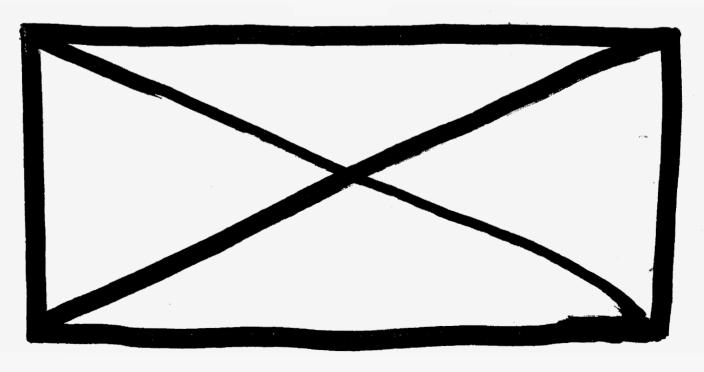




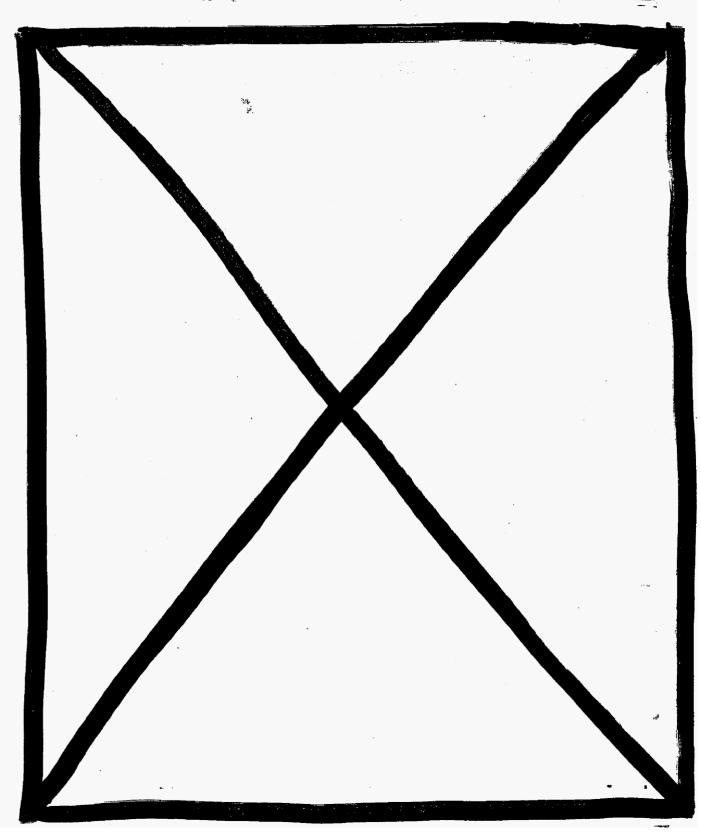
ARTICLE VIII
Facilities



ARTICLE X
Pressure

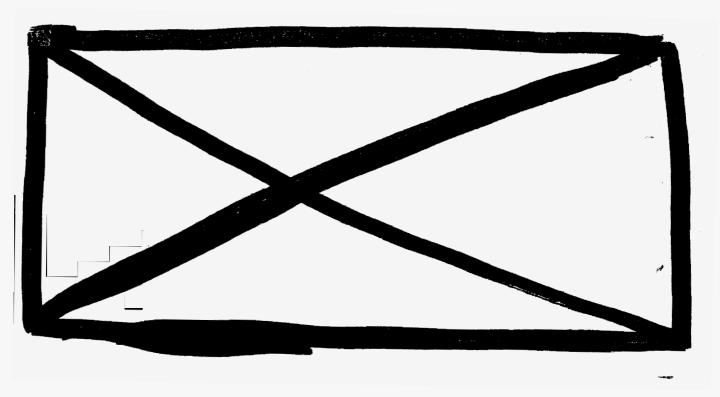


ARTICLE XI
Other Provisions

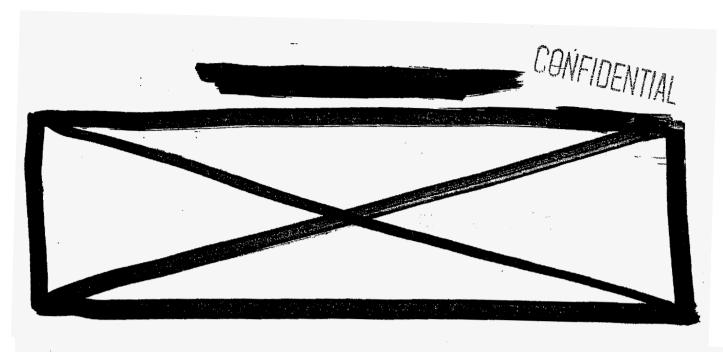




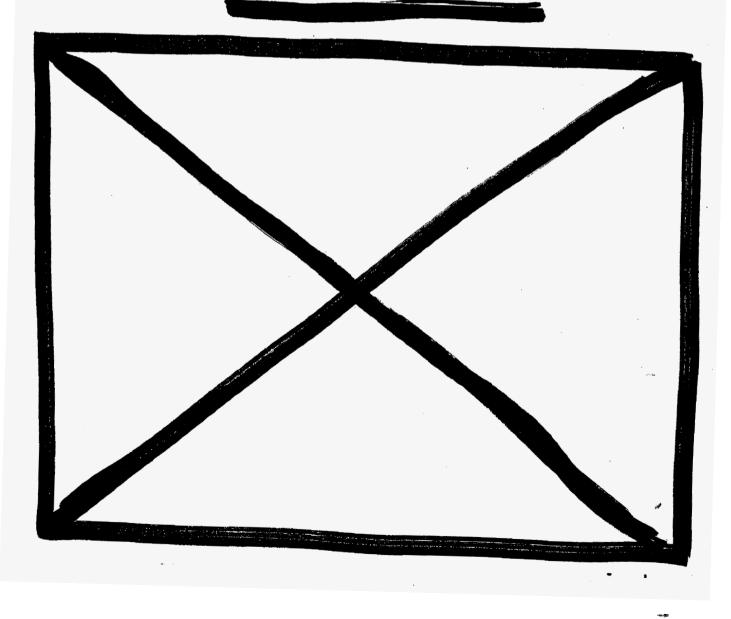
ARTICLE XII Miscellaneous

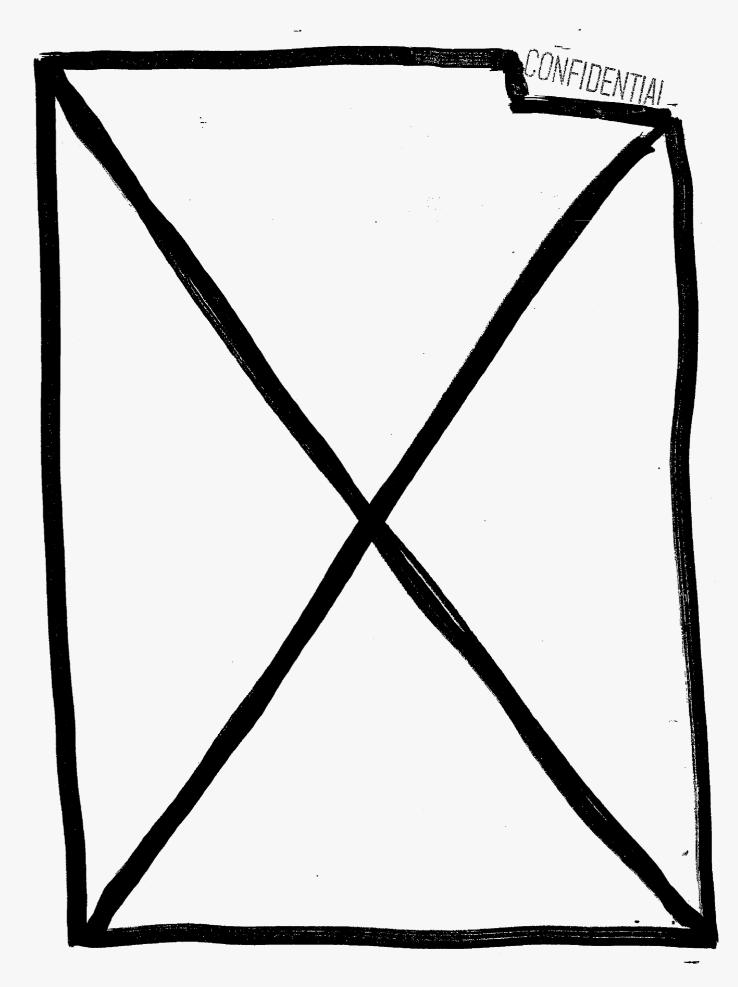


PEF 000499 DOCK NO. 040817-EI

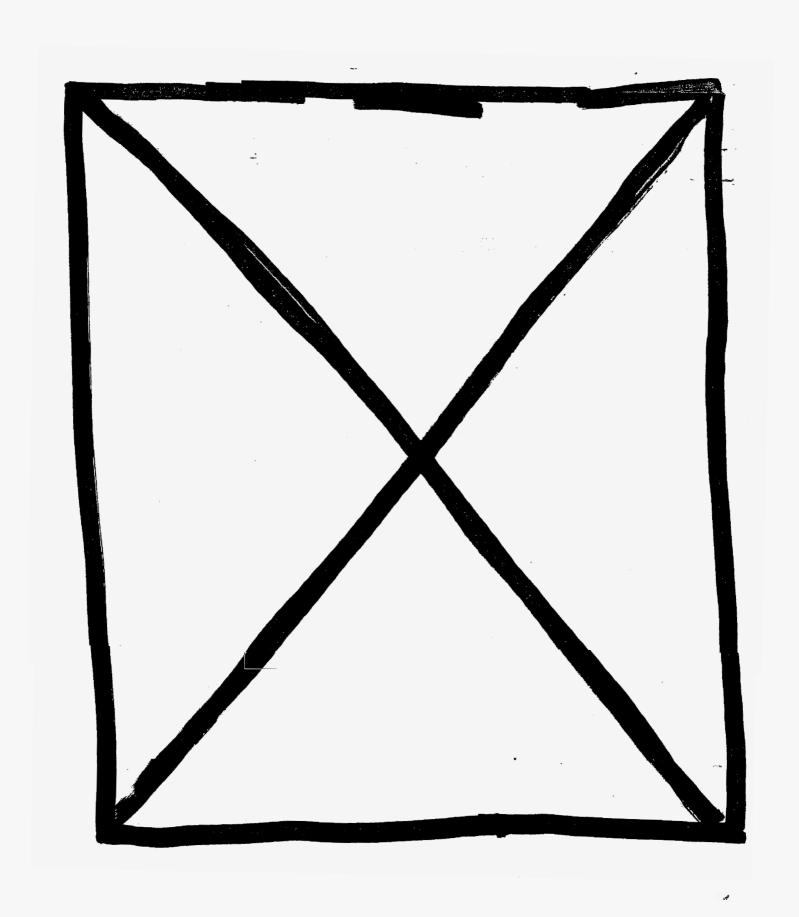


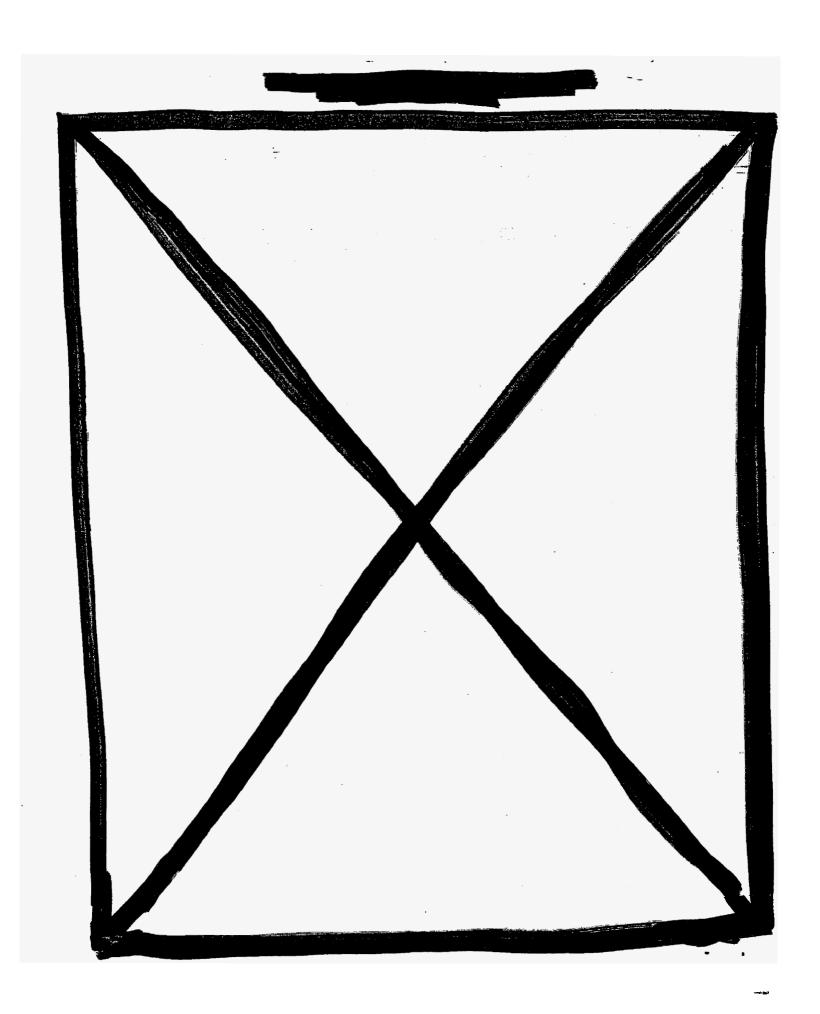


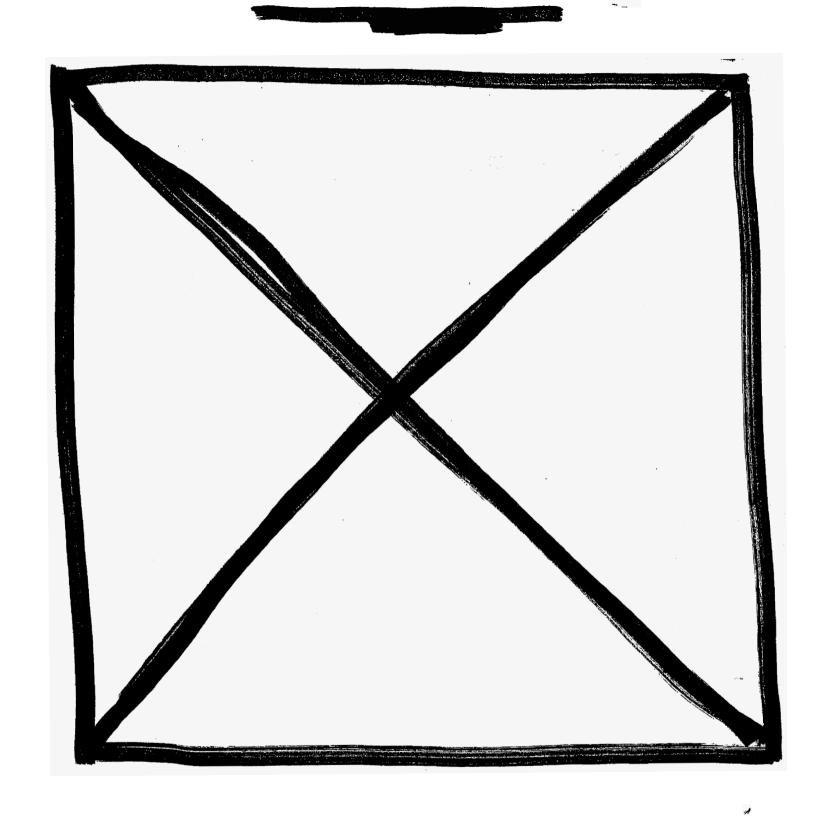


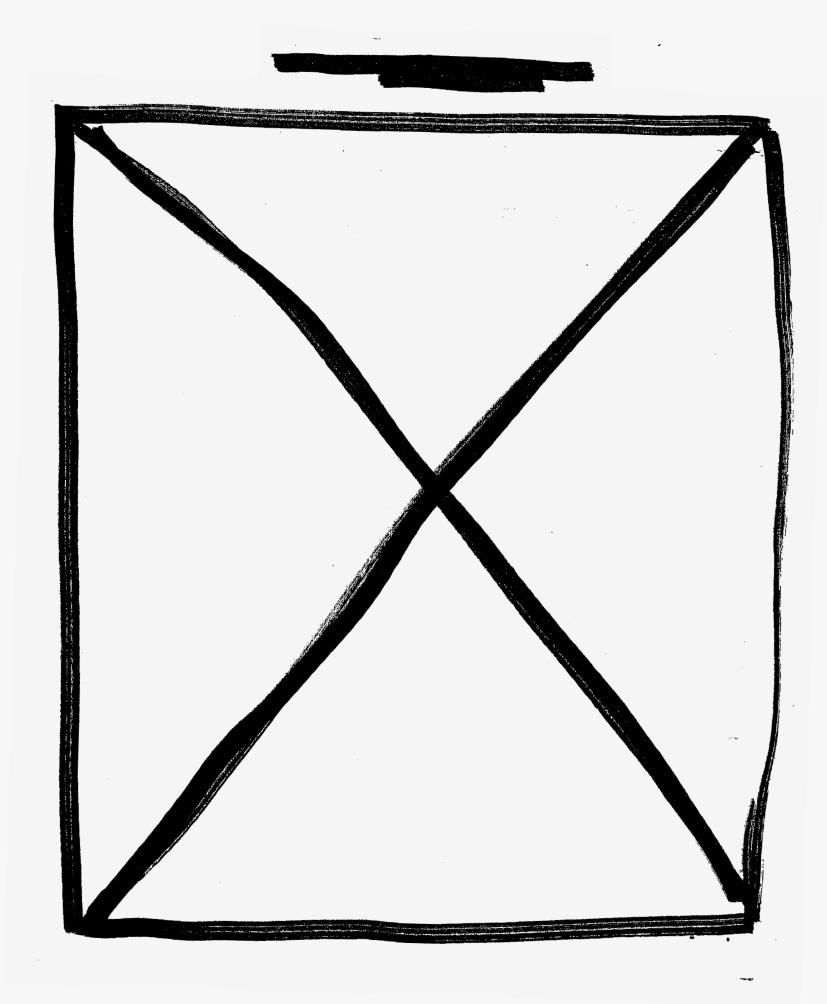


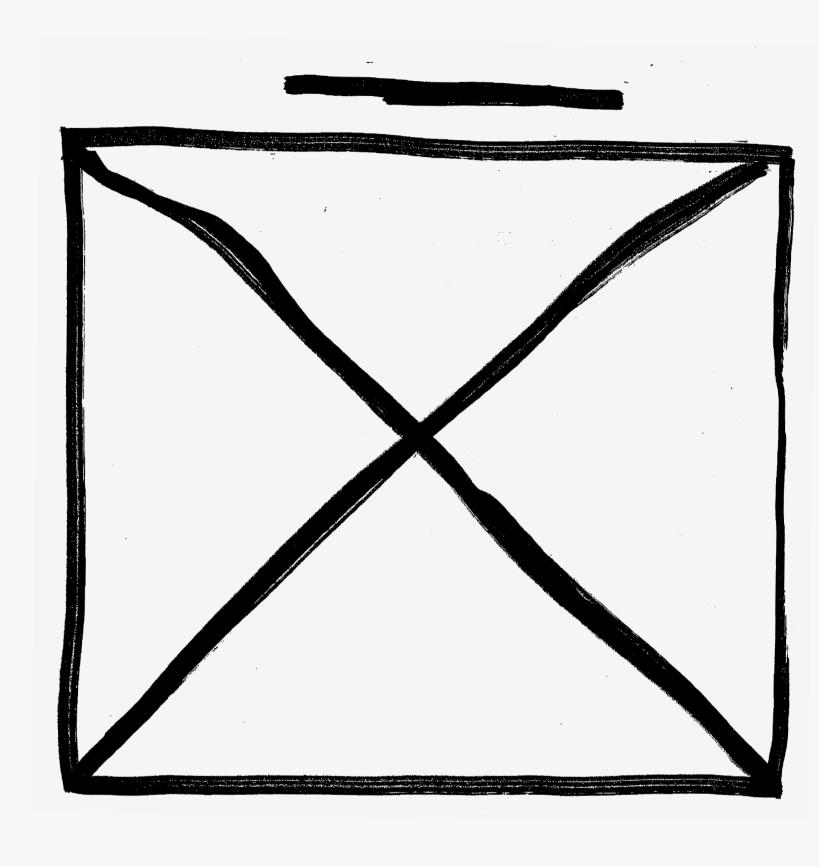
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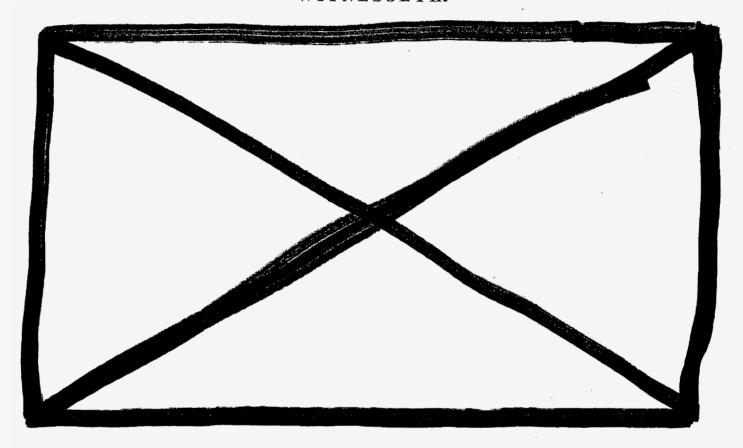


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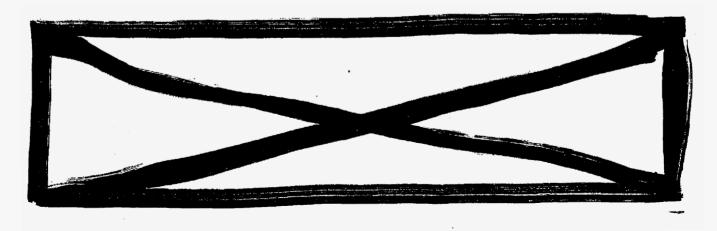
THIS AGREEMENT entered into this day \_\_\_\_\_ of \_\_\_\_\_, 20054 by and between

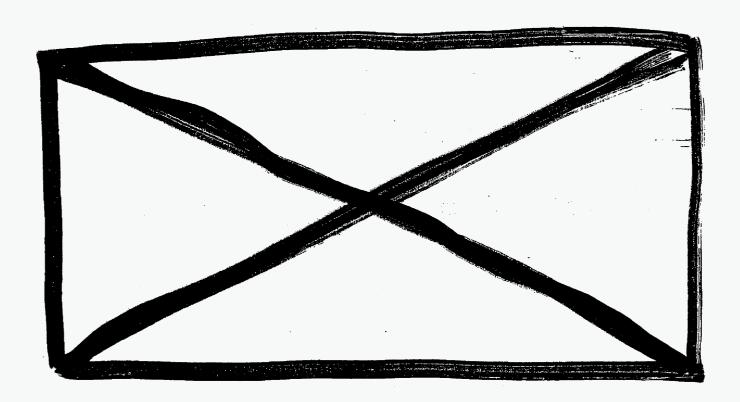
and Florida Power Corporation d/b/a Progress Energy Florida, Inc.

## WITNESSETH:

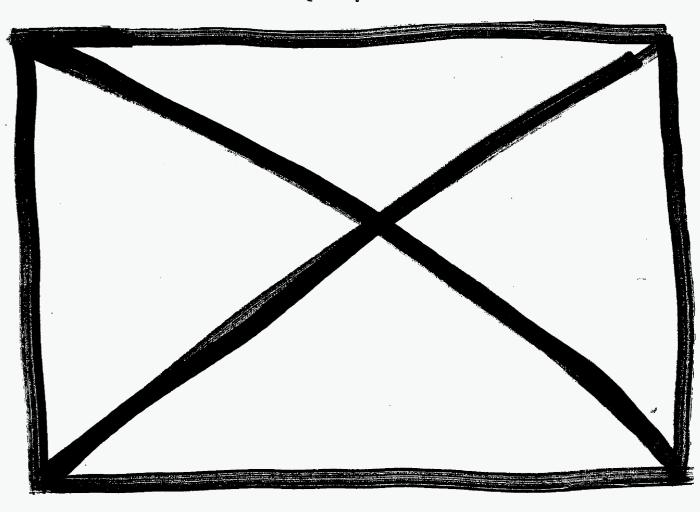


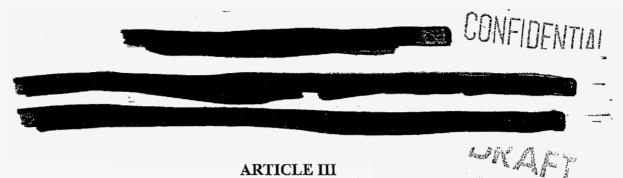
ARTICLE I Definitions



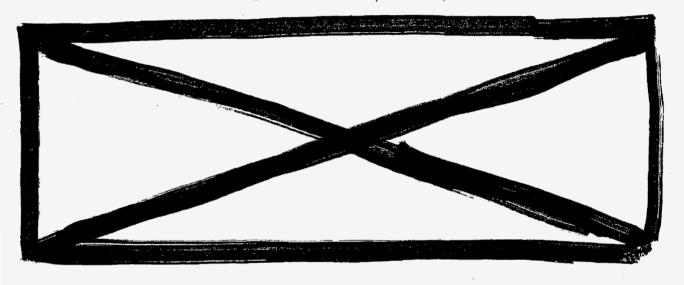


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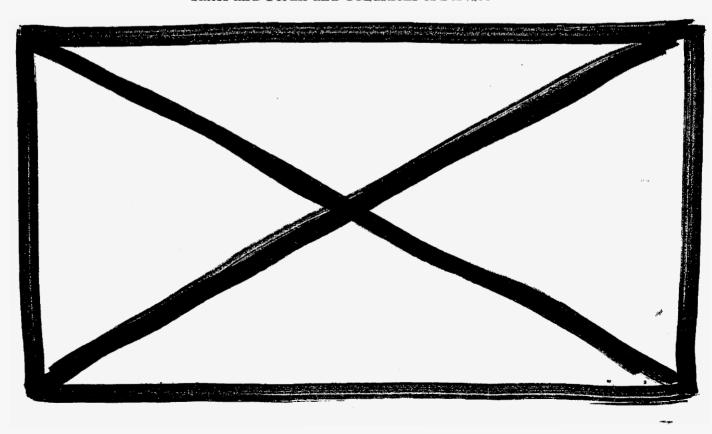




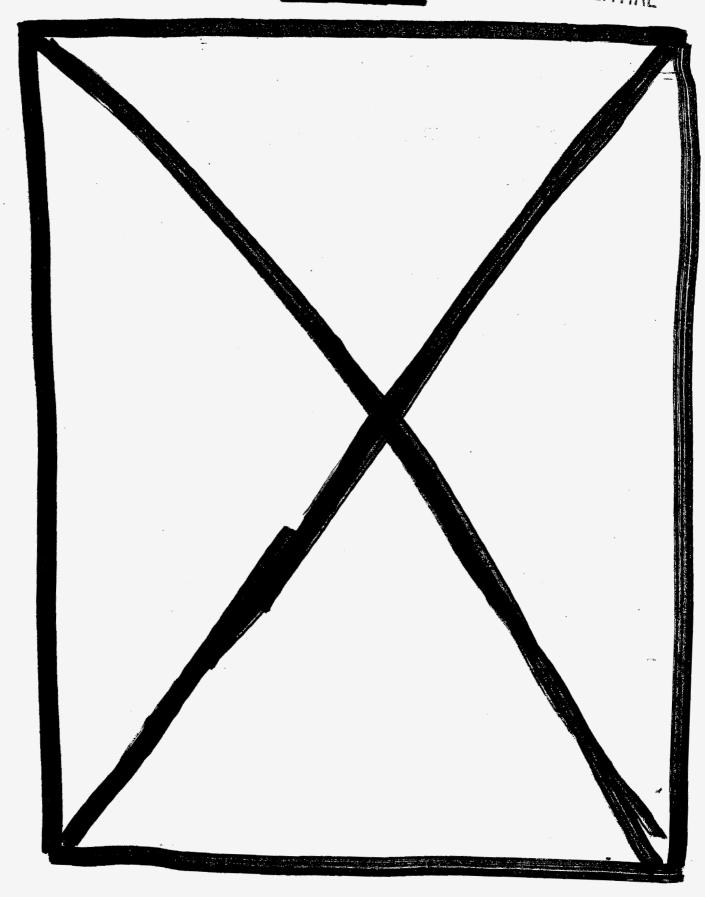
ARTICLE III
Payment and Rights in the Event of Non-Payment

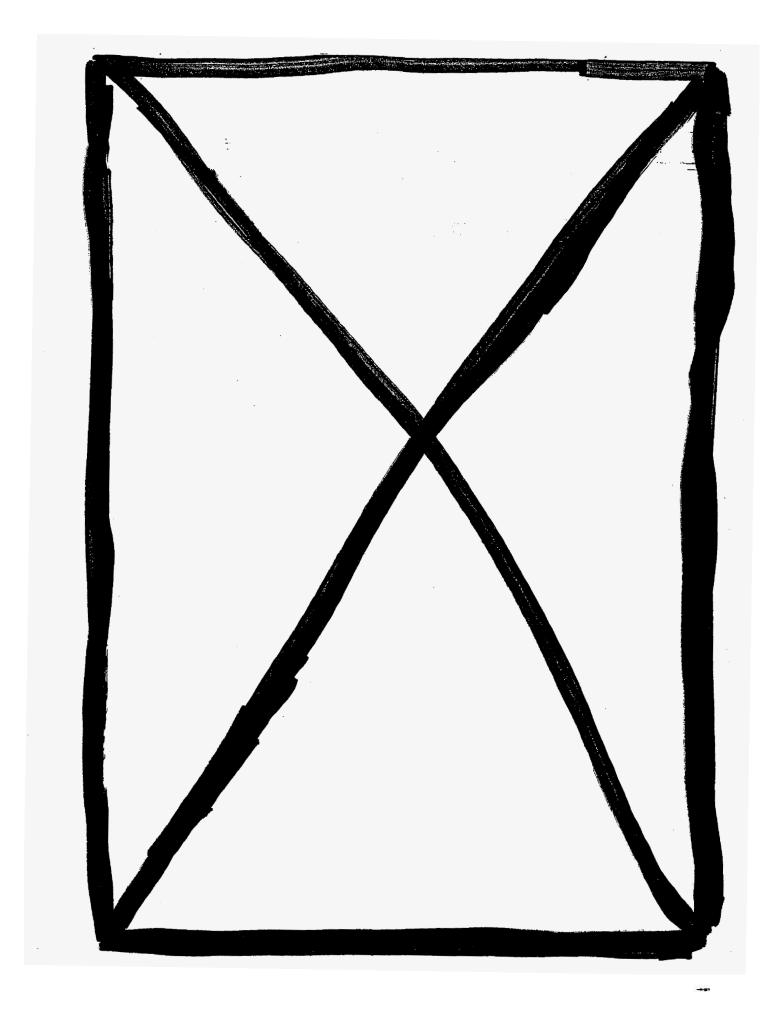


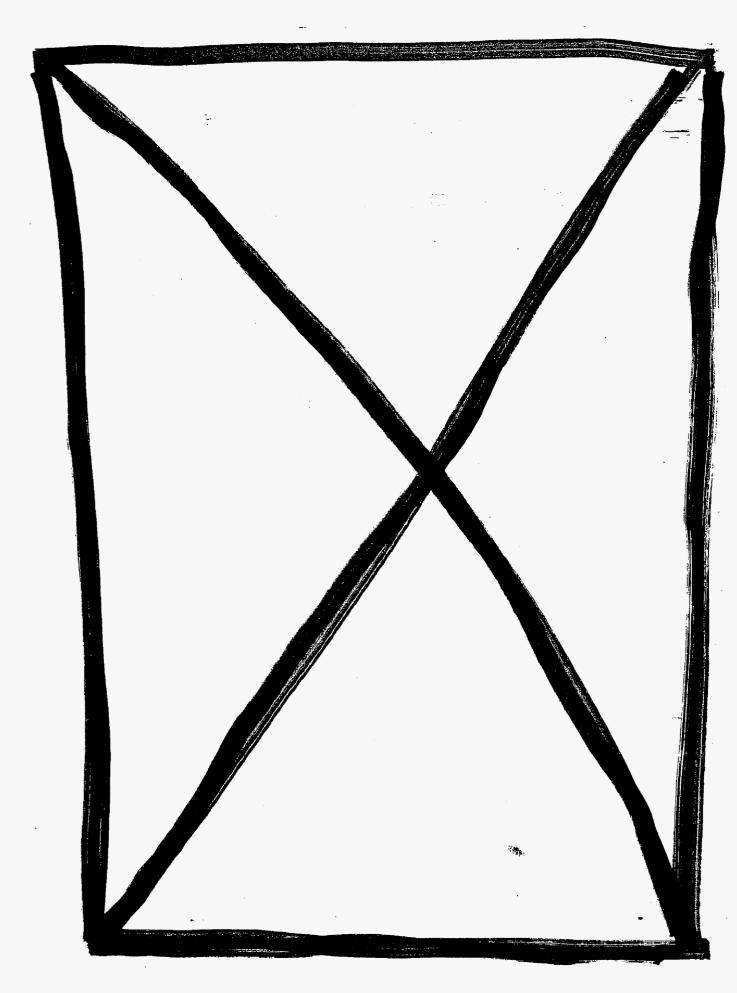
ARTICLE IV
Rates and Terms and Conditions of Service

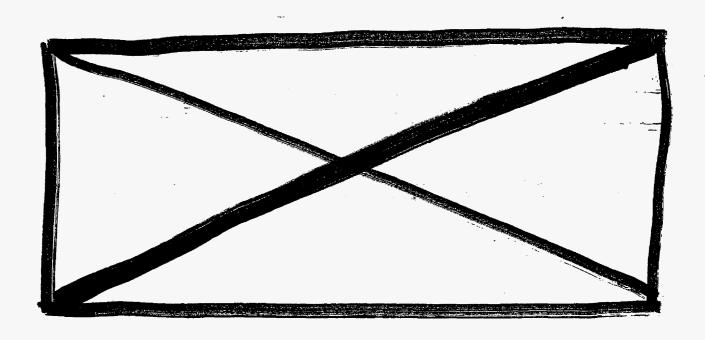


CONFIDENTIAL

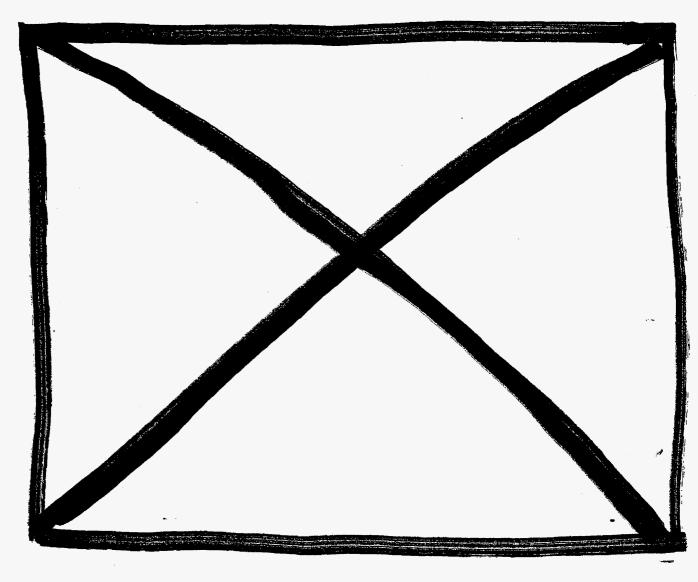


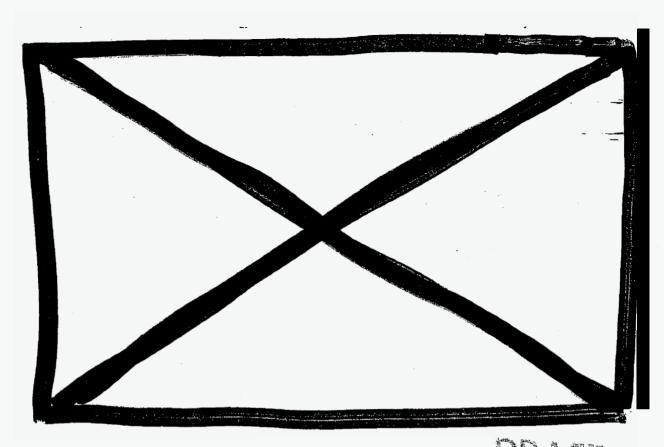




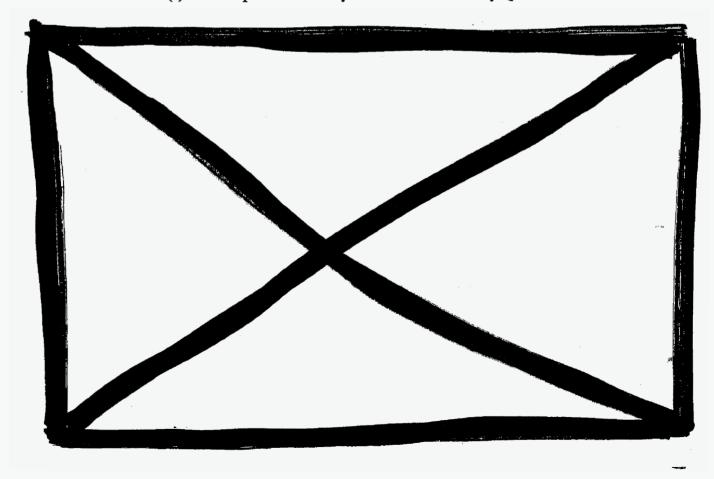


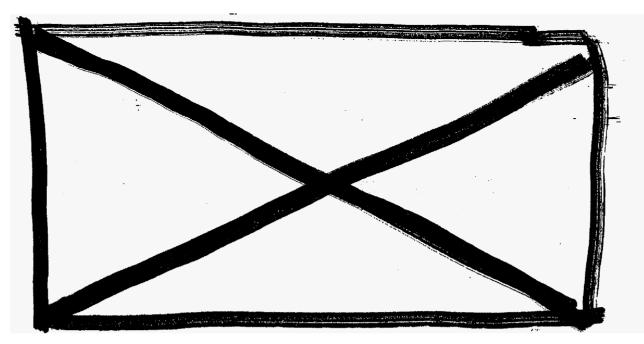
ARTICLE V
Term of Agreement





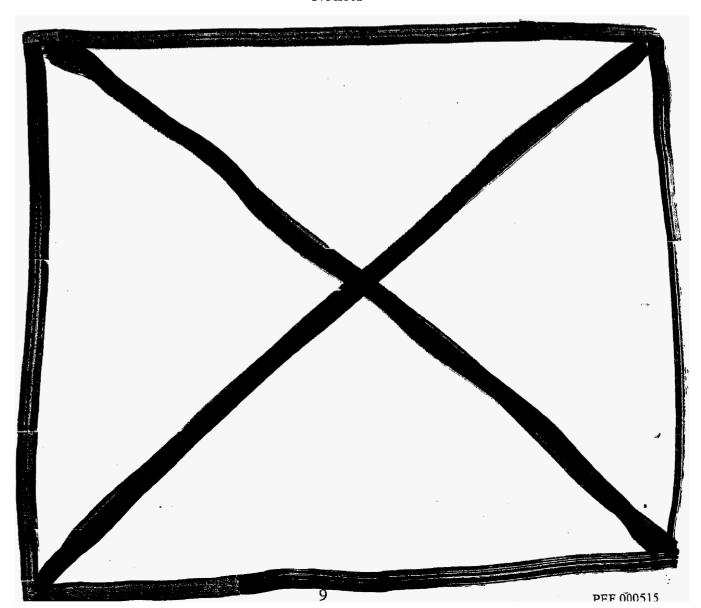
ARTICLE VI
Point(s) of Receipt and Delivery and Maximum Daily Quantities

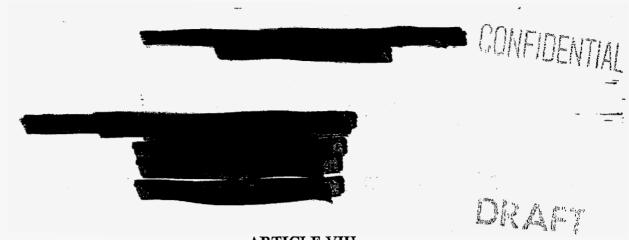




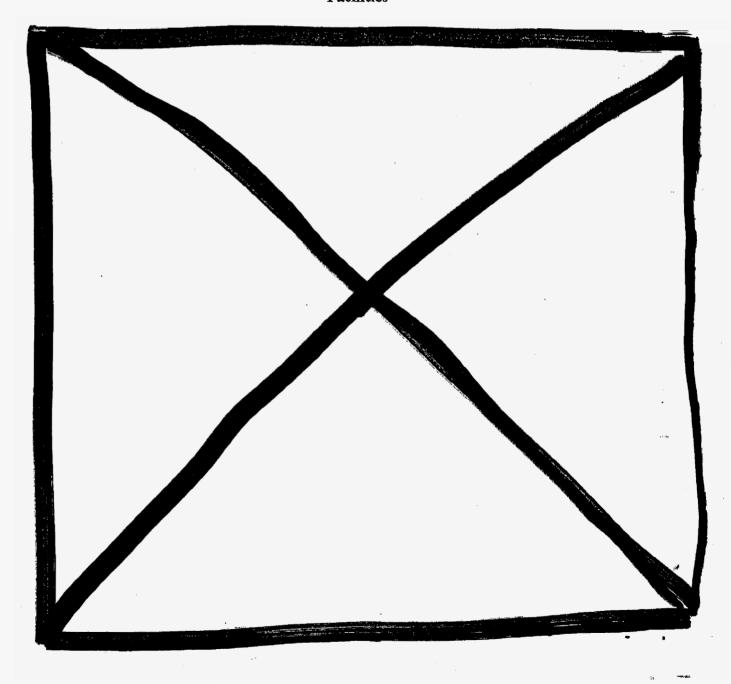
ARTICLE VII Notices

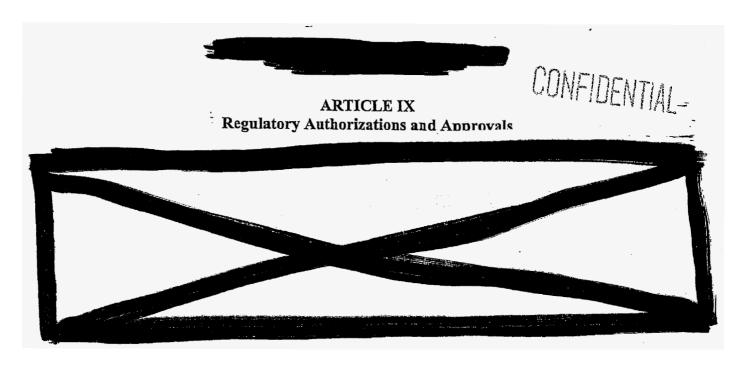
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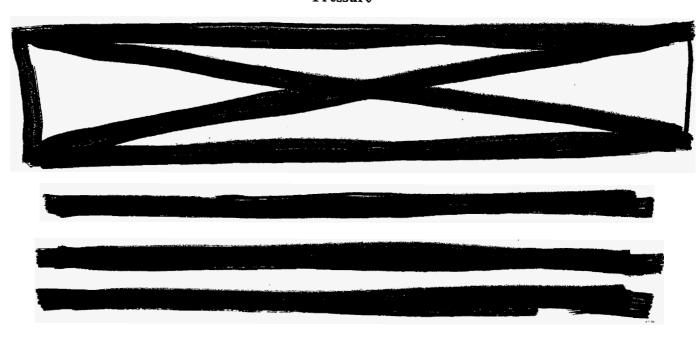


ARTICLE VIII
Facilities





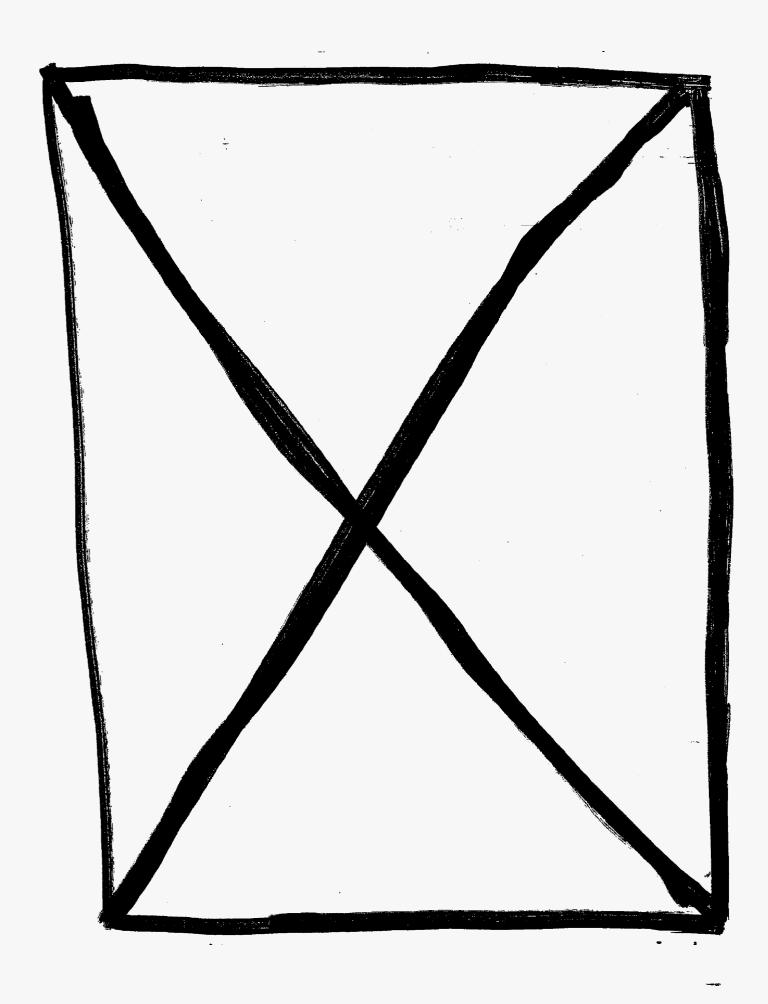
ARTICLE X
Pressure

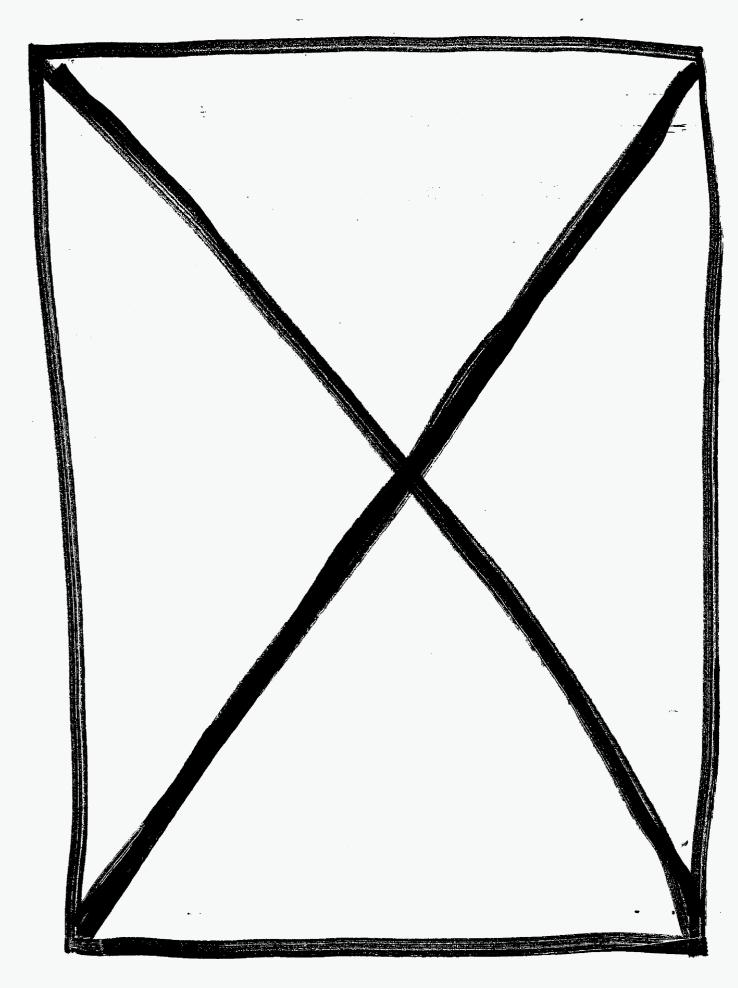


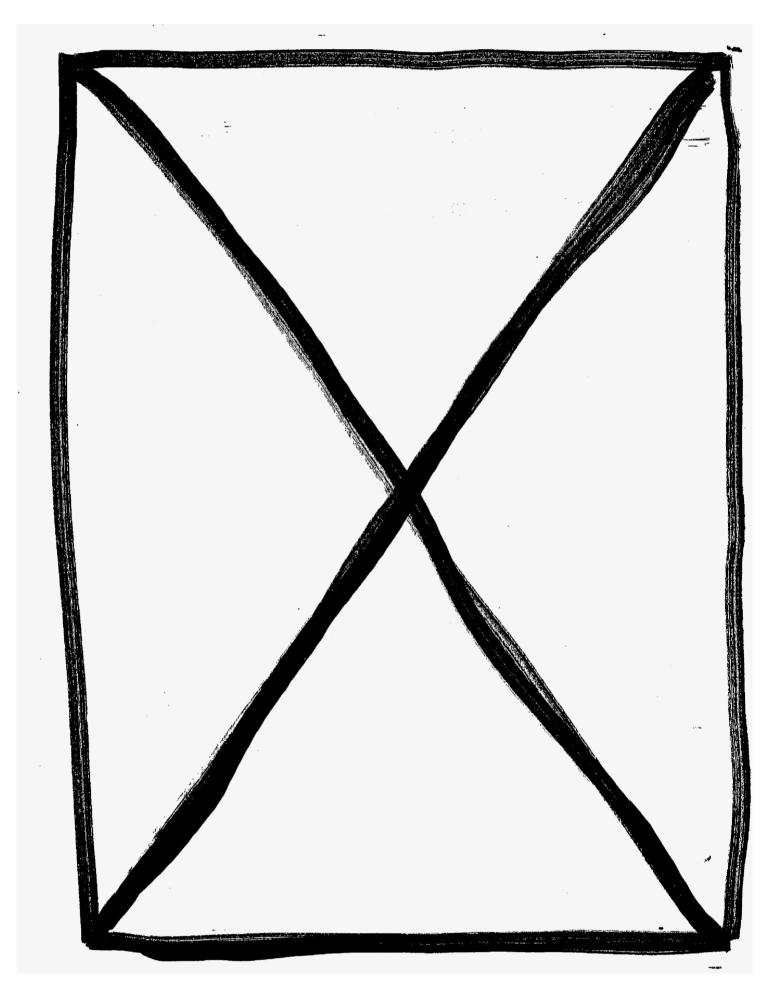
ARTICLE XI
Other Provisions



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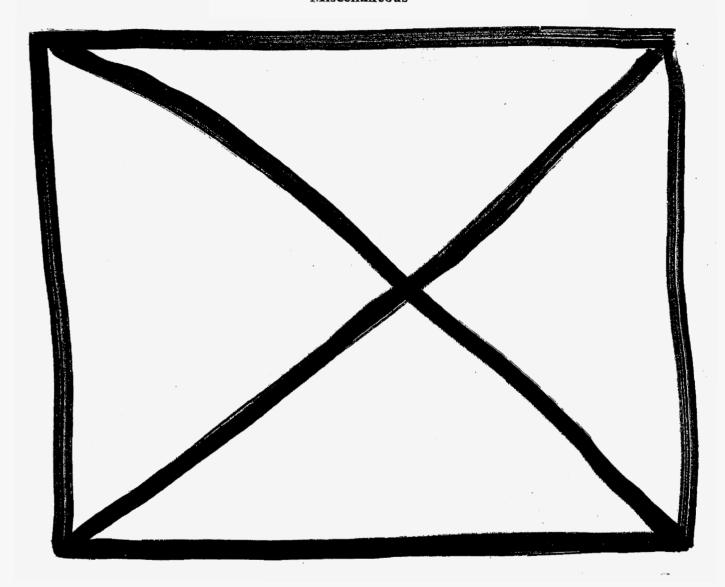






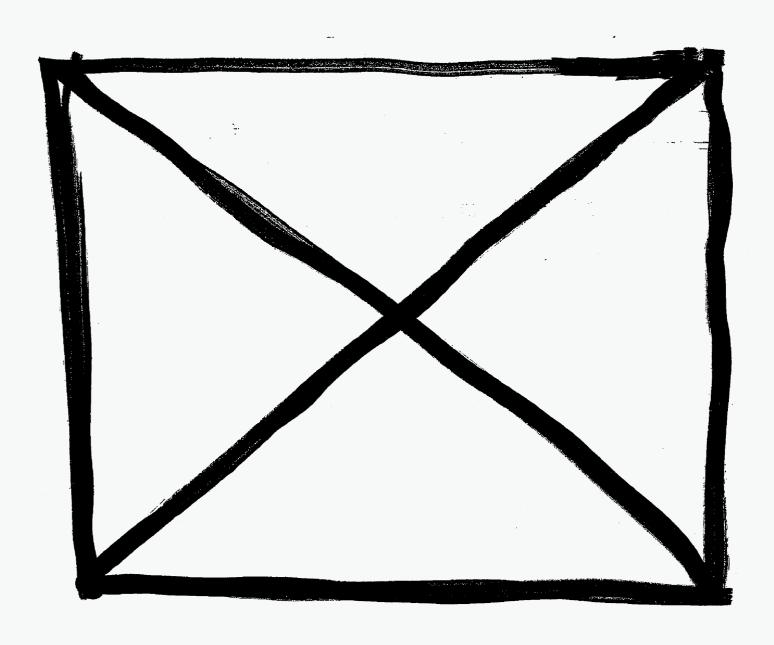


## ARTICLE XII Miscellaneous



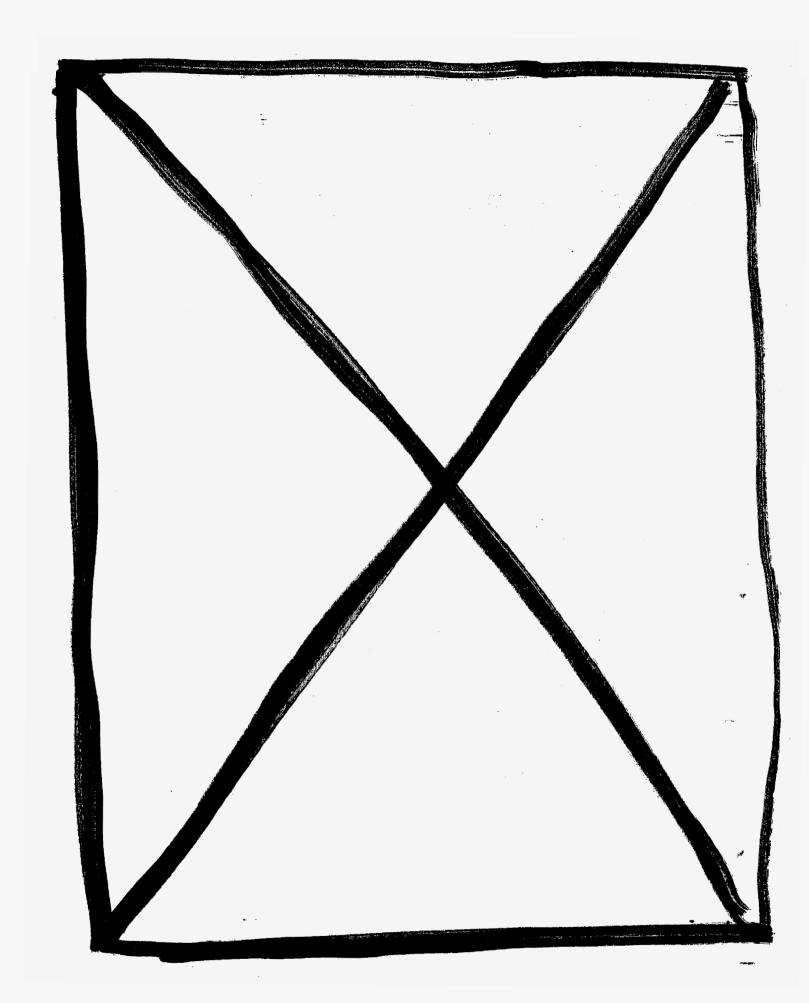
ARTICLE XIII
Superseding Prior Service Agreements

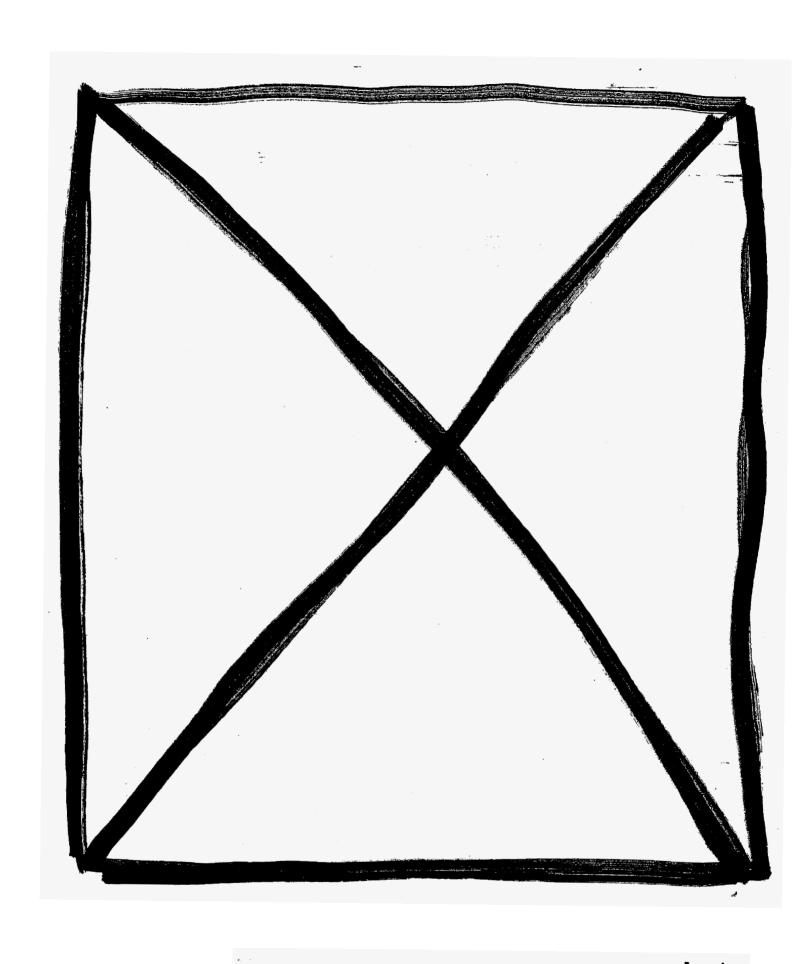


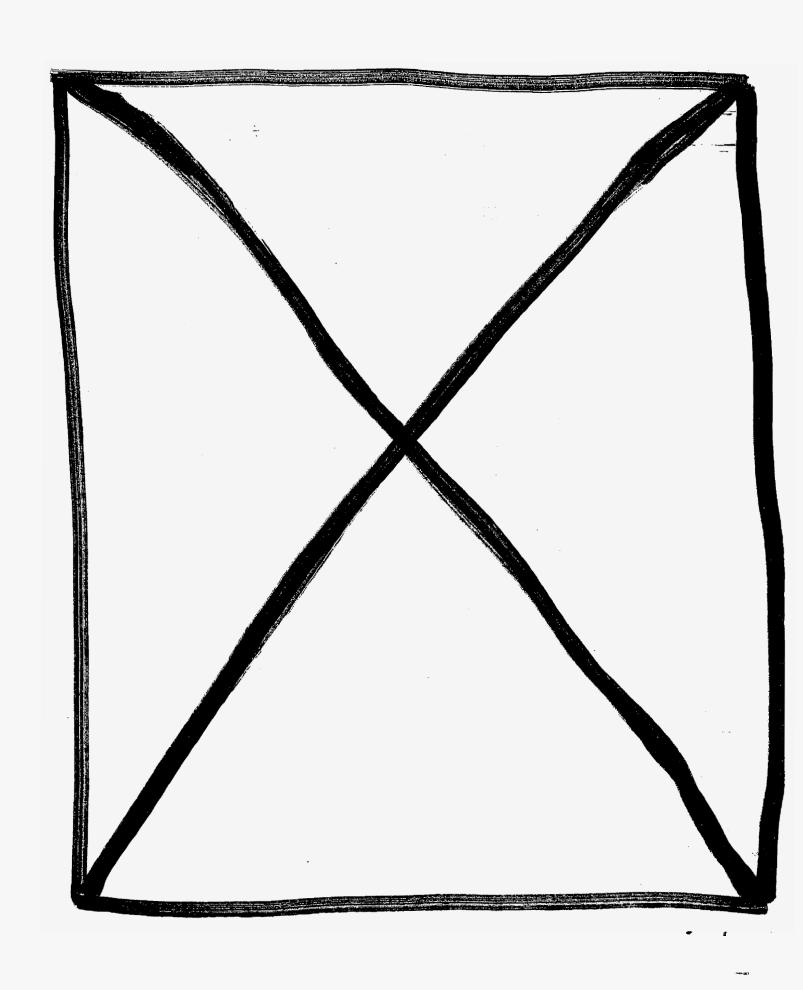


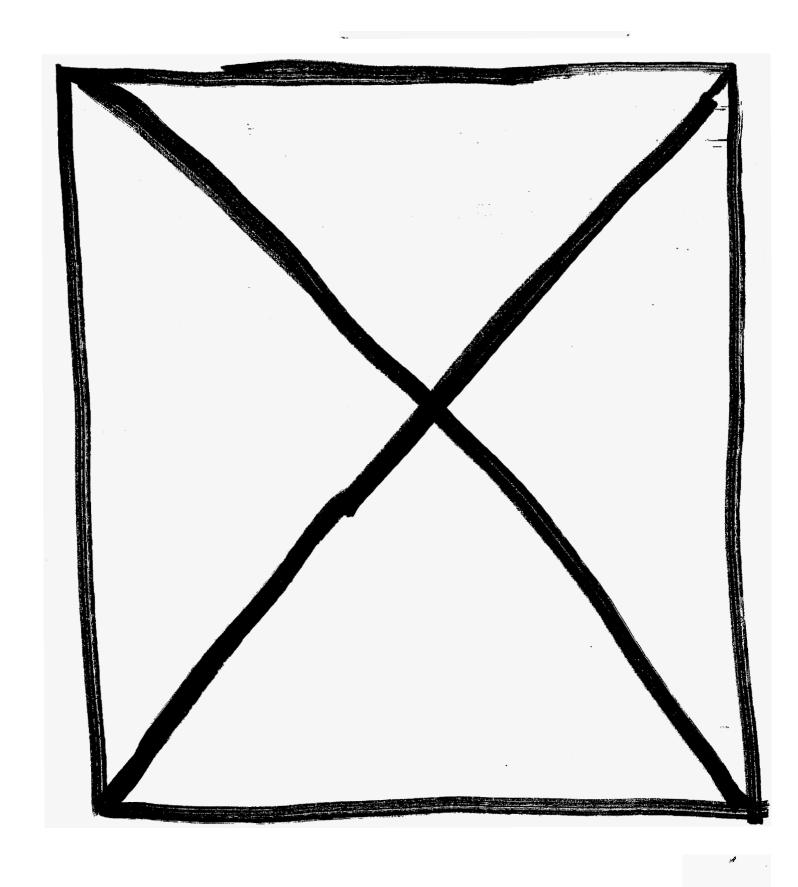
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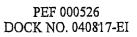
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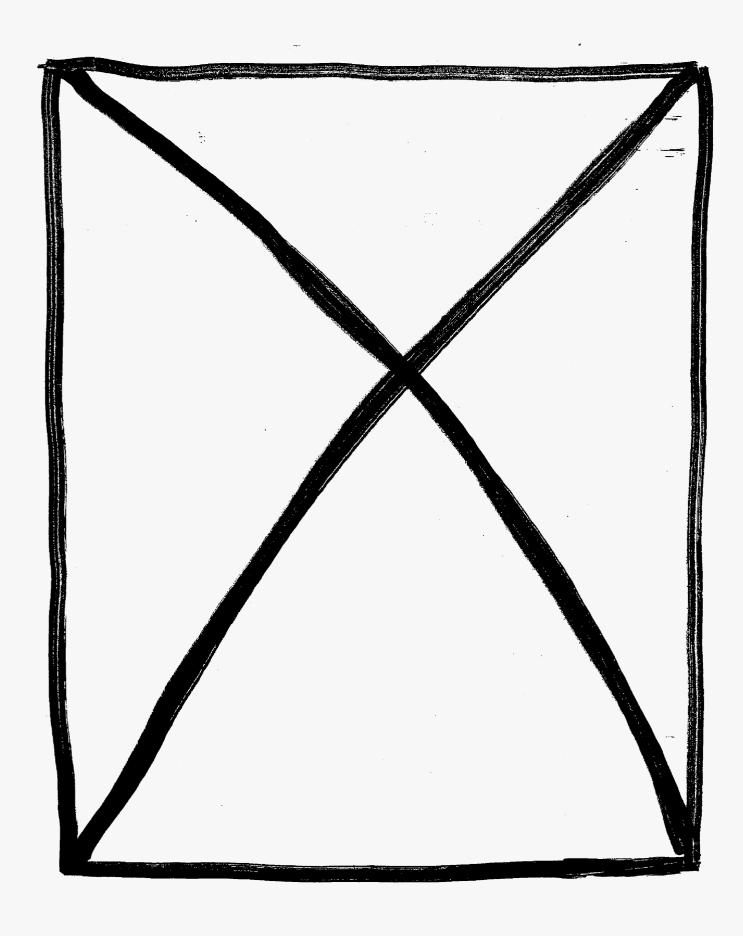


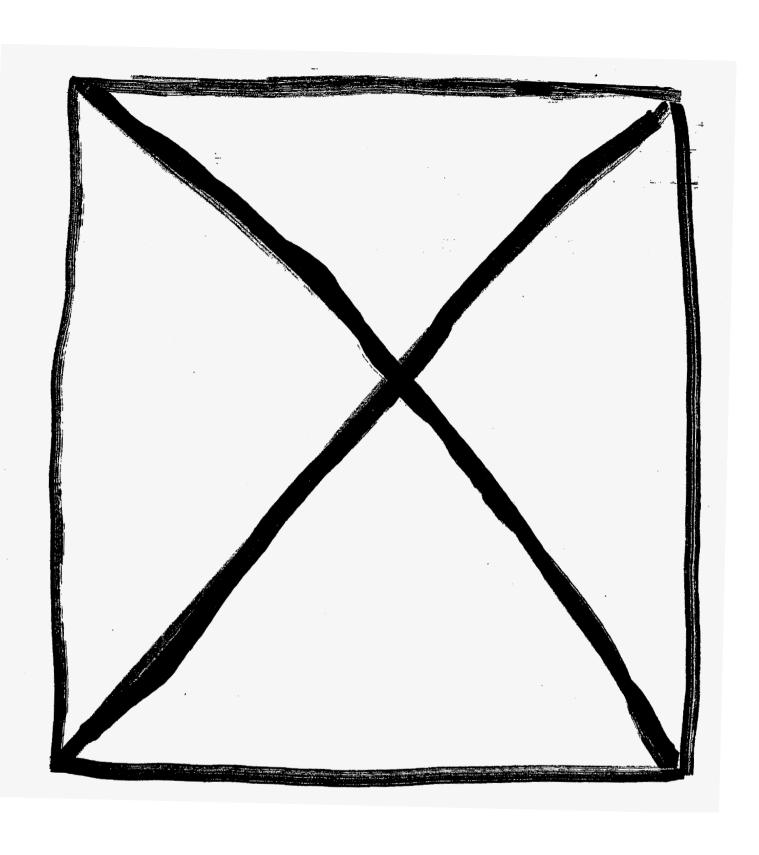


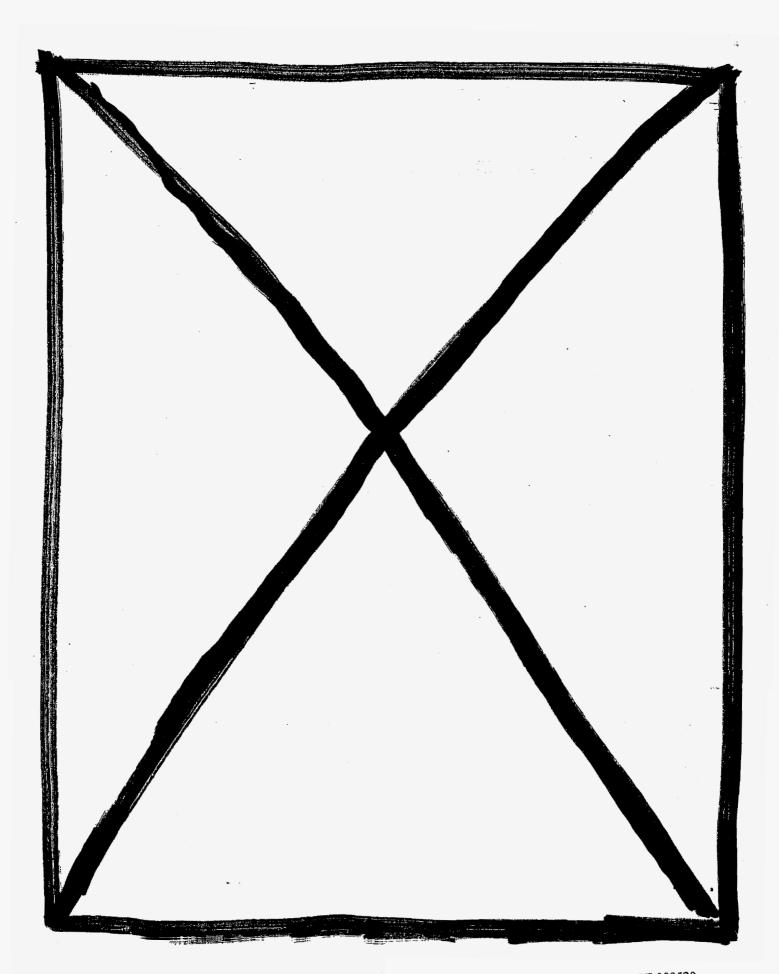


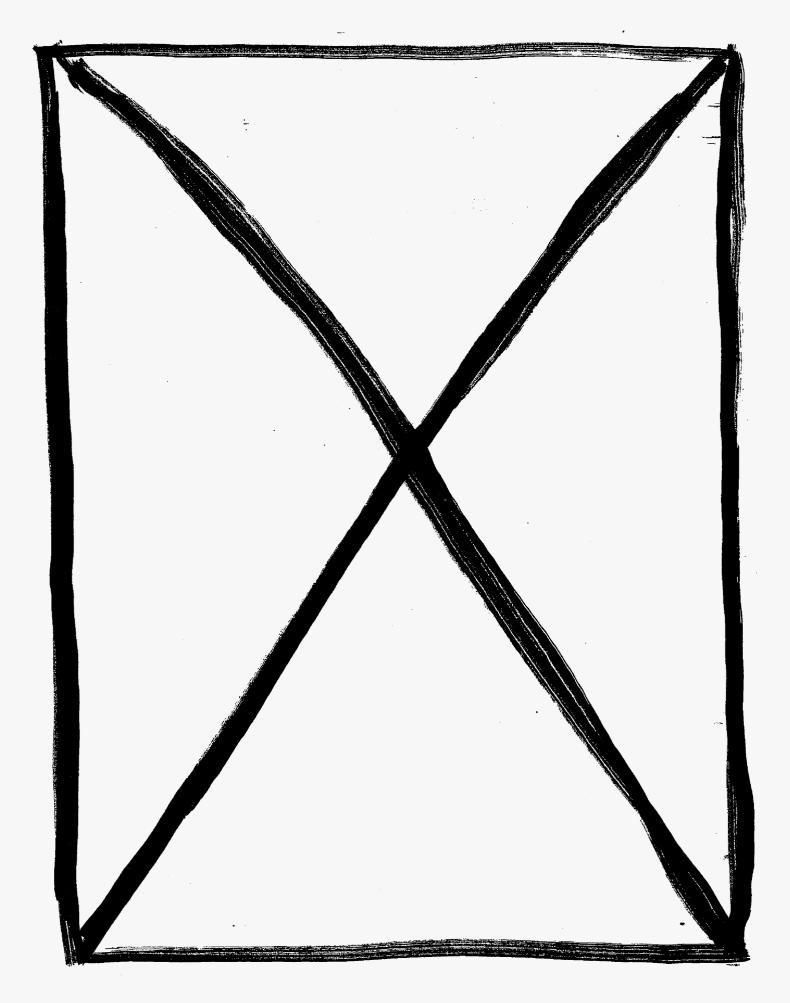


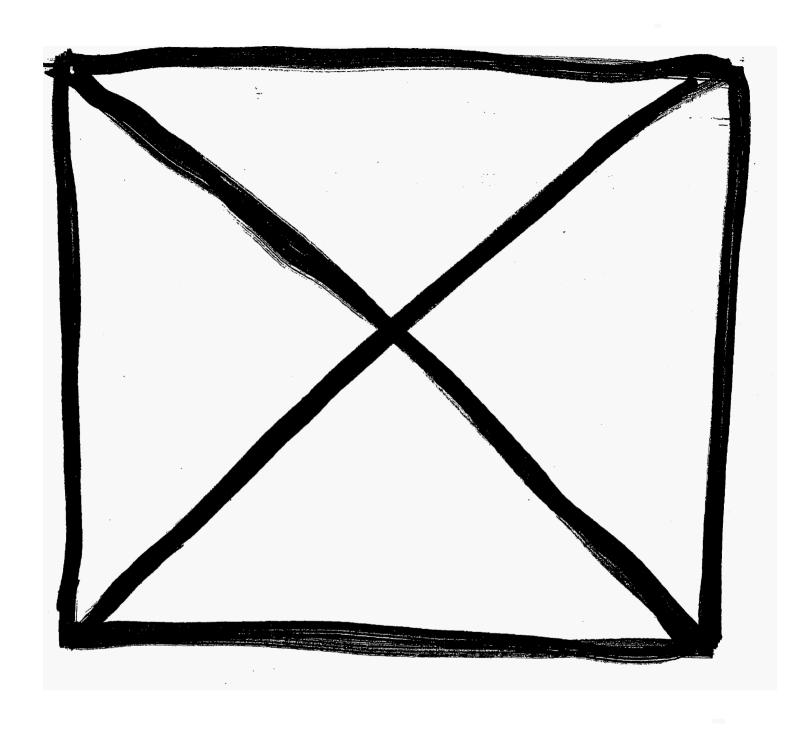


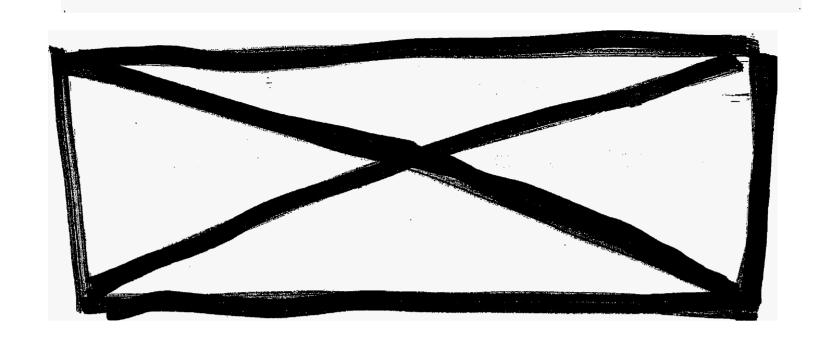












## PRECEDENT AGREEMENT BY AND BETWEEN

11

AND

Florida Power Corporation d/b/a Progress Energy Florida, Inc. (Hines Plant)

DATED: October 6, 2004

Deleted: September 20

DRAFT\_FOUR 10-01-04

Deleted: Three 9/20/04

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Appendix "A" Project Timeline		
Exhibit "A" Transportation Demand		
Exhibit "B" Service Agreement		

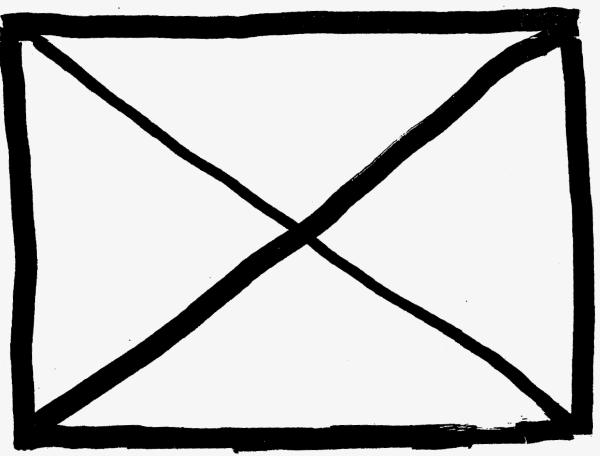
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## PRECEDENT AGREEMENT

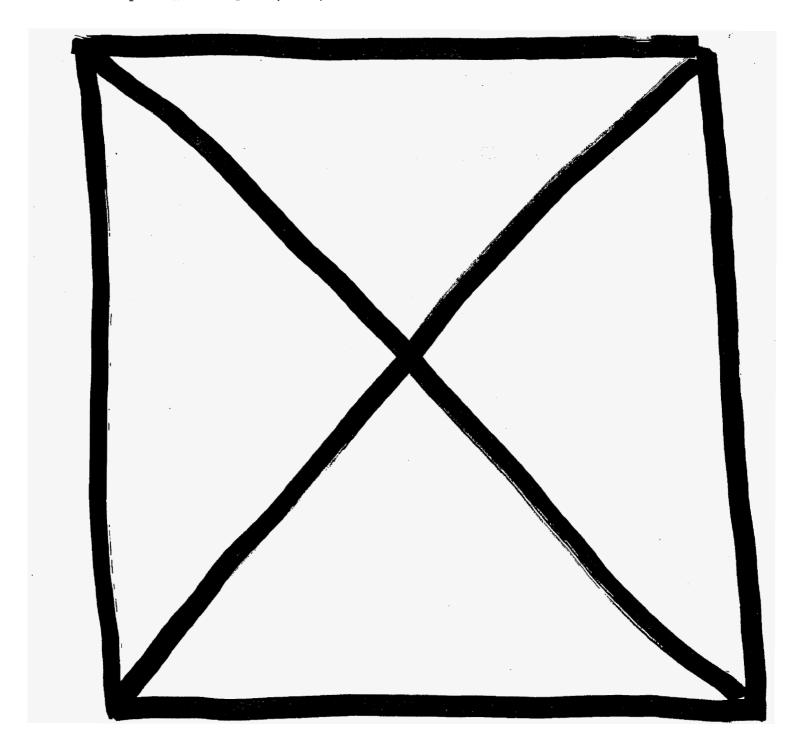
This Precedent Agreement is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_\_, 2004, by and between



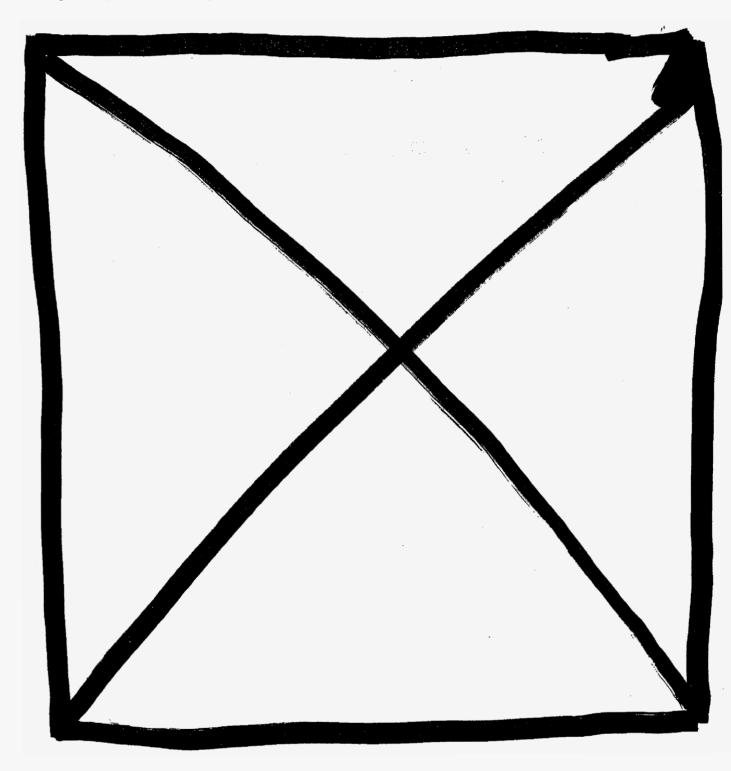
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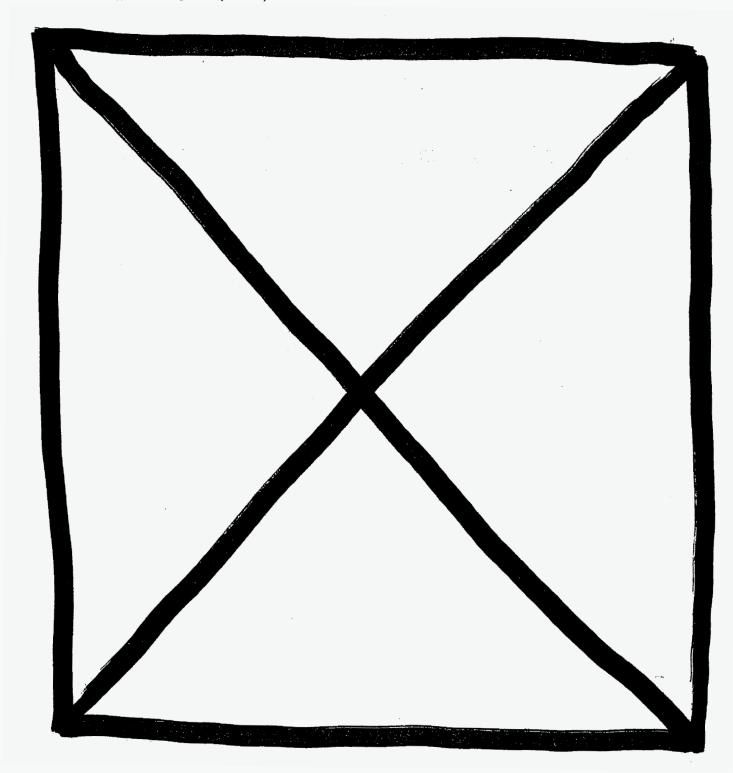
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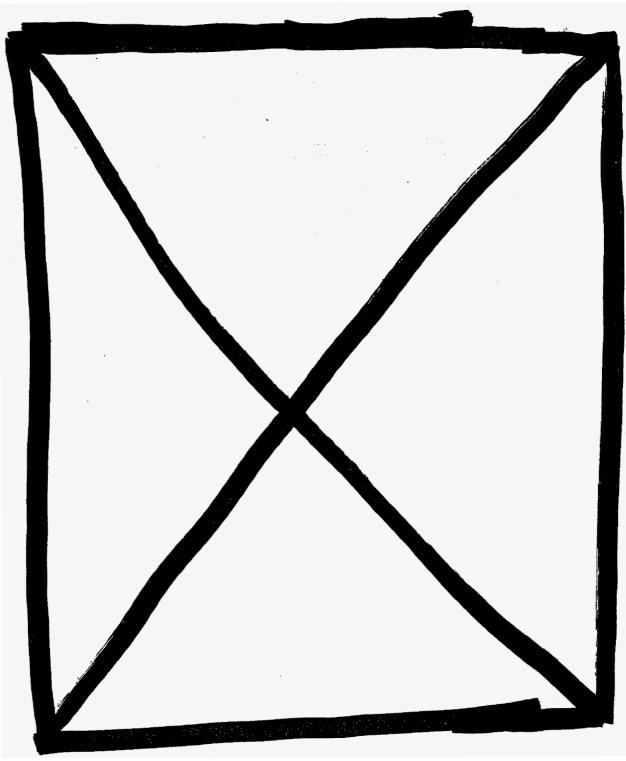
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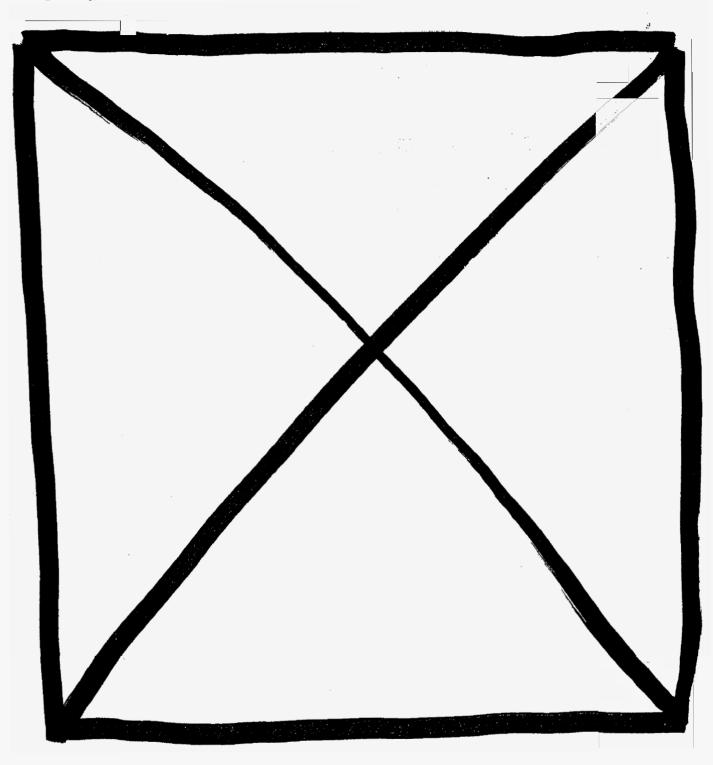
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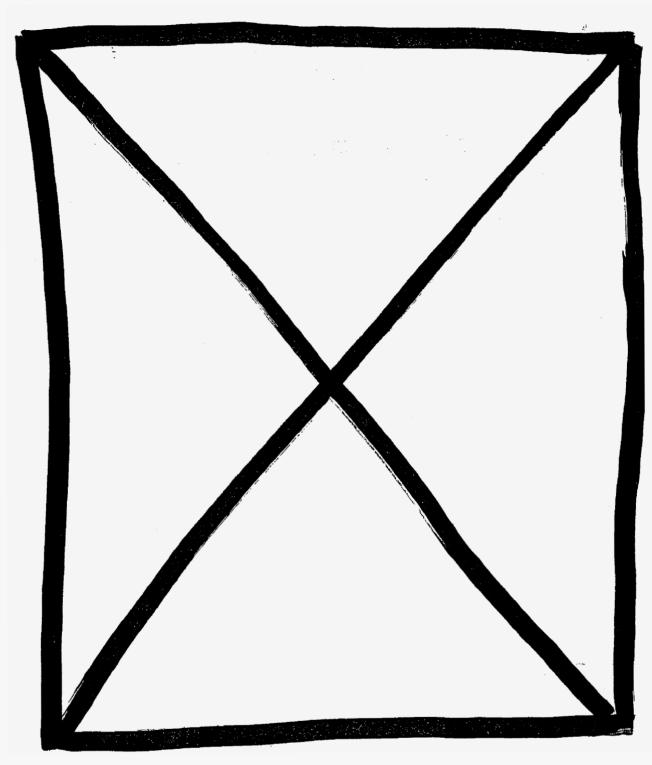
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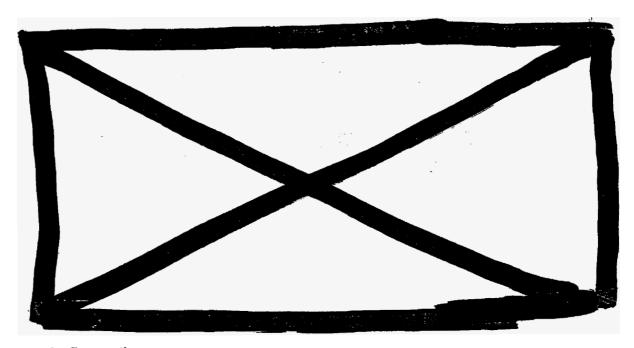
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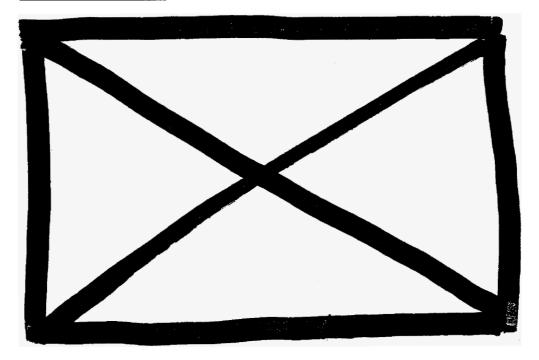
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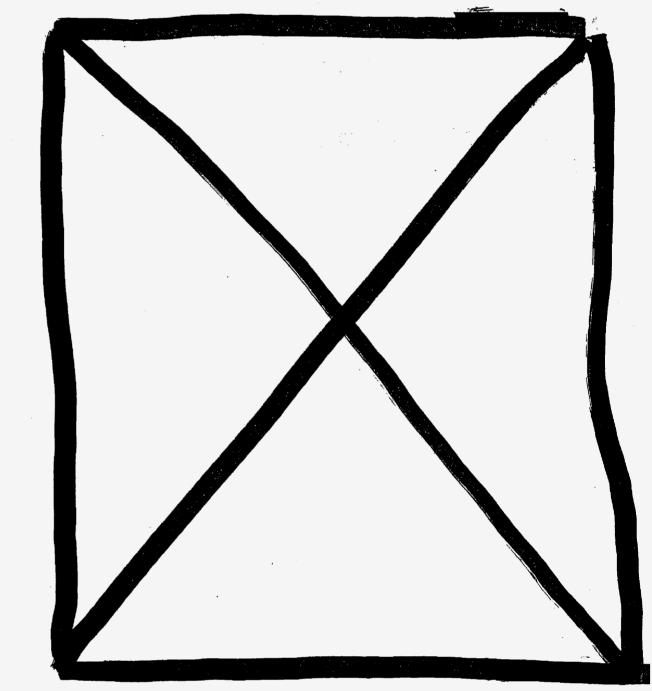
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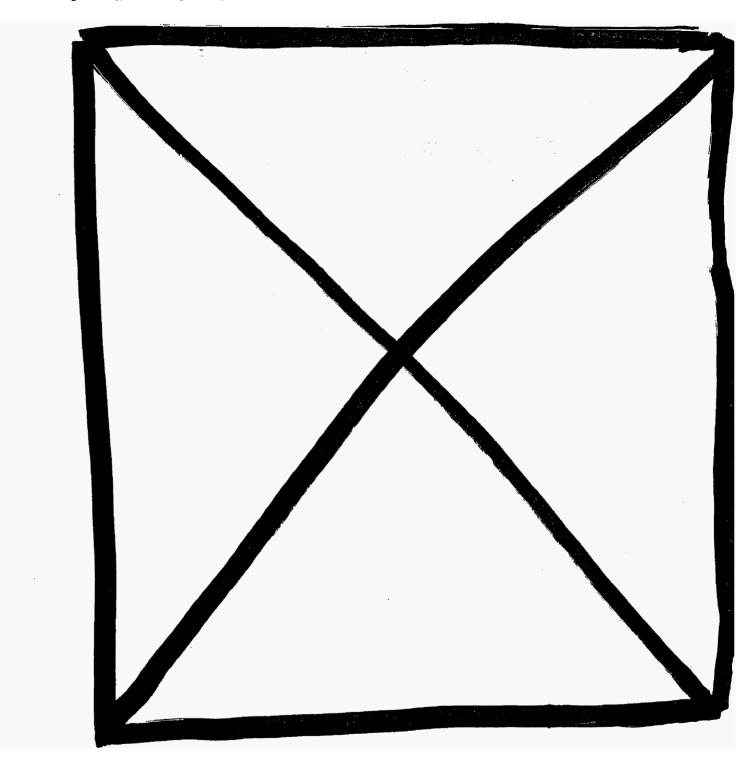
# 2. Approvals; Cooperation.



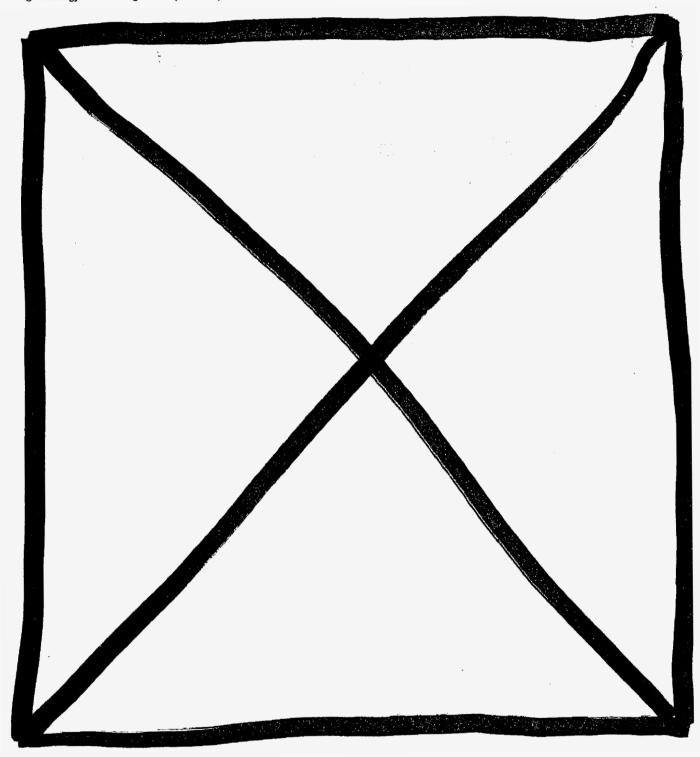
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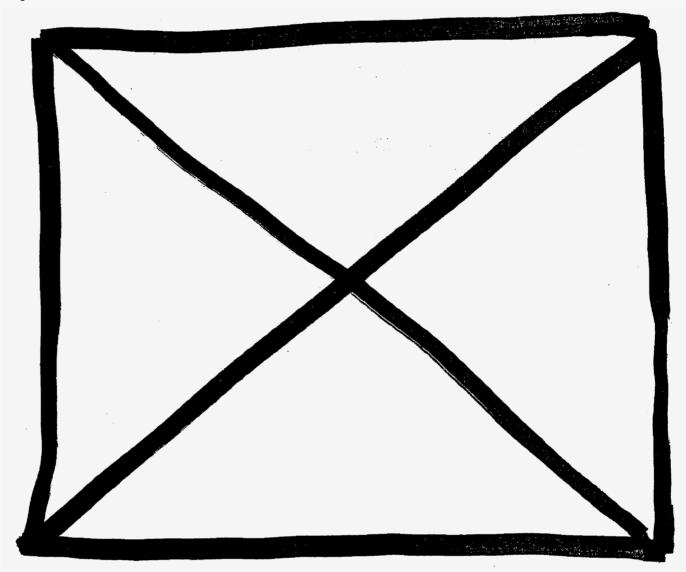
3. Acceptance of FERC Authorization.



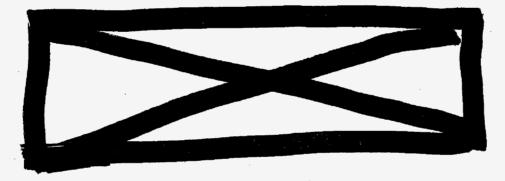
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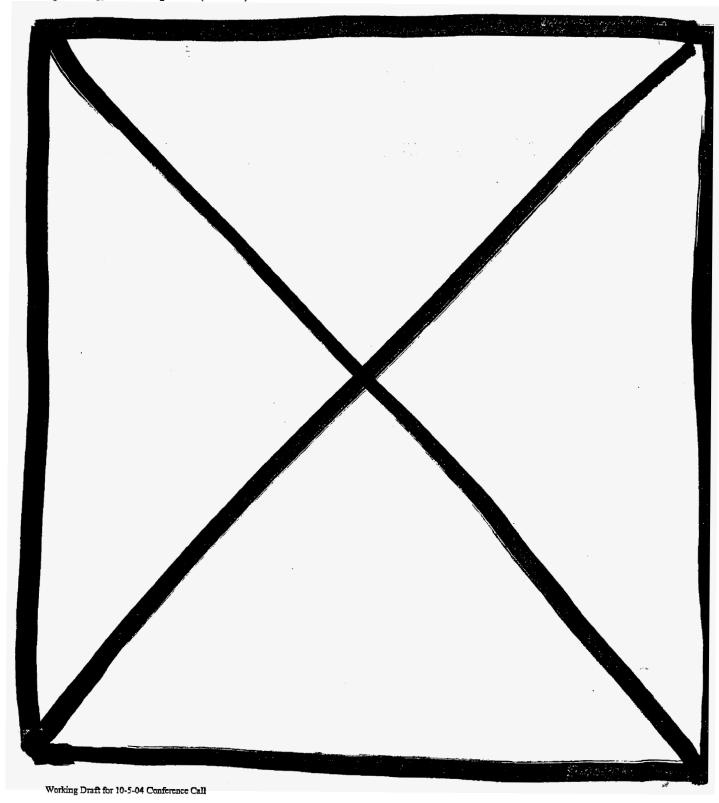
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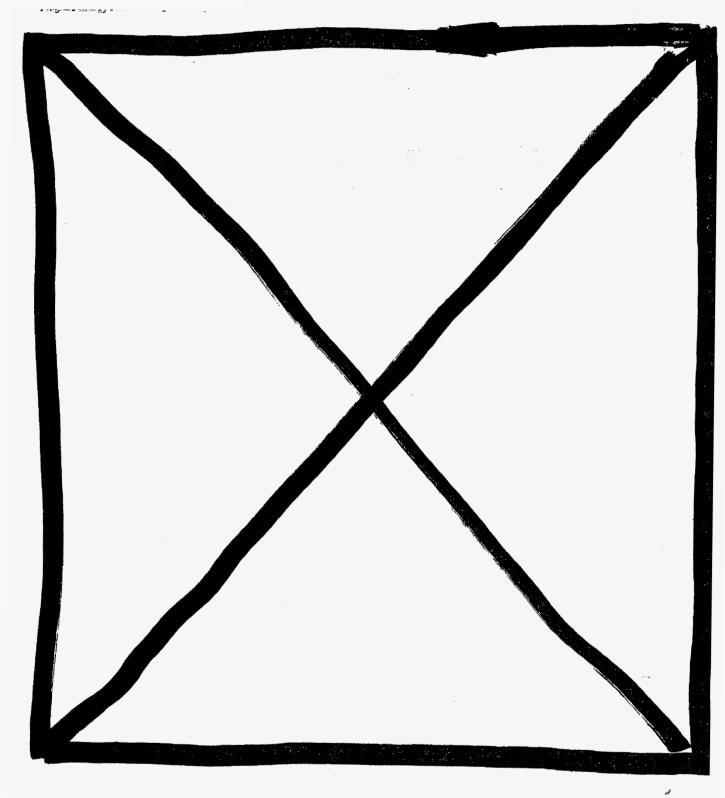


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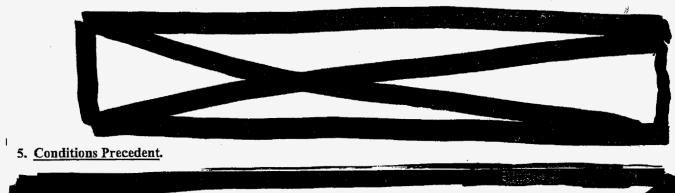


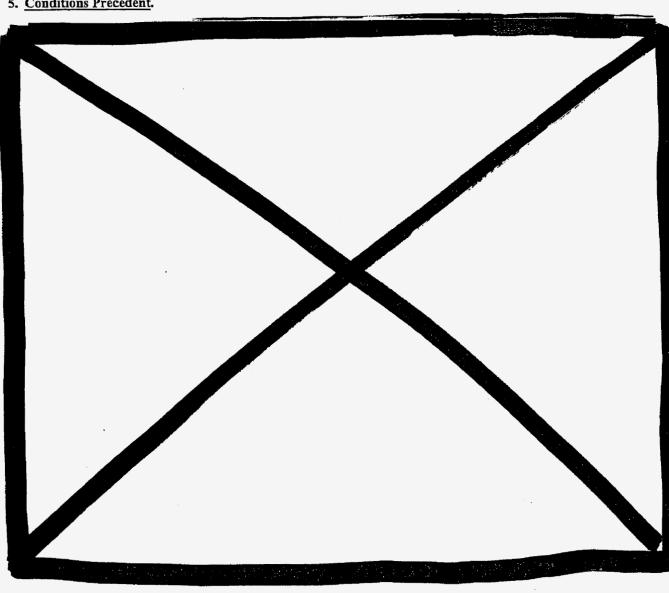
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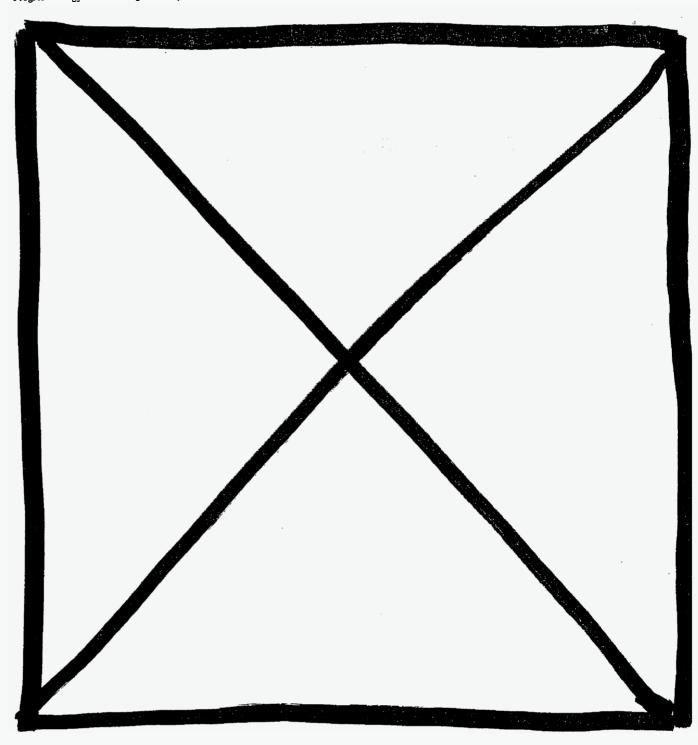


PEF 000548 DOCK NO. 040817-EI

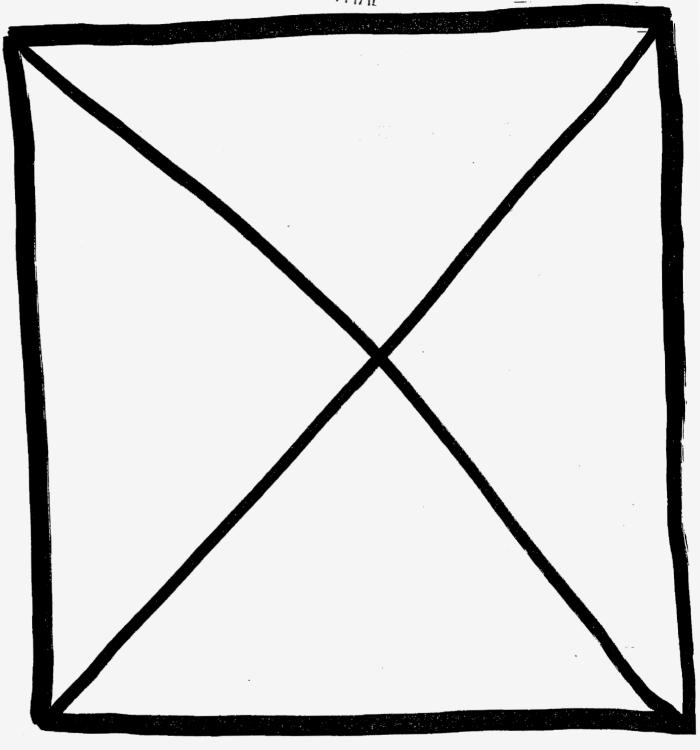




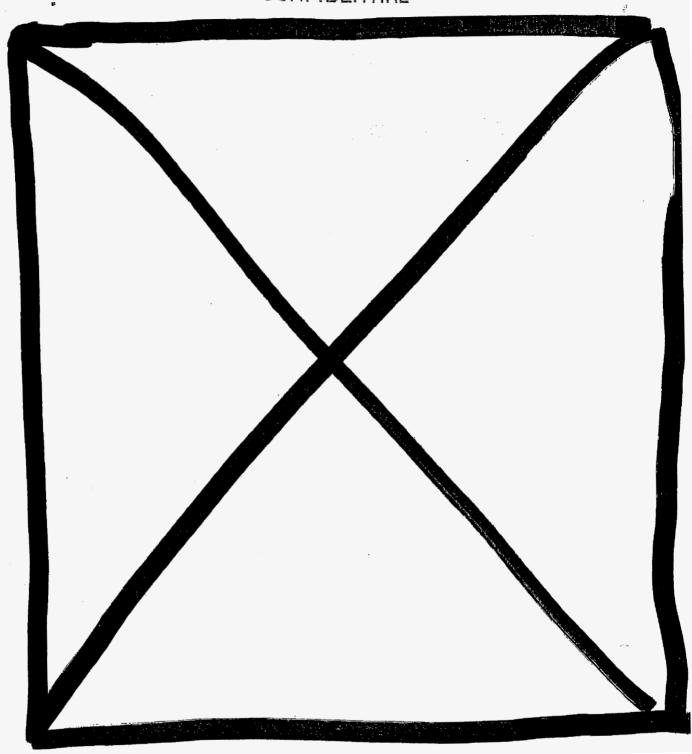
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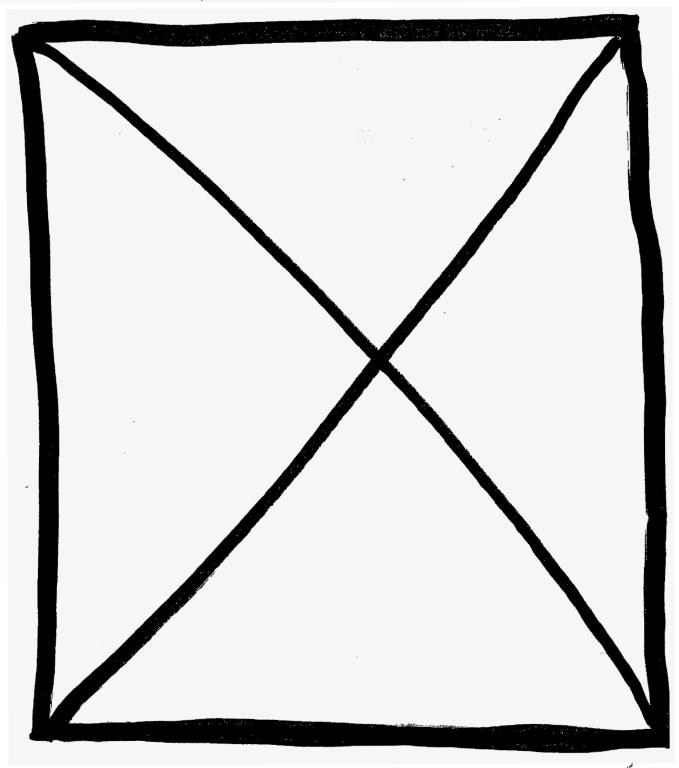
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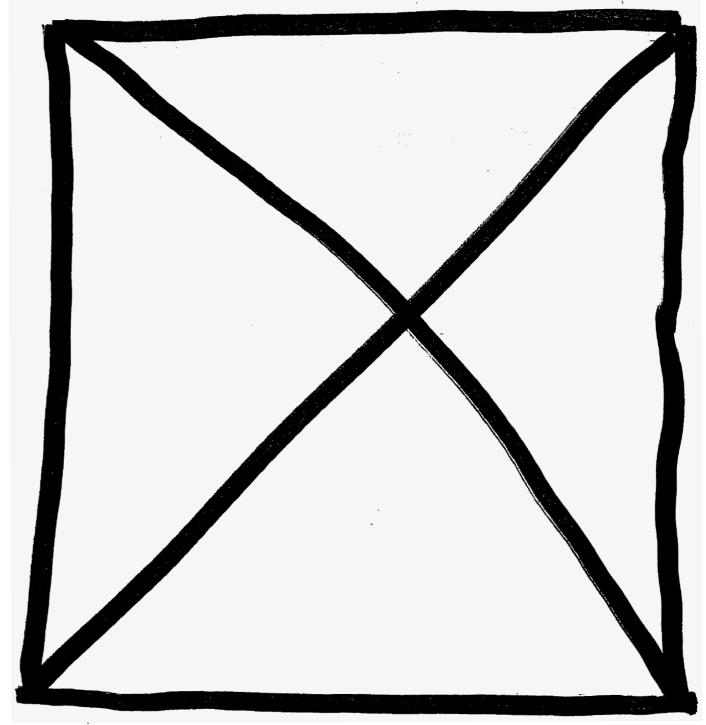
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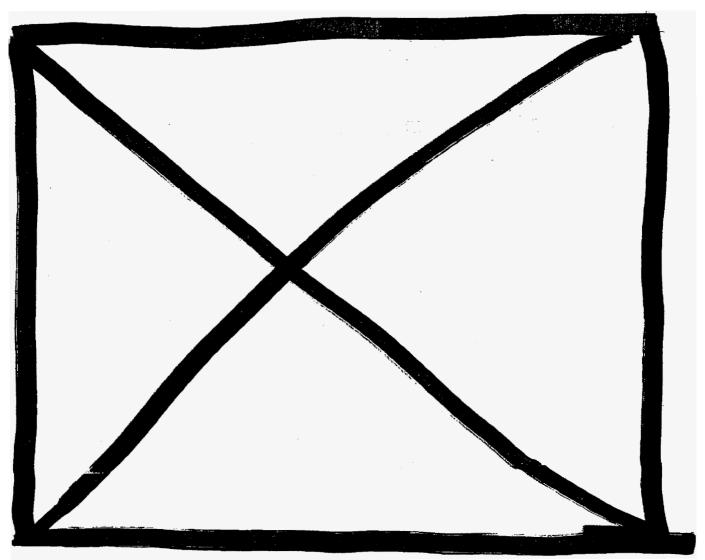
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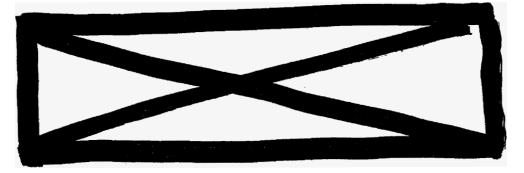
Working Draft for 10-5-04 Conference Call



6. Notices.



## 7. Assignment and Delegation.

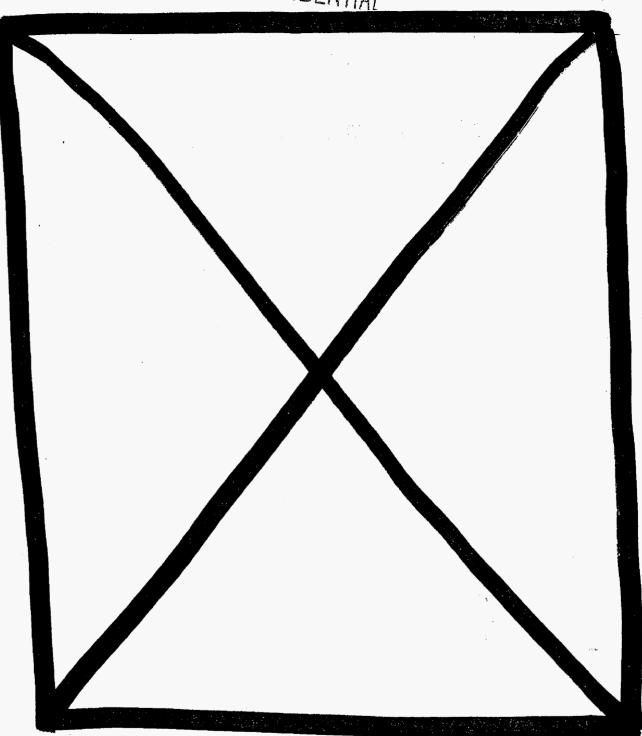


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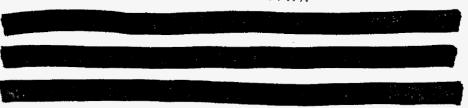
Progress Energy Precedent Agreement (continued)



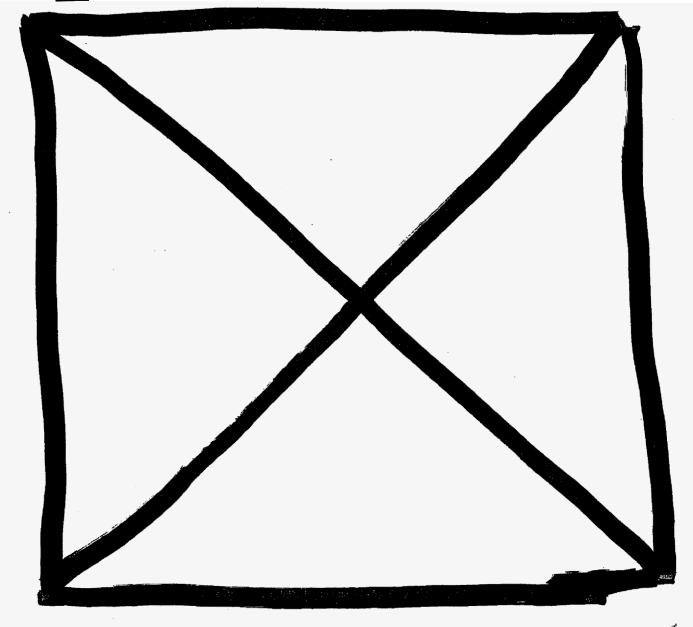


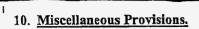
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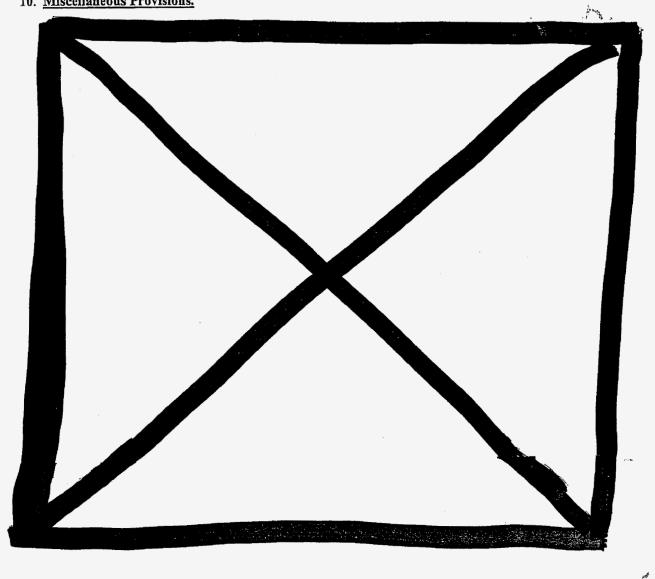




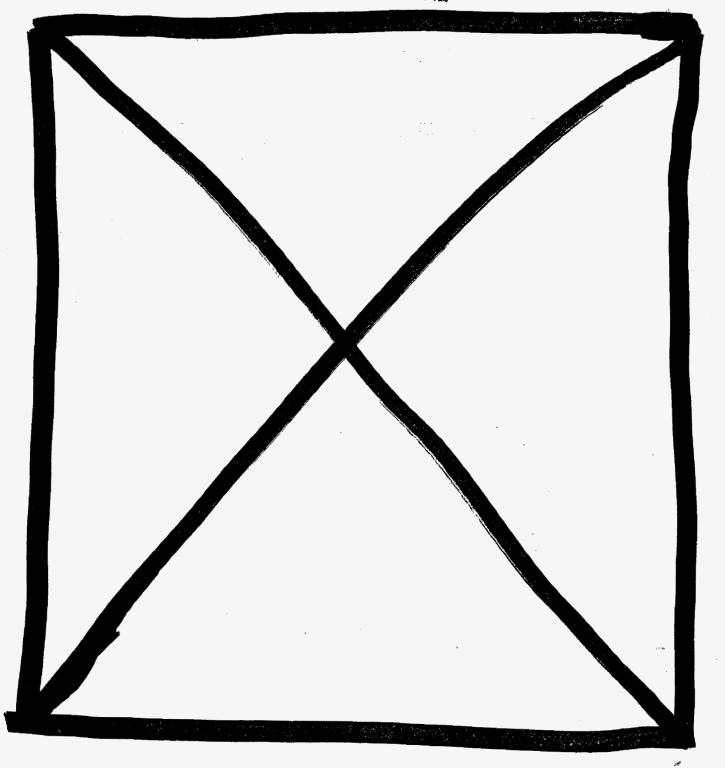
8. <u>Term</u>.





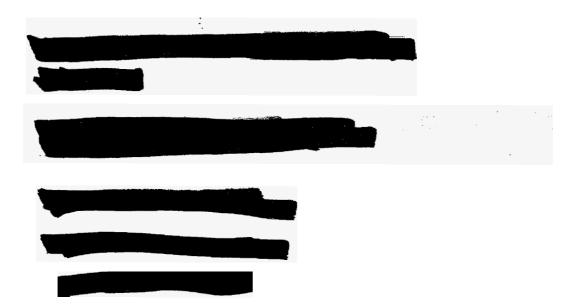


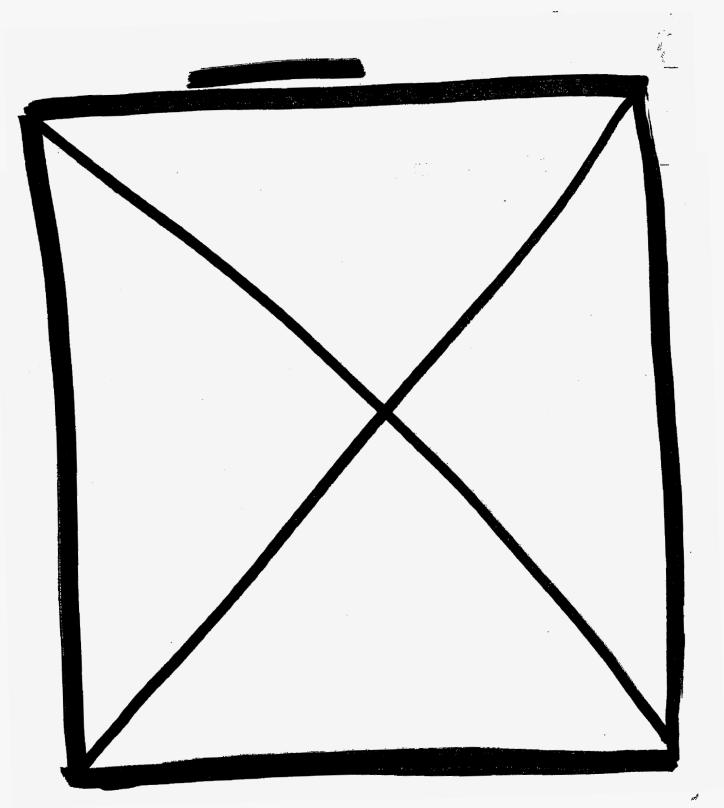
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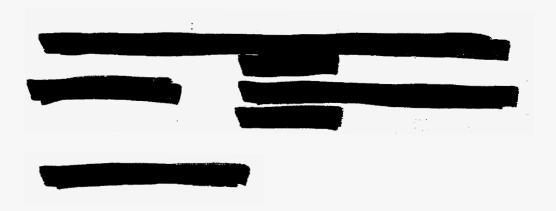
Working Draft for 10-5-04 Conference Call

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Working Draft for 10-5-04 Conference Call



Working Draft for 10-5-04 Conference Call



Working Draft for 10-5-04 Conference Call

## Confidential Draft – For Discussion Purposes Only PEF Draft (10-6-04)

CONFIDENTIAL

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## GAS SALE AND PURCHASE CONTRACT

This Gas Sale and Purchase Contract (this "Contract") is entered into on (the "Effective Date")

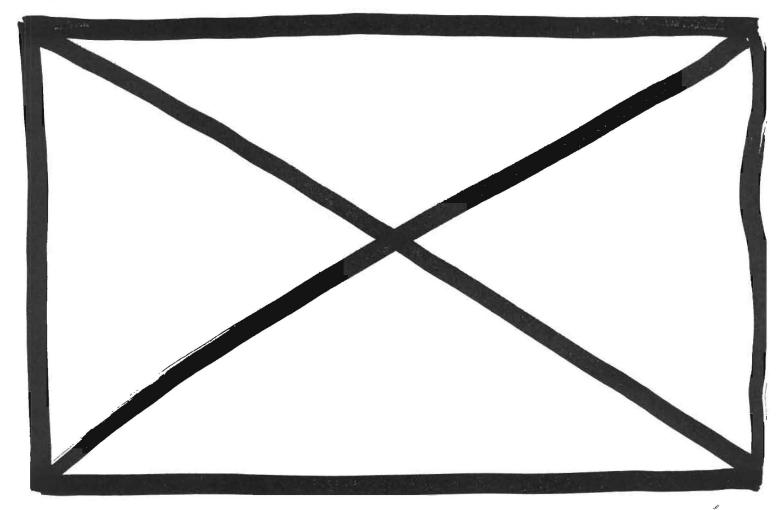
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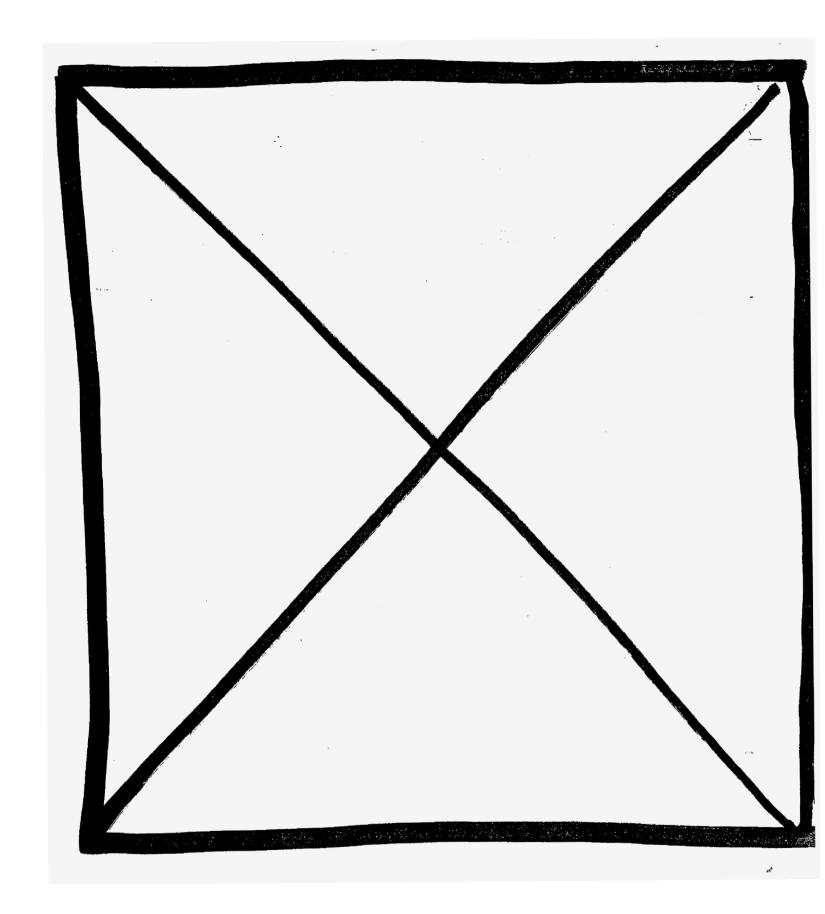
Florida Power Corporation, a Florida corporation, doing business as Progress Energy Florida, Inc. ("Buyer").

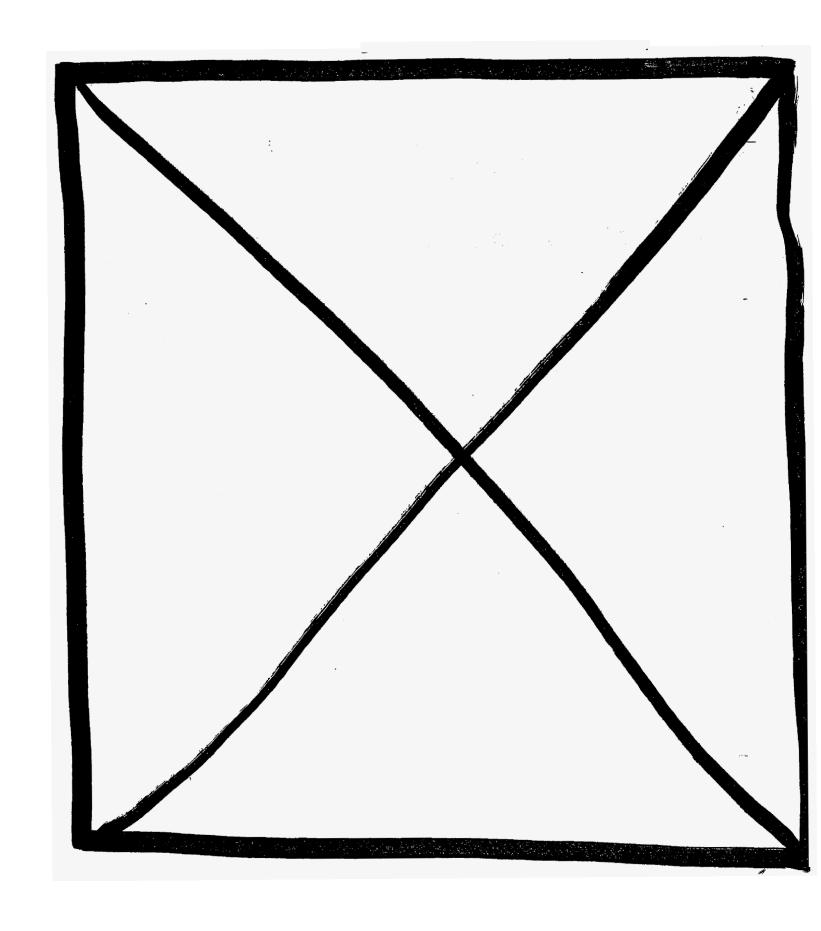
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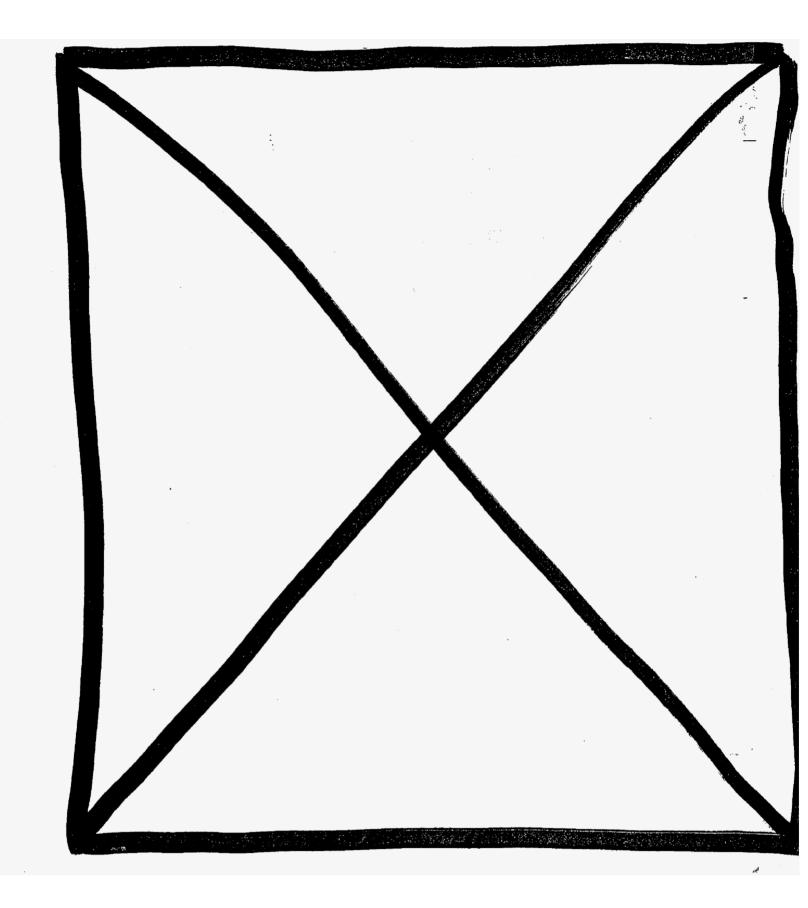
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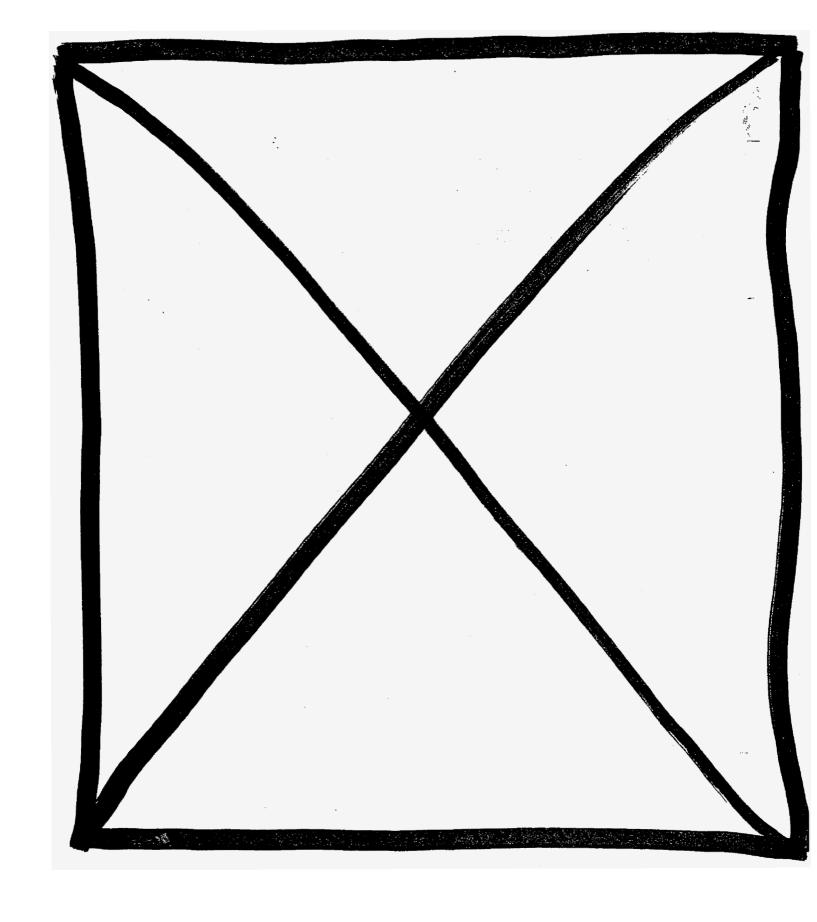






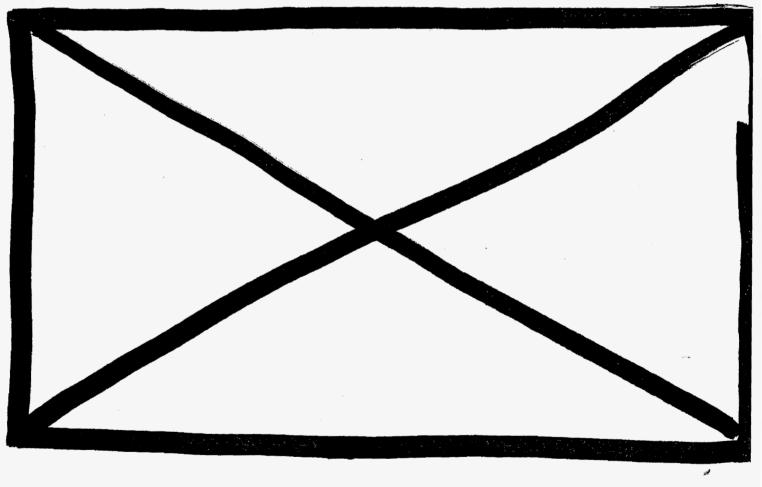
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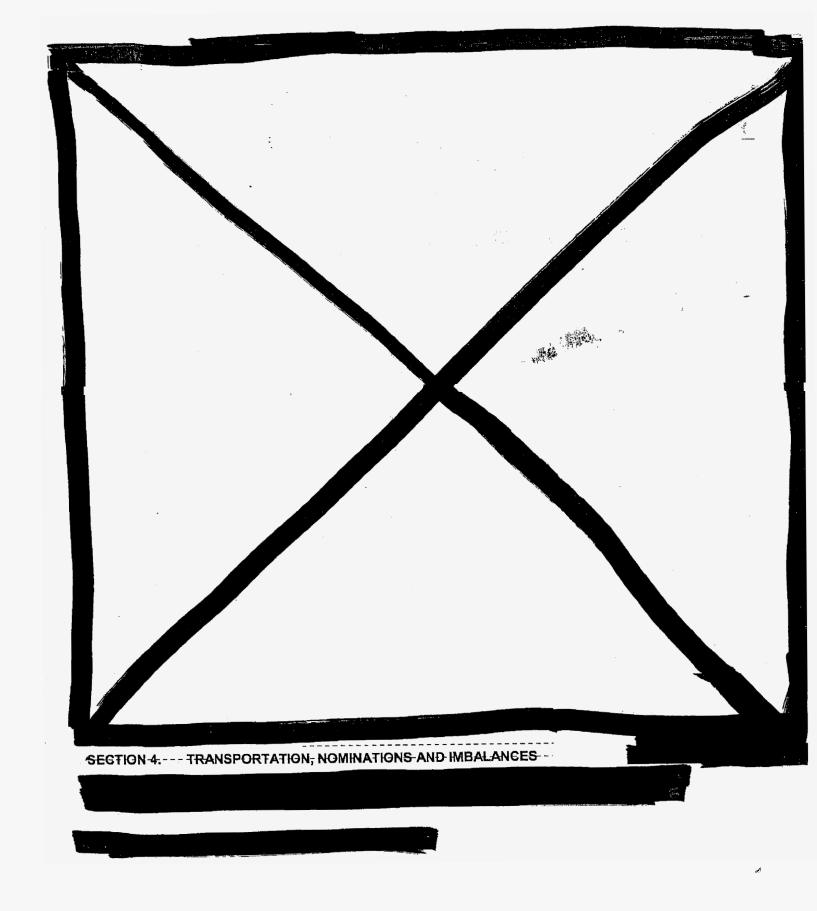


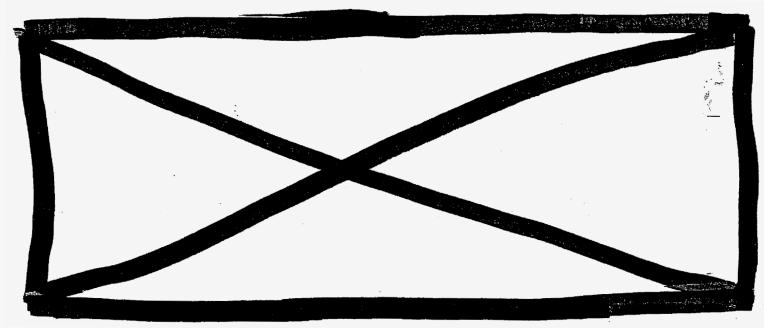


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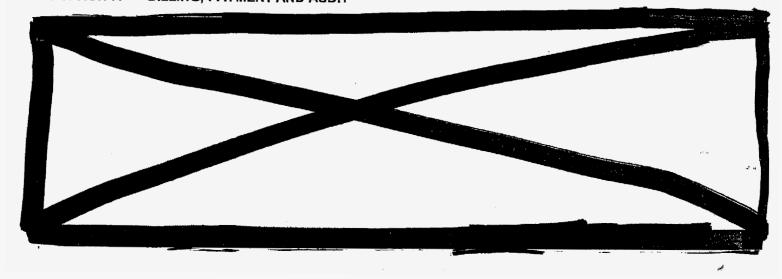
SECTION 5. QUALITY AND MEASUREMENT

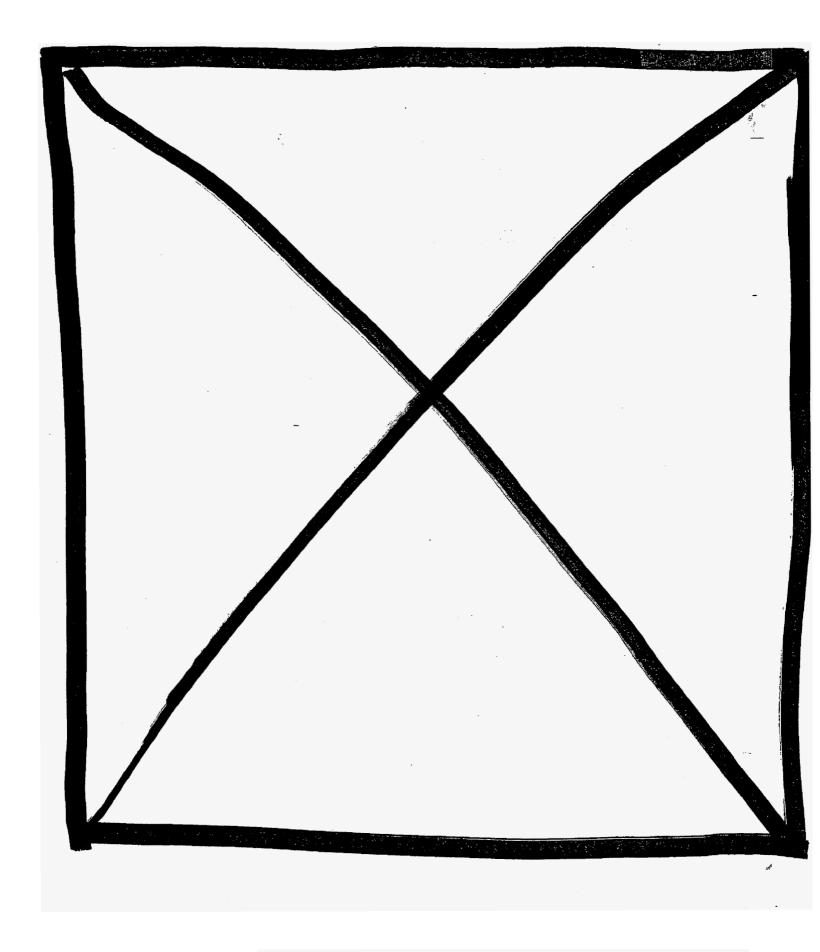


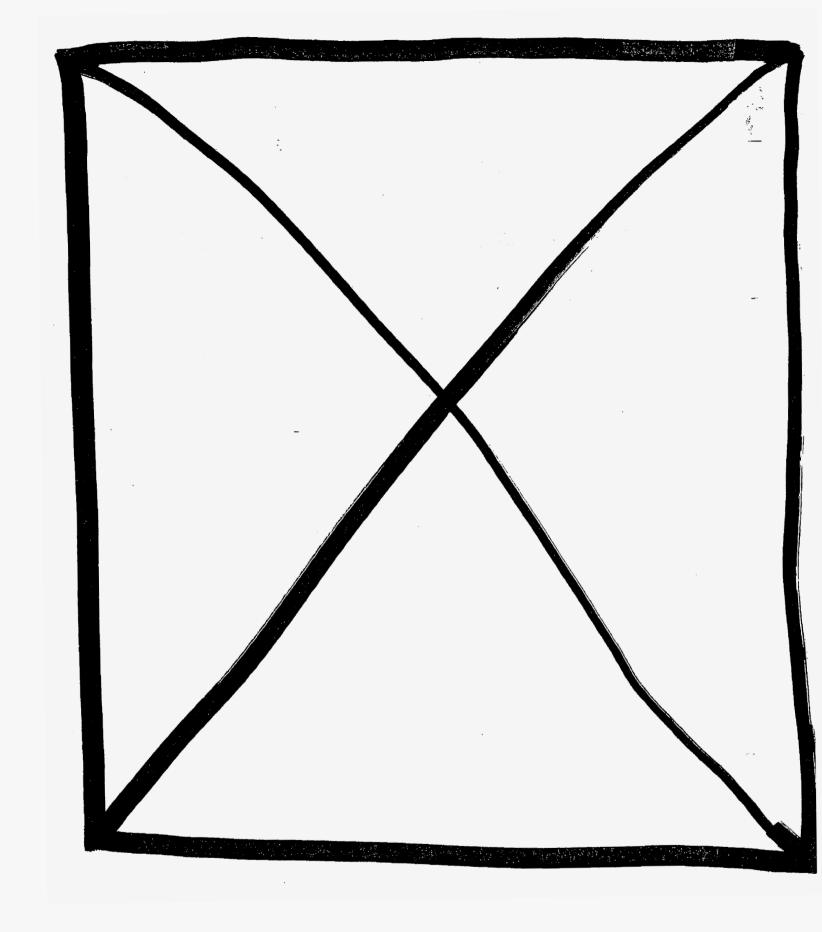
SECTION 6. TAXES

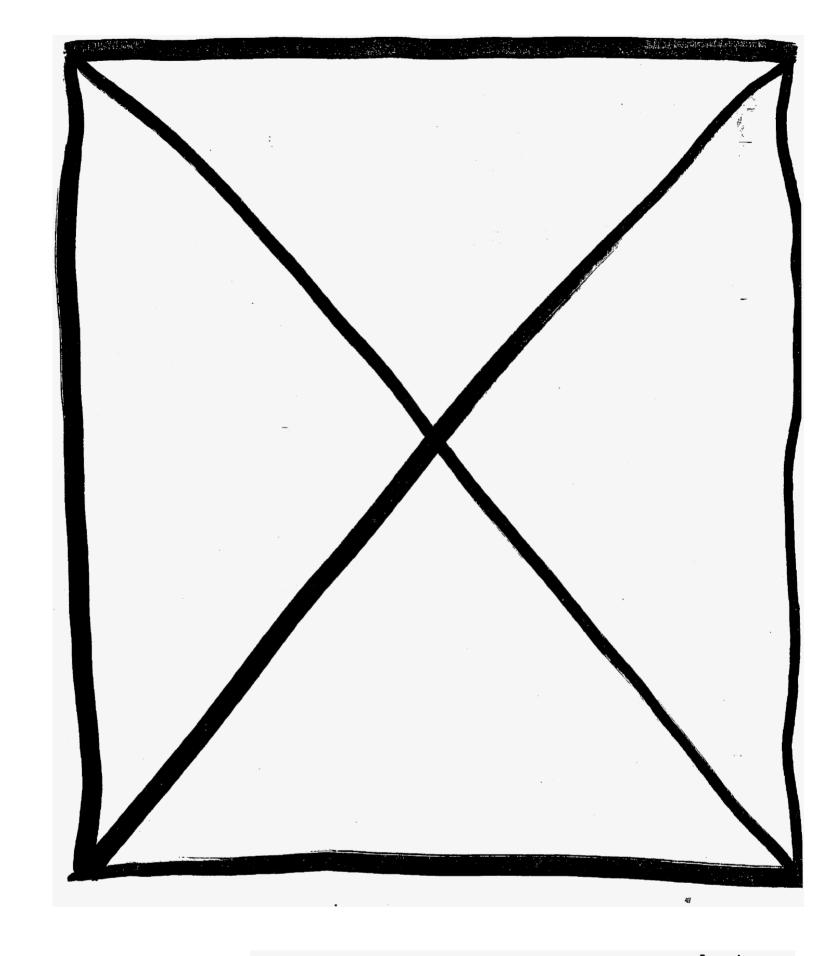


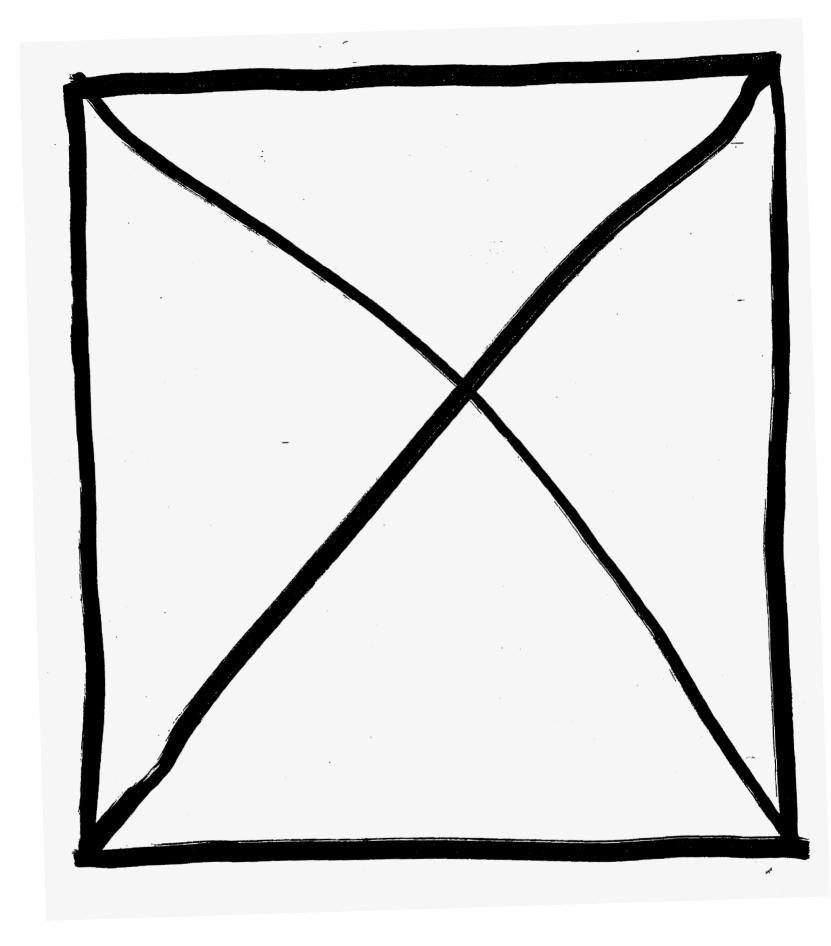
SECTION 7. BILLING, PAYMENT AND AUDIT

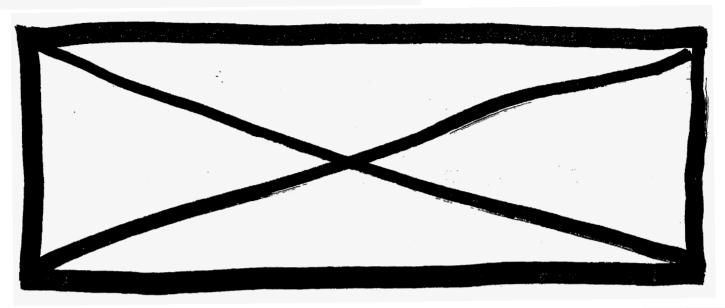




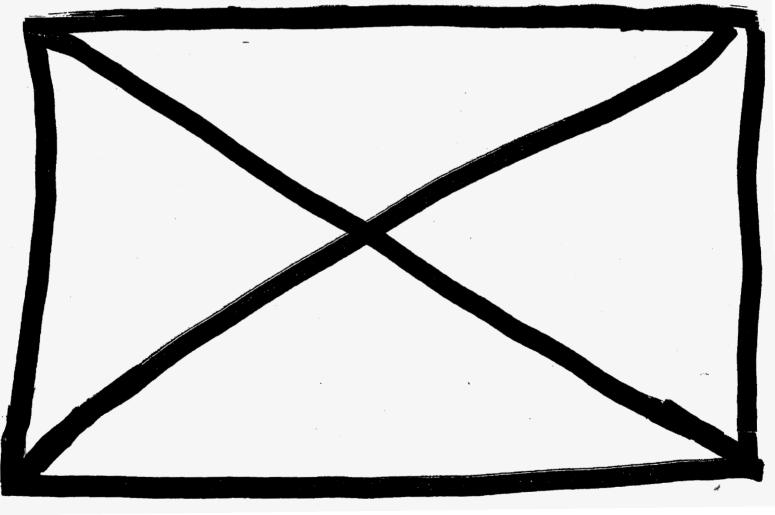


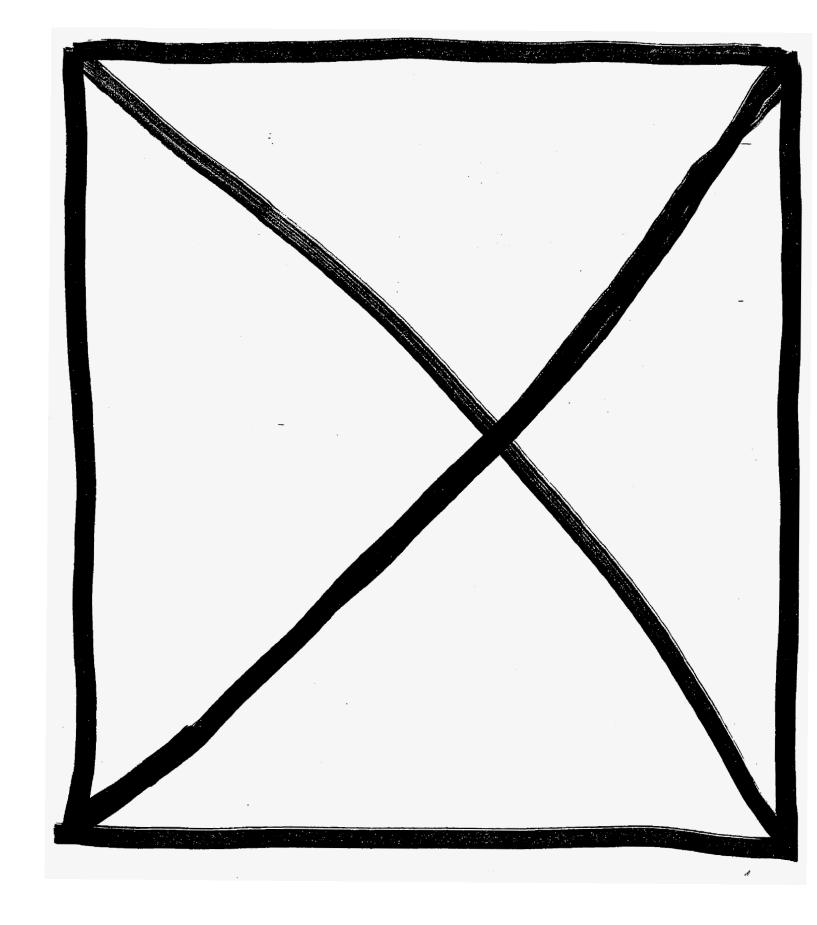


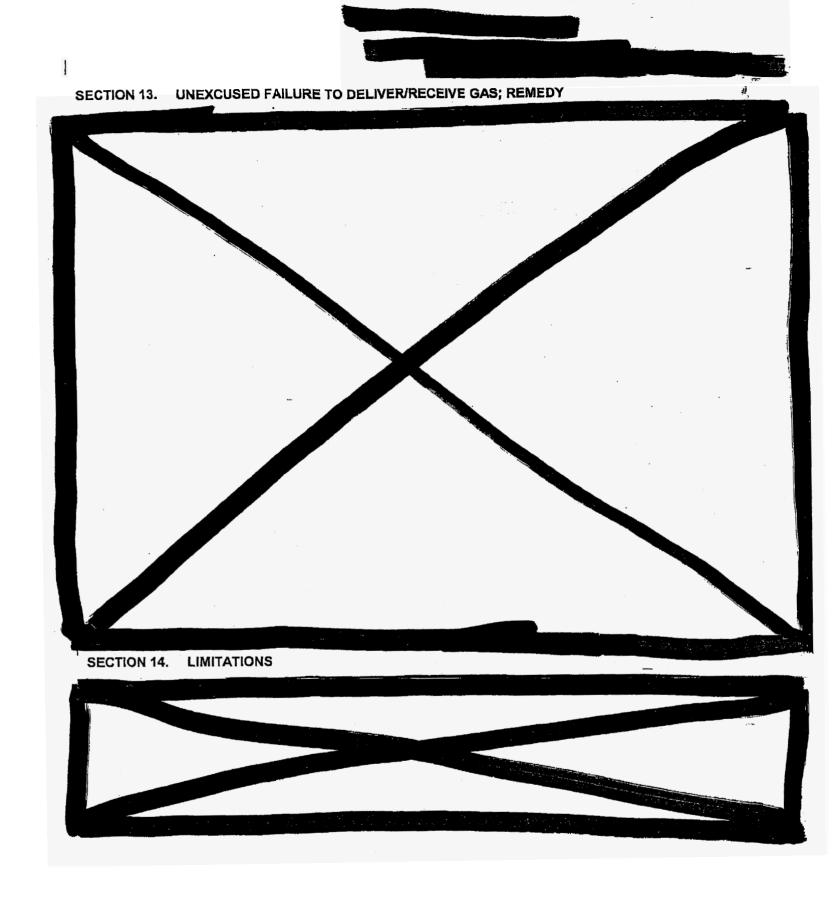


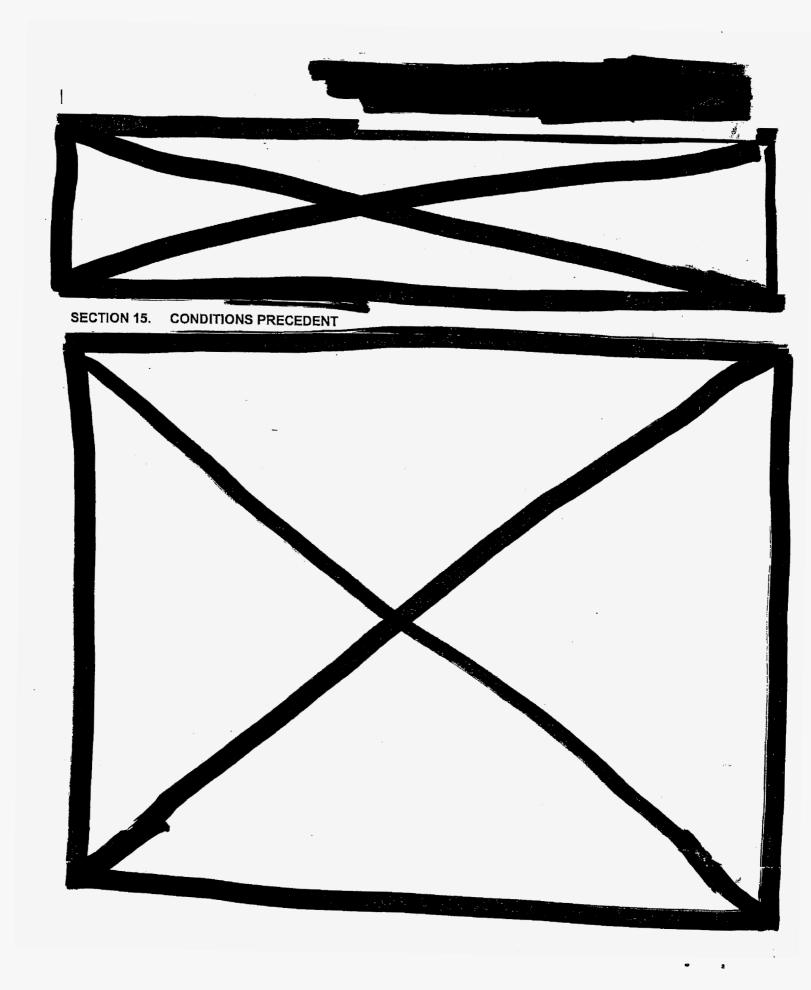


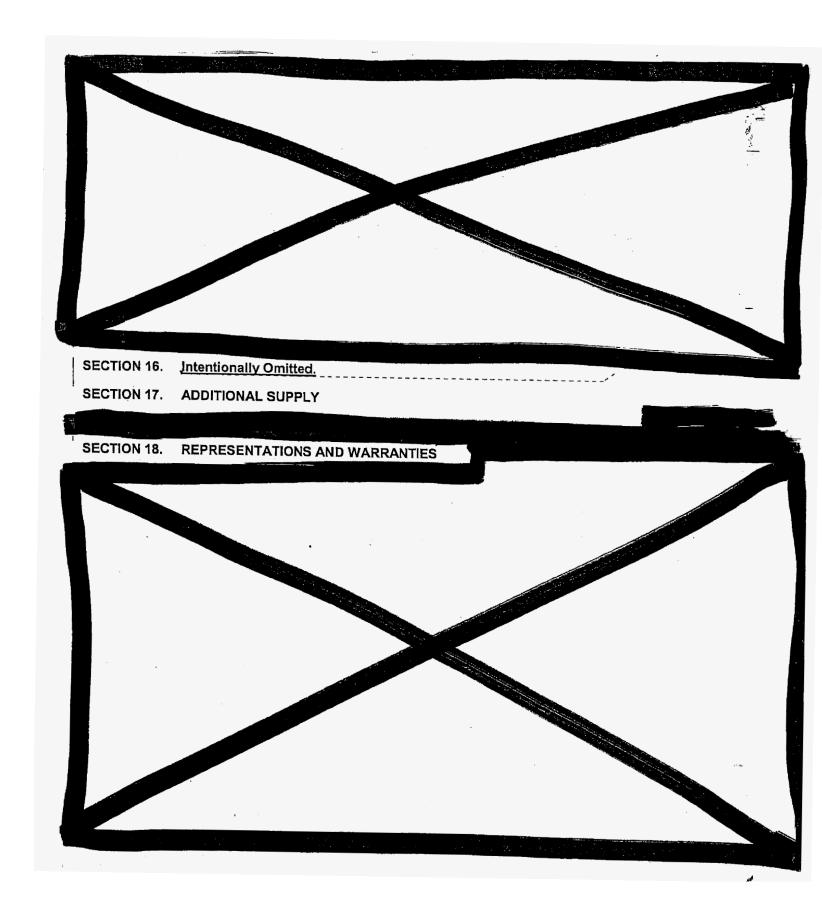
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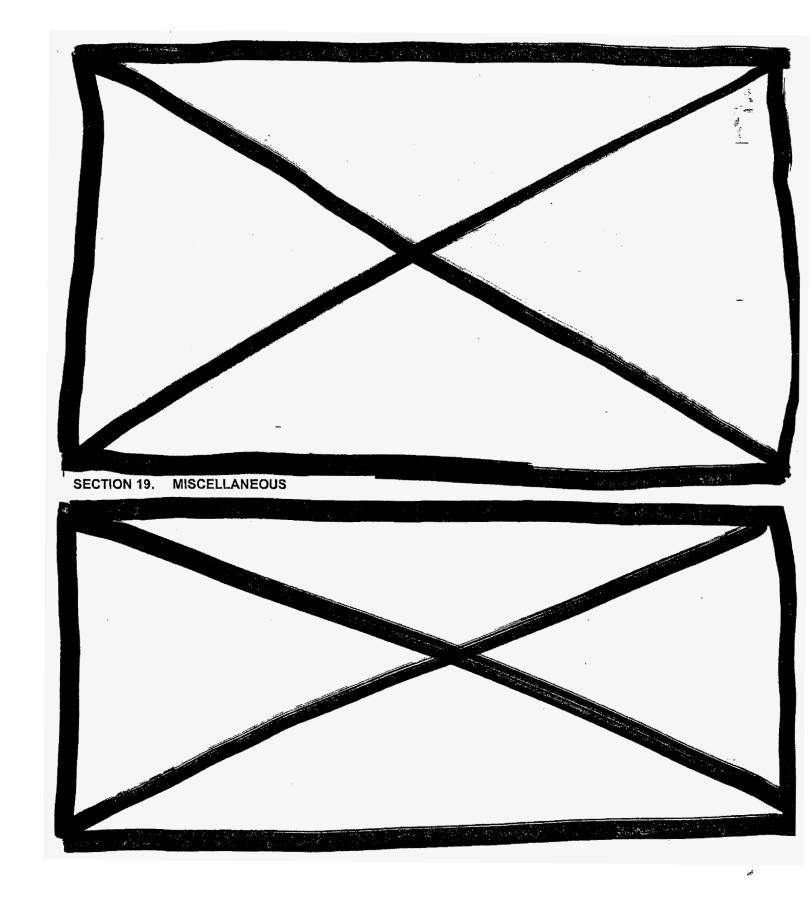


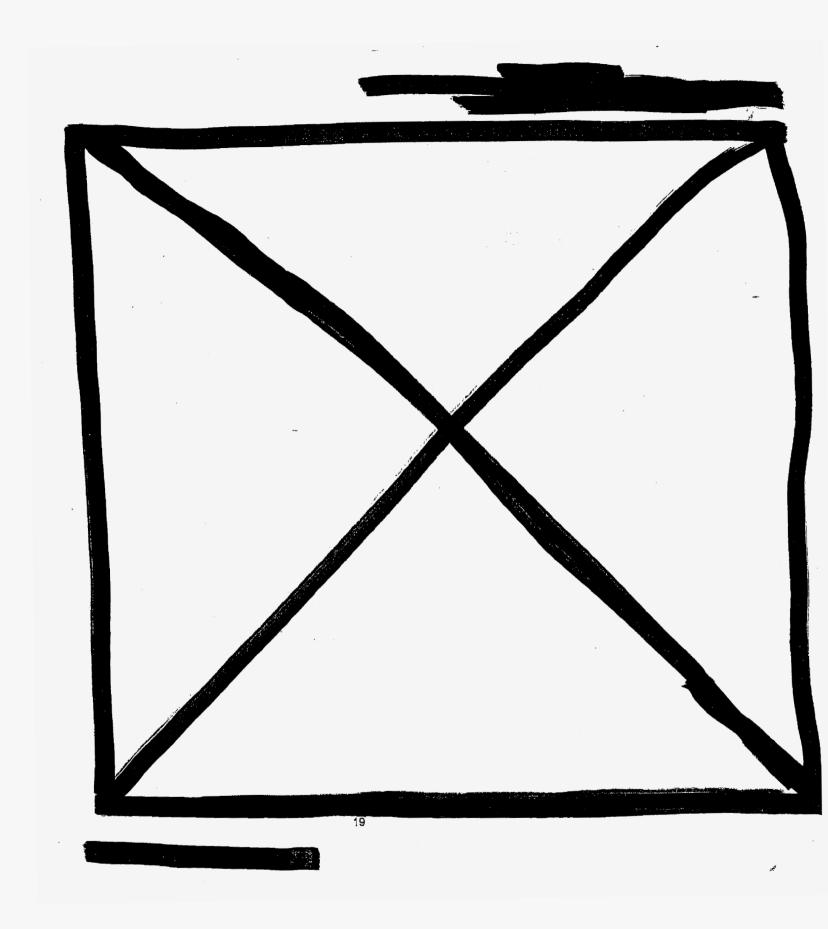


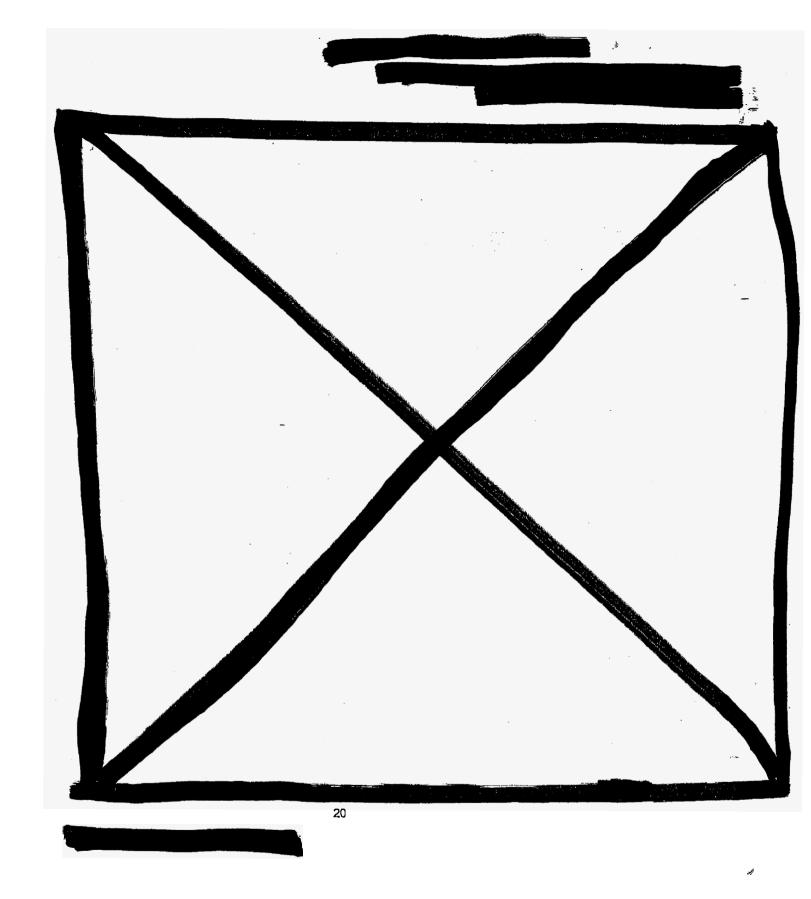


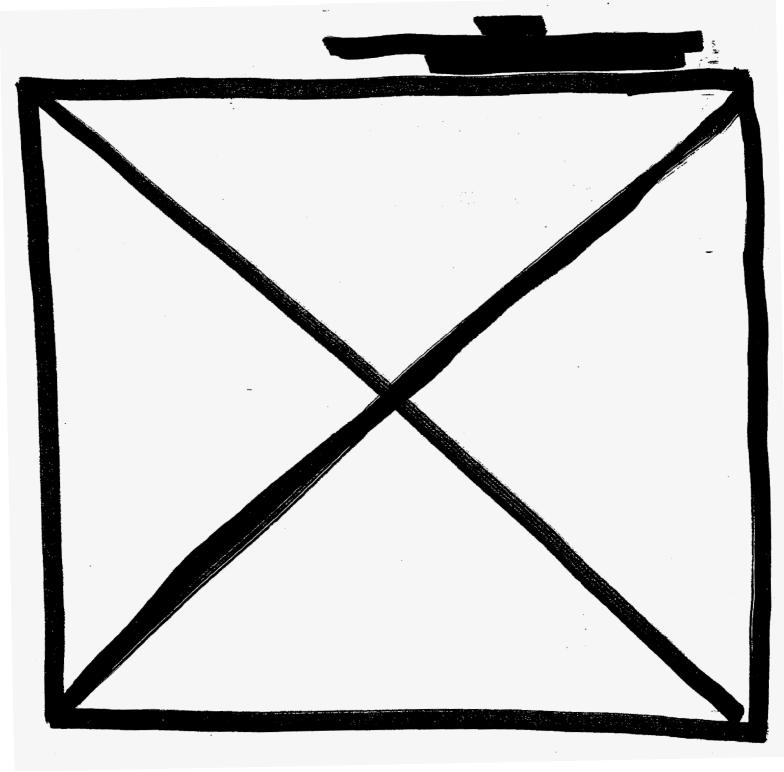


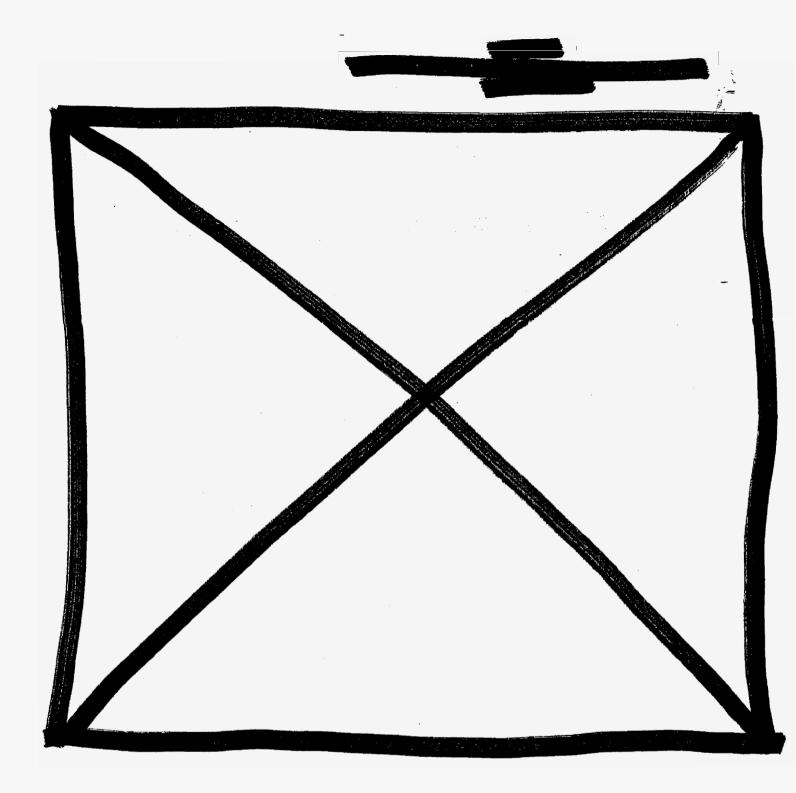


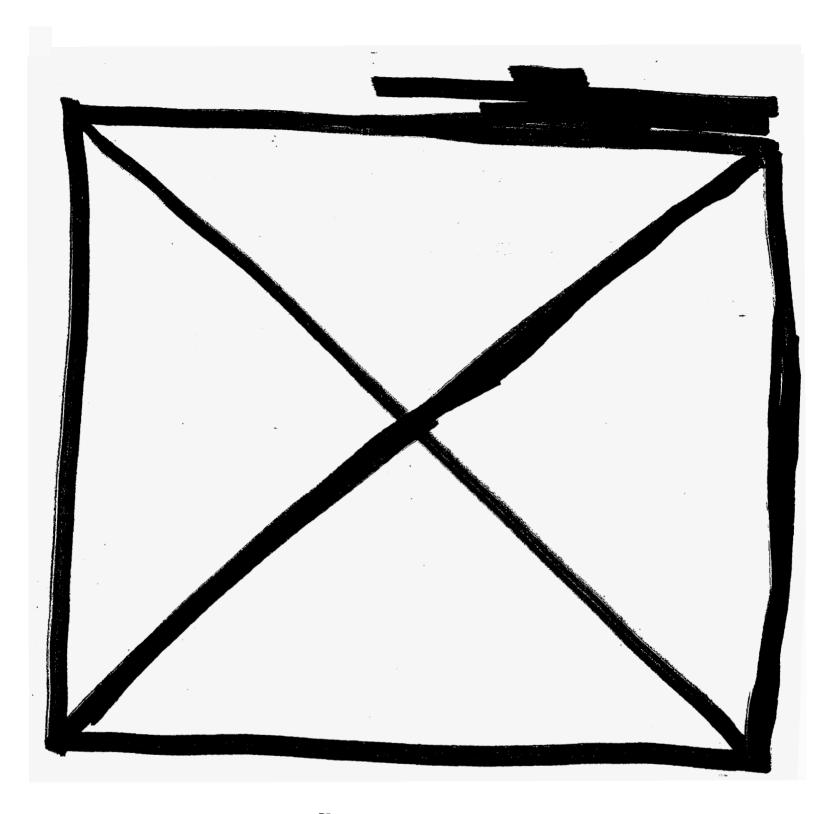


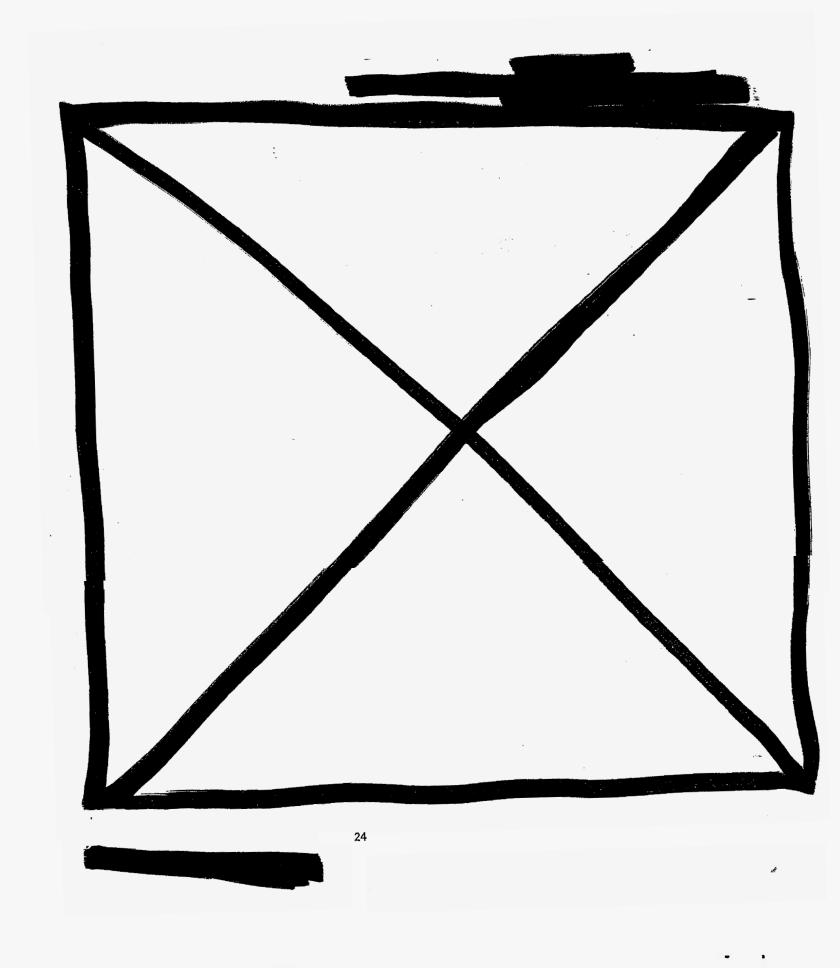


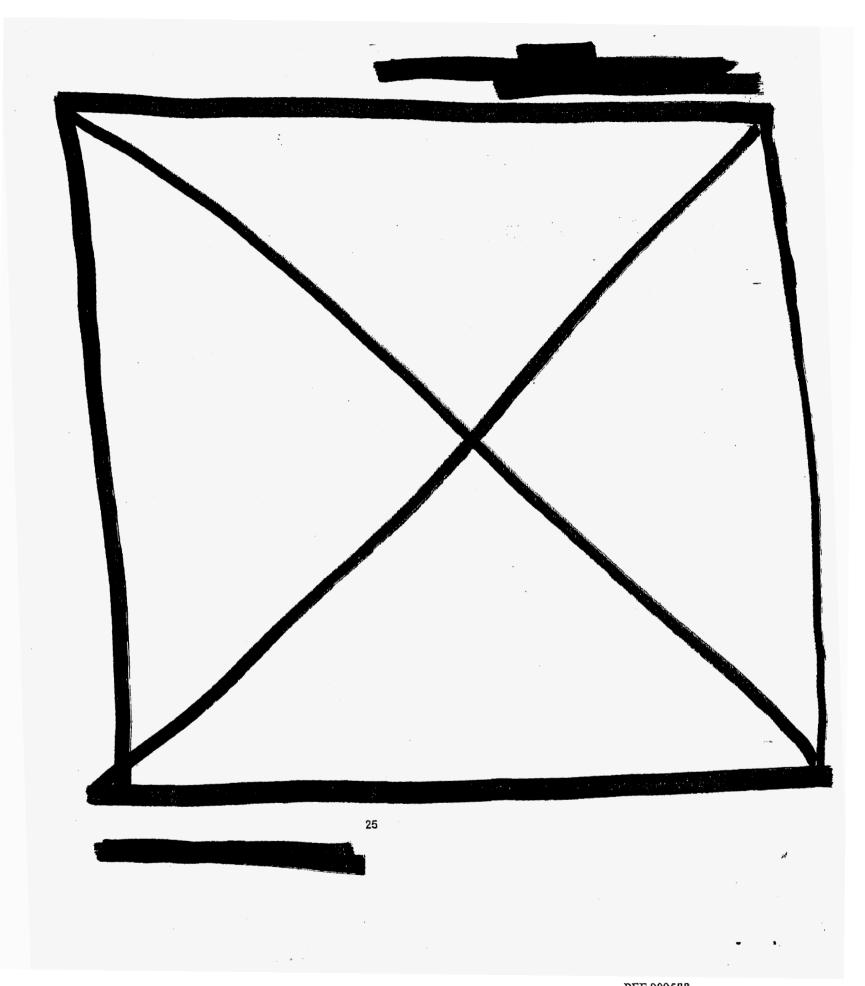


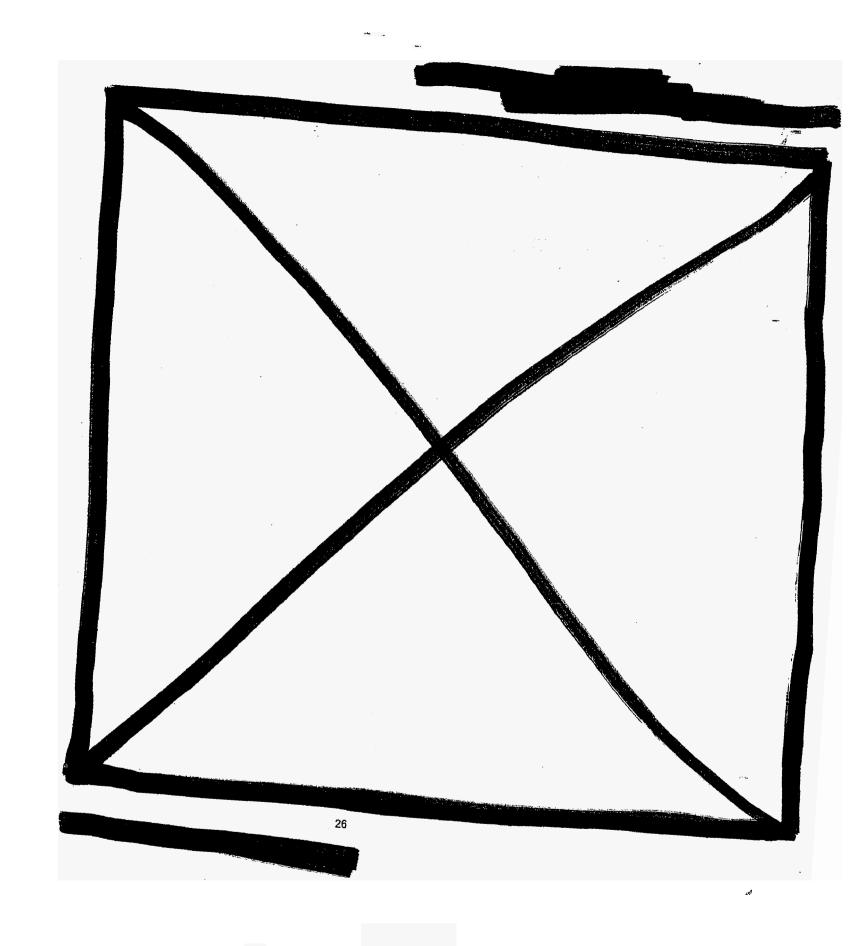


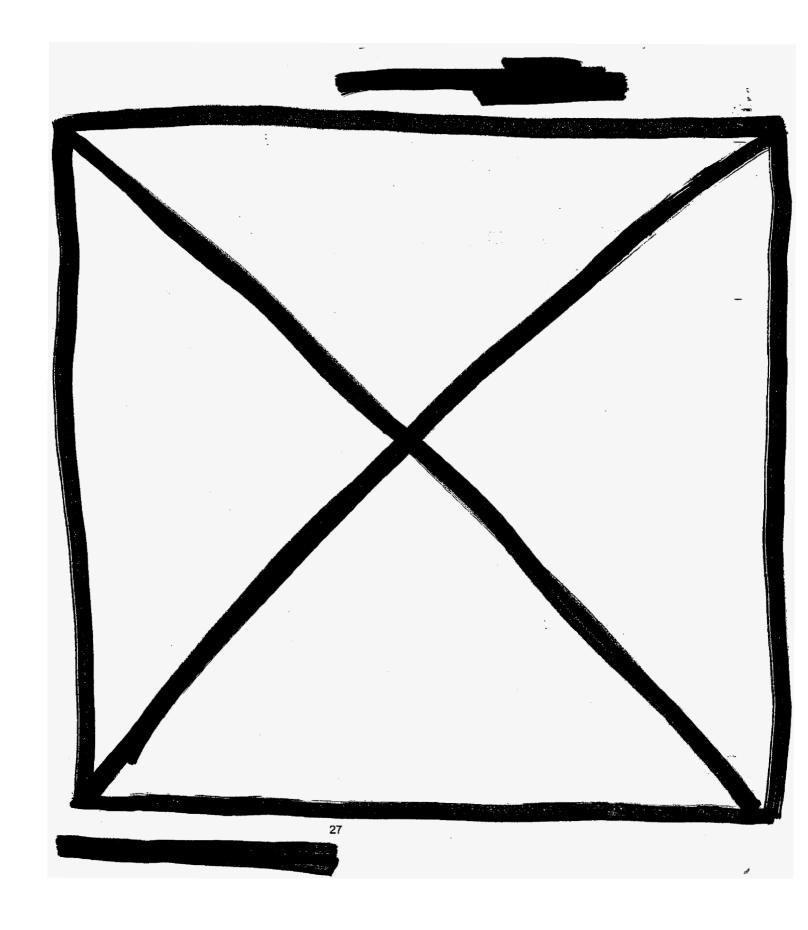


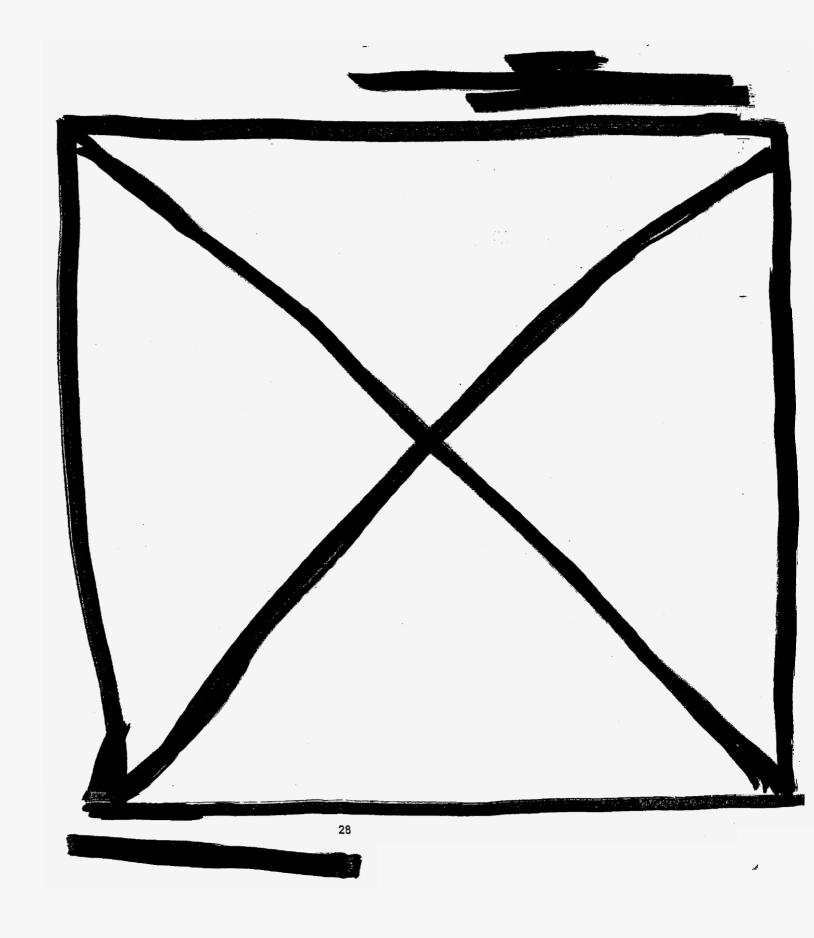


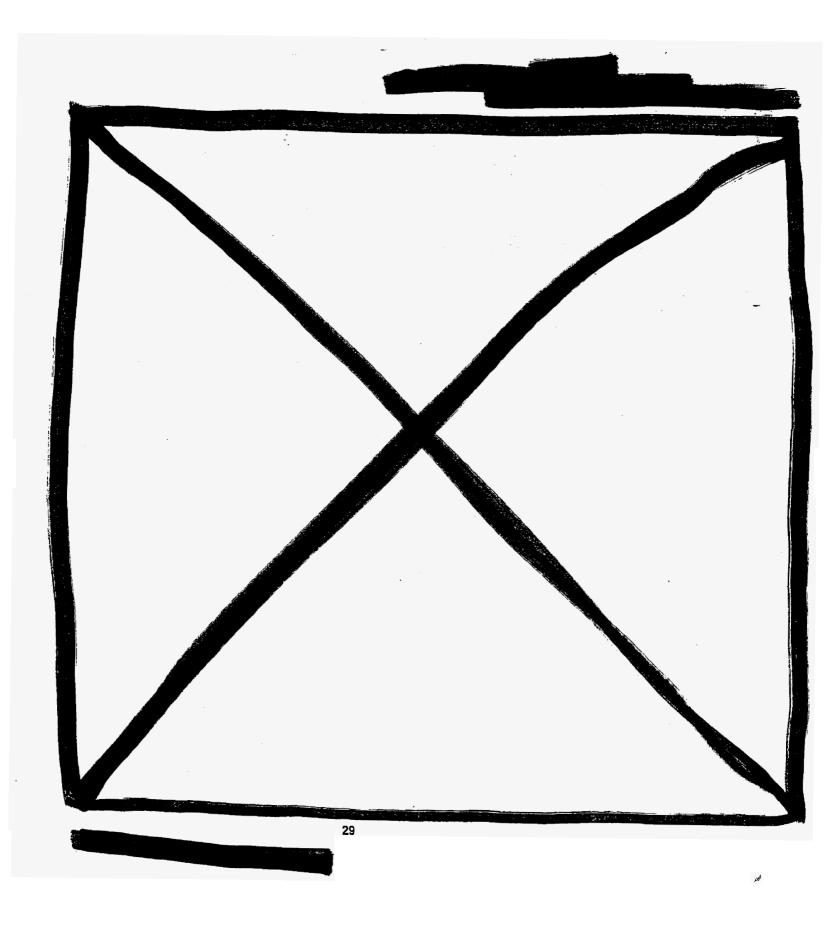


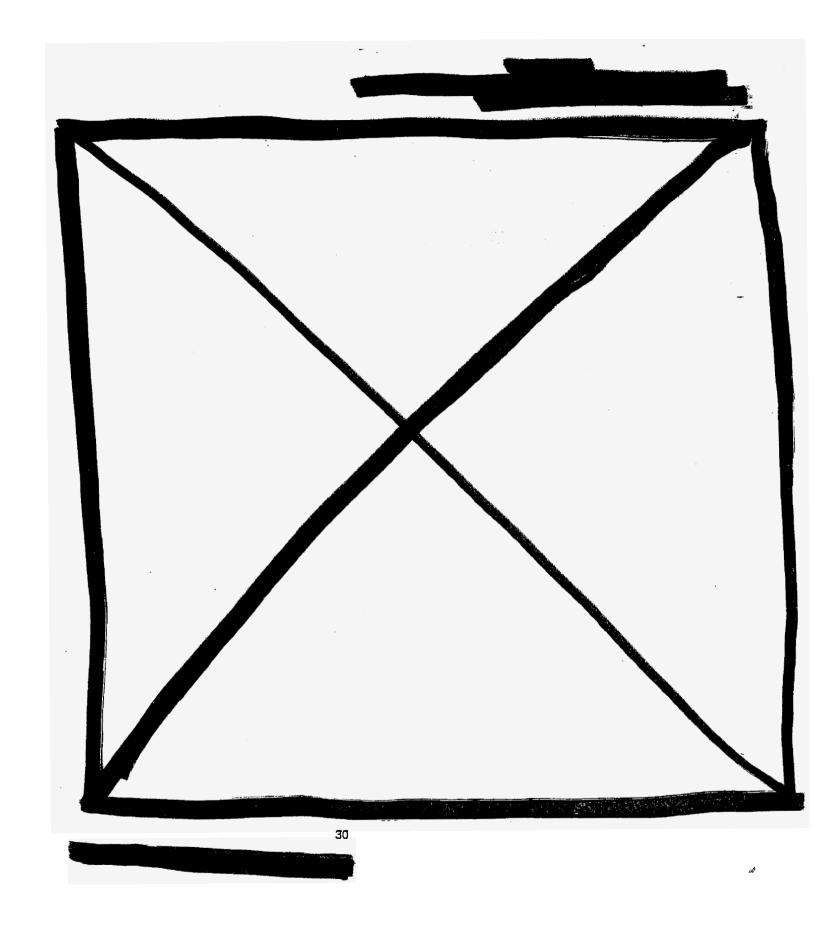


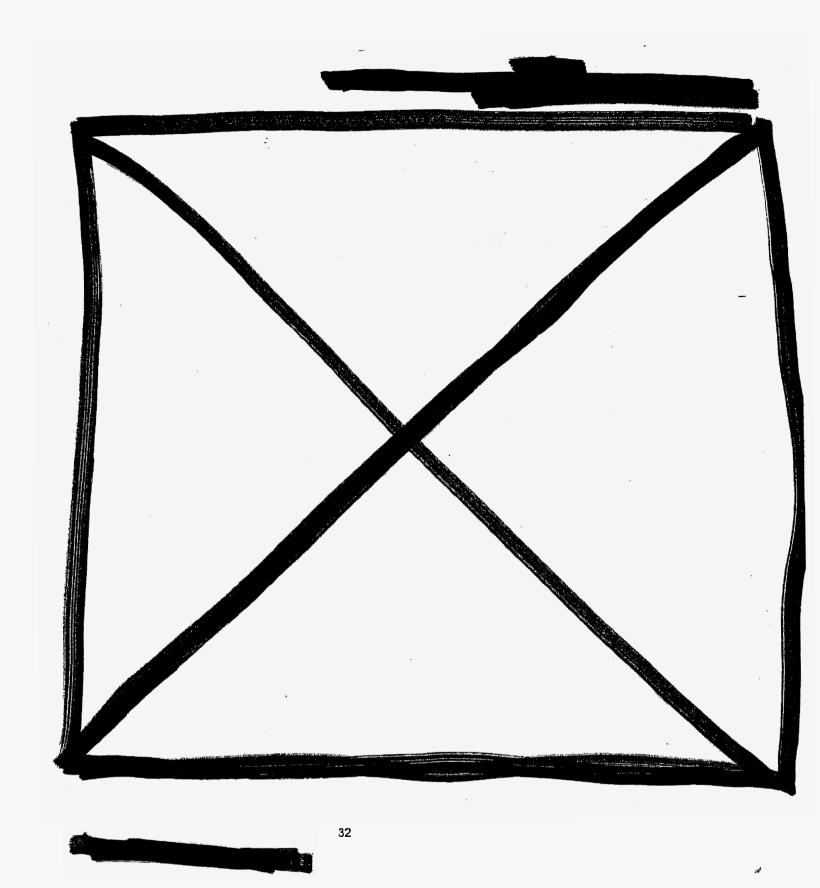


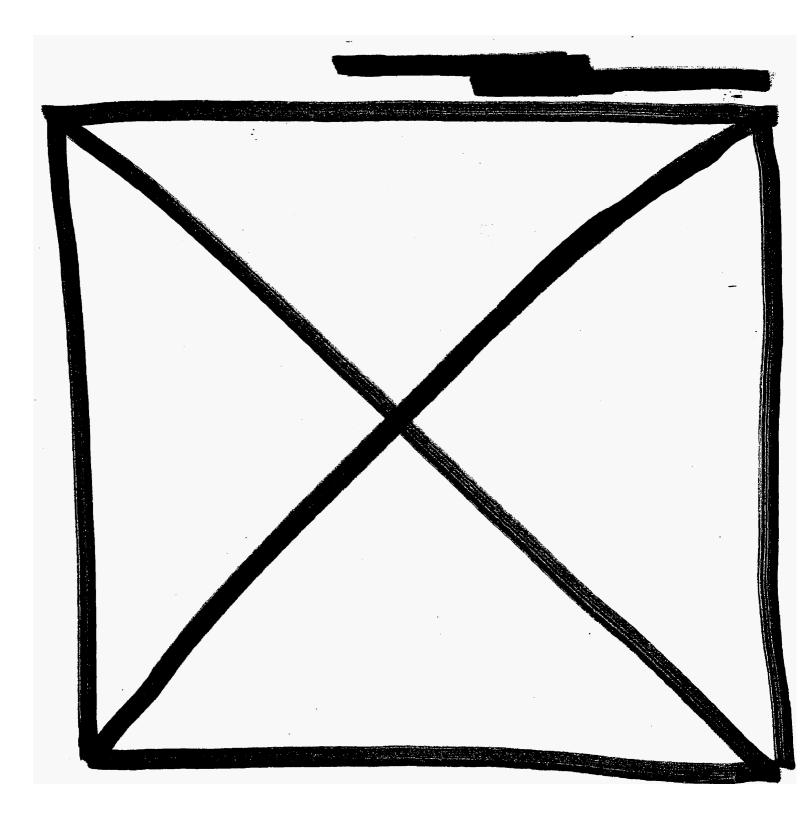


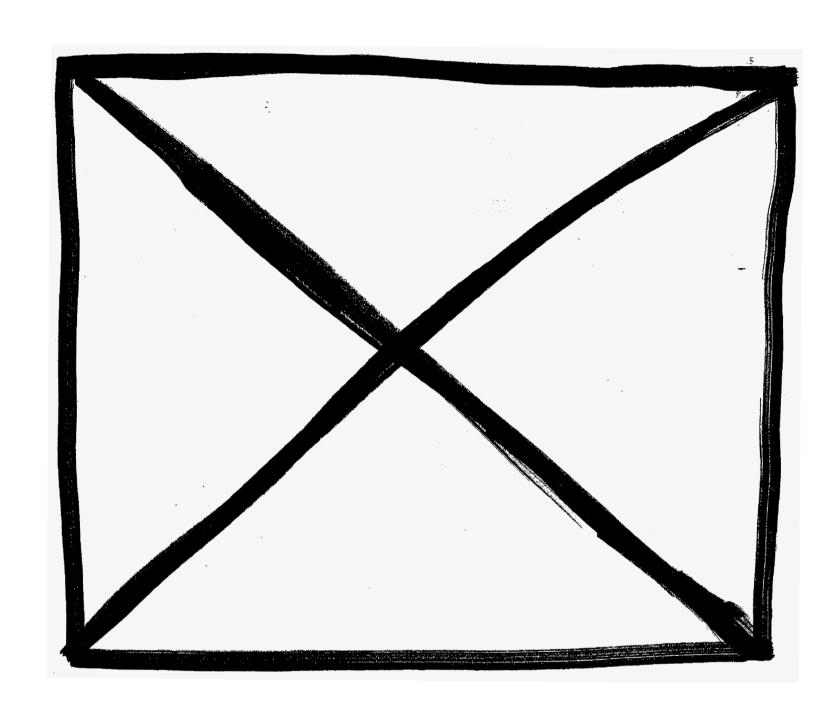


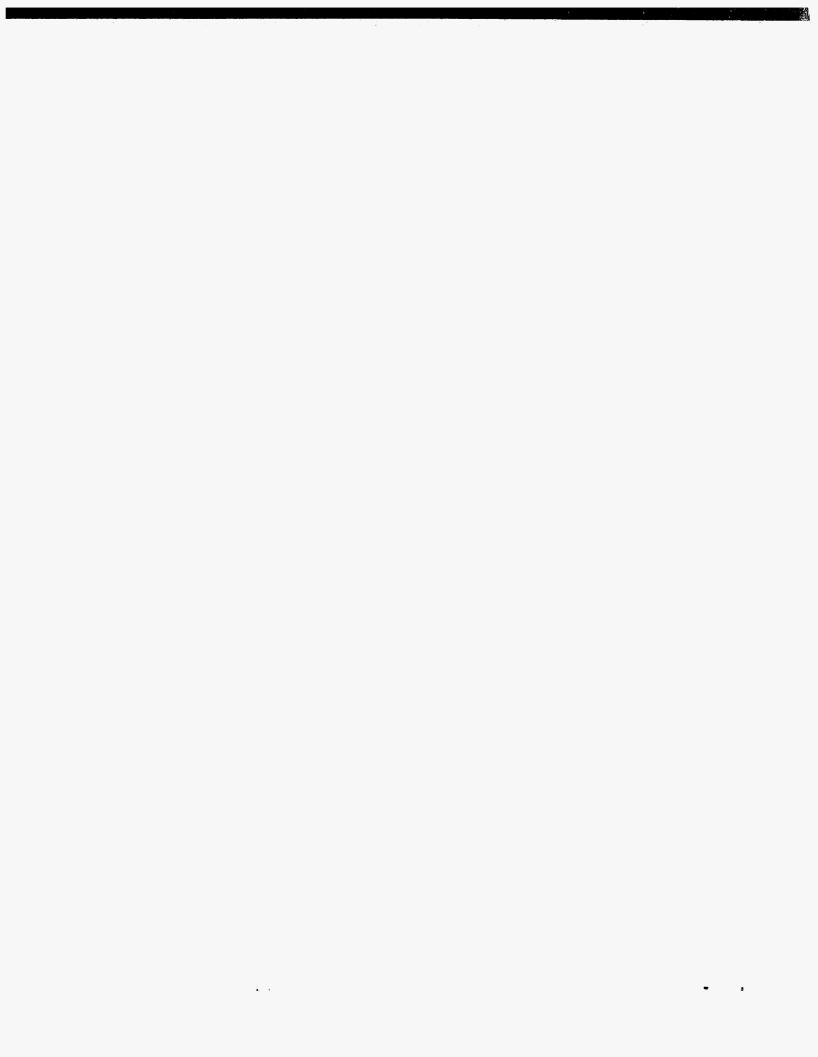












Confidential Draft - For Discussion Purposes Only

PEF Draft (10-6-04)

CONFIDENTIAL

#### GAS SALE AND PURCHASE CONTRACT

Formatted: Highlight

Deleted: 8G Comments Sept 22

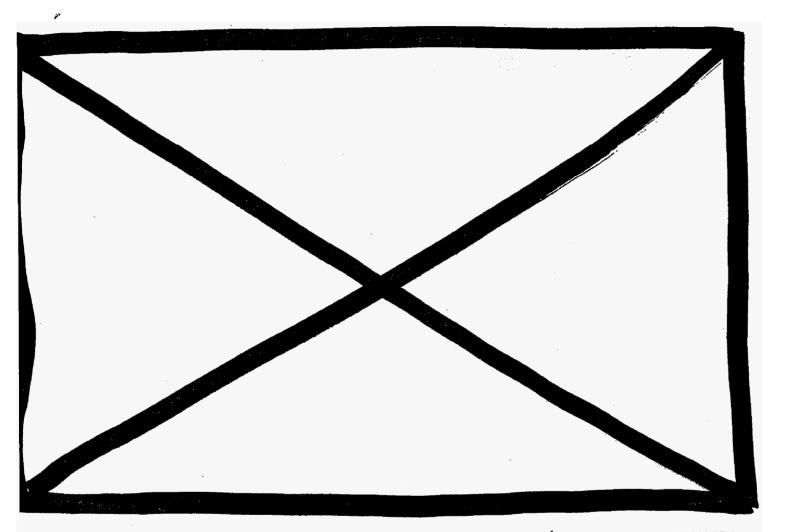
This Gas Sale and Purchase Contract (this "Contract") is entered into on (the "Effective Date")

[the "Effective Date")

Florida Power Corporation, a Florida corporation, doing business as Progress Energy Florida, Inc.

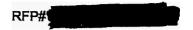
**MILNESSETH** 

SECTION 1. DEFINITIONS; INTERPRETATION





Regulated Commercial Operations Department P. O. Box 1551 - CPB 10A Raleigh, North Carolina 27602



August 22, 2003

Dear Sir or Madam:

Subject:

Non-Binding Request for Proposal for Gas Supply

Florida Power Corporation d/b/a Progress Energy Florida, Inc. (hereinafter referred to as Buyer) is requesting proposals for

Term Volume **Primary Receipt Point** Service **Desired Pricing** Other Pricing Nominations: Requirements **Gas Quality** 

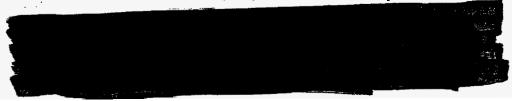
• Page 2

October 6, 2004

Proposals are DUE by:

Wednesday, September 3, 2003, 4:00 p.m. EST

**Proposals** 



#### Please send proposals to:

Progress Energy Inc. Attn: Rick Rhodes Term Gas and Logistics Unit P. O. Box 1551 - PEB 10A Raleigh, North Carolina 27602 Telephone: 919-546-7613

Send e-mail responses to: rick.

rick.rhodes@pgnmail.com

Send FAX responses to:

919-546-2922

Sincerely,

Rick Rhodes

Term Gas Lead 919-546-7613

PEF 000599 \*\*

From:

Rhodes, Rick

Sent:

Friday, August 22, 2003 5:08 PM

To:

Cc: Subject:

Non-Binding RFP

Importance:

High

Sensitivity:

Confidential

Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this evaluation. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.



From:

Rhodes, Rick

Sent:

Friday, August 22, 2003 5:10 PM

To:

Cc: Subject:

Non-Binding RFP

Importance:

High

Sensitivity:

Confidential

Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this evaluation. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.



From:

Rhodes, Rick

Sent:

Friday, August 22 2003 5:02 PM

To: Cc:

Subject:

Non-Binding RFP

Importance:

High

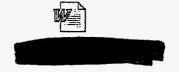
Sensitivity:

Confidential

Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this evaluation. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.





Regulated Commercial Operations Department P. O. Box 1551 - CPB 10A Raleigh, North Carolina 27602



August 22, 2003

Dear Sir or Madam:

Subject:

Non-Binding Request for Proposal for Gas Supply

Fiorida Power Corporation d/b/a Progress Energy Florida, Inc. (hereinafter referred to as Buyer) is requesting proposals for long-term gas supply sourced out of your company's

Term

Volume

**Primary Receipt Poir** 

Service

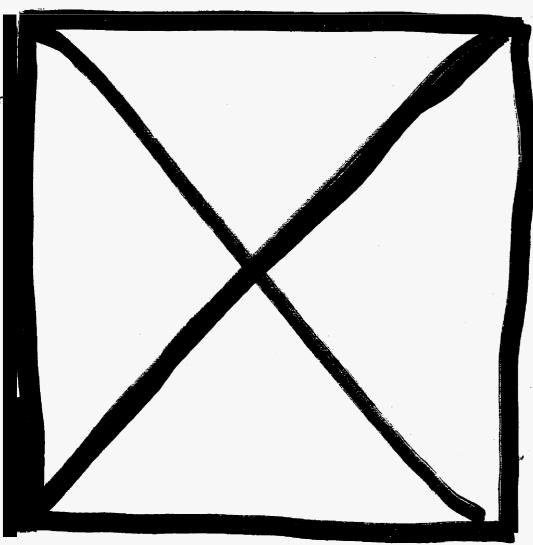
**Desired Pricing** 

Other Pricing

Nominations:

Requirements

**Gas Quality** 



● Page 2 October 6, 2004

Proposals are DUE by:

Wednesday, September 3, 2003, 4:00 p.m. EST

**Proposals** 

Proposals are preferred to be submitted via e-mail to the address below. Proposals may be submitted by FAX. Proposals received AFTER the DUE date may be considered at Buyer's discretion. All Proposals MUST reference RFP# Questions related to deal points should be directed to the author at the number listed during business hours (EST).

Please send proposals to:

Progress Energy Inc. Attn: Rick Rhodes

Term Gas and Logistics Unit P. O. Box 1551 - PEB 10A Raleigh, North Carolina 27602 Telephone: 919-546-7613

Send e-mail responses to:

rick.rhodes@pgnmail.com

Send FAX responses to:

919-546-2922

Sincerely,

Rick Rhodes

Term Gas Lead 919-546-7613

From: Rhodes, Rick

Sent: Friday, August 22, 2003 5:25 PM

To: Cc:

Subject: Non-Binding RFP

Importance: High

Sensitivity: Confidential

Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this evaluation. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.



From:

Rhodes, Rick

Sent:

Friday, August 22, 2003 5:18 PM

To: Cc:

Subject:

Non-Binding RFP

Importance:

High

Sensitivity:

Confidential

Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this evaluation. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.



From:

Rhodes, Rick

Sent:

Friday, August 22, 2003 5:28 PM

To:

Cc:

Subject:

Non-Binding RFP

Importance:

High

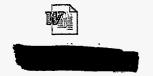
Sensitivity:

Confidential

Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this evaluation. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.



From: Rhodes, Rick

Sent: Friday, August 22, 2003 5:23 PM

To: Cc:

Subject: Non-Binding RFP

Importance: High

Sensitivity: Confidential

Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this evaluation. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.



From:

Rhodes, Rick

Sent:

Friday, August 22, 2003 5:21 PM

To:

Cc: Subject:

Non-Binding RFP

Importance:

High

Sensitivity:

Confidential

Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this evaluation. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.



From:

Sent: To:

Wednesday, September 03, 2003 10:20 AM

Rick Rhodes (E-mail)

Cc: Subject:

RFP Responses

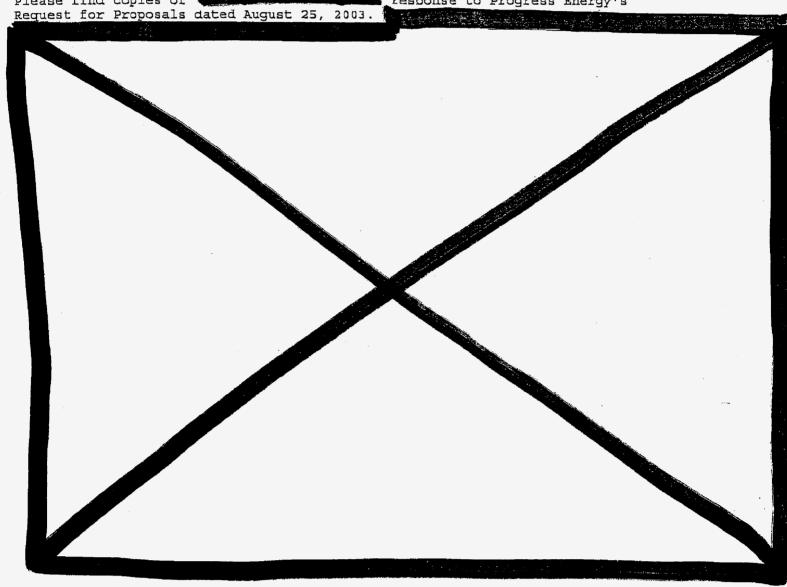


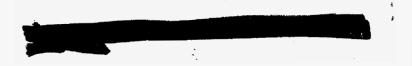


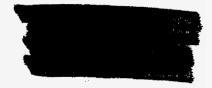
Rick,

Please find copies of

response to Progress Energy's





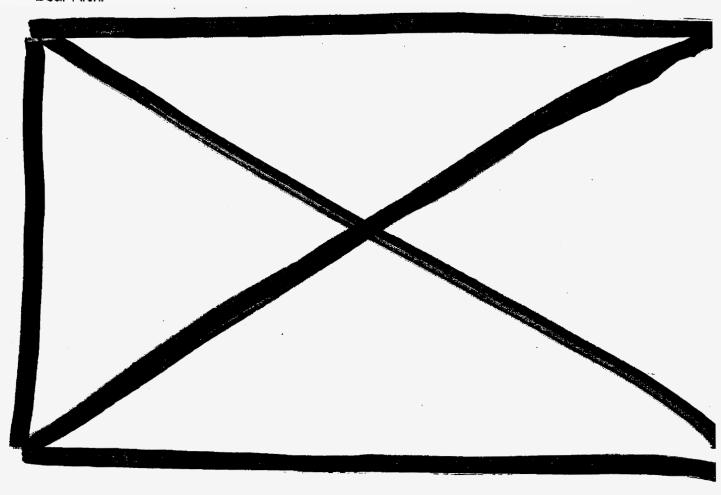


Mr. Rick Rhodes Term Gas Lead Progress Energy Inc.

September 03, 2003

Re: Firm Gas Supply Offer to Carolina Power & Light - VIA Electronic Mail

Dear Rick:





#### Proposal for

Carolina Power & Light d/b/a Progress Energy Carolinas, Inc.

Term:

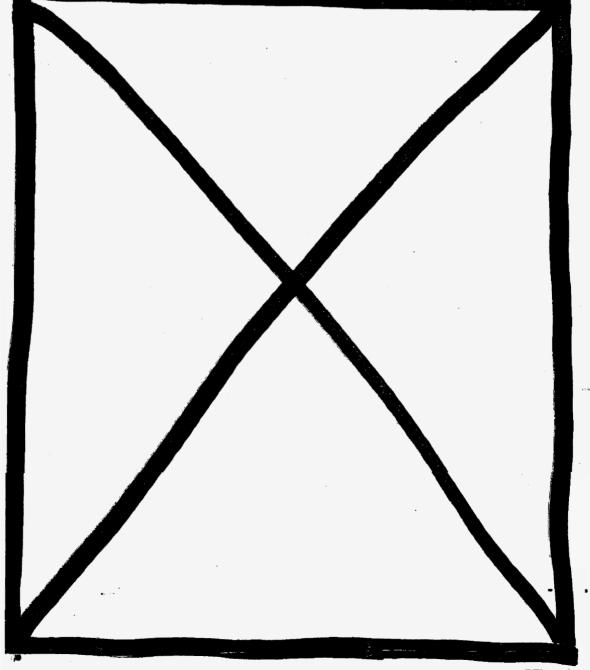
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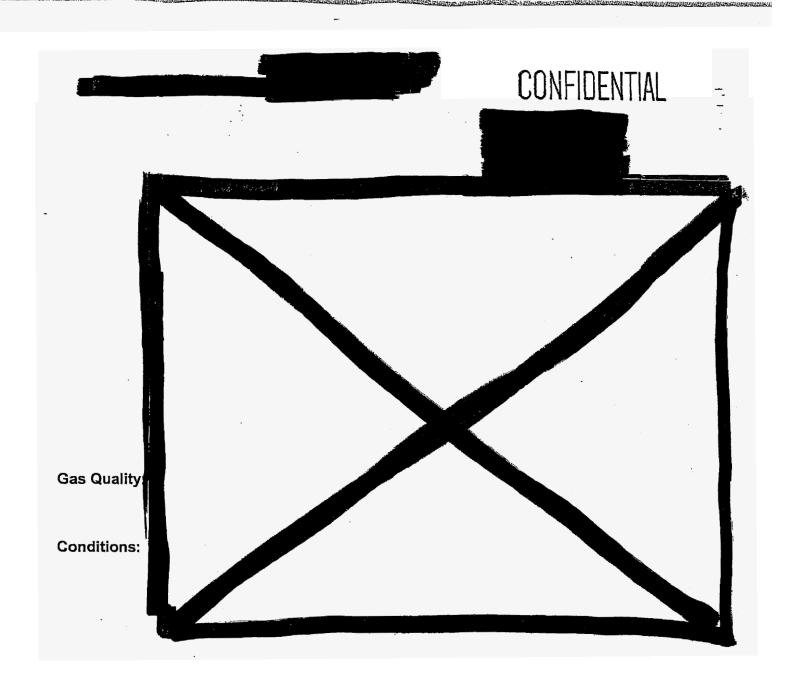
Delivery:

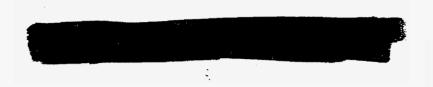
Volume:

Service:

Pricing:







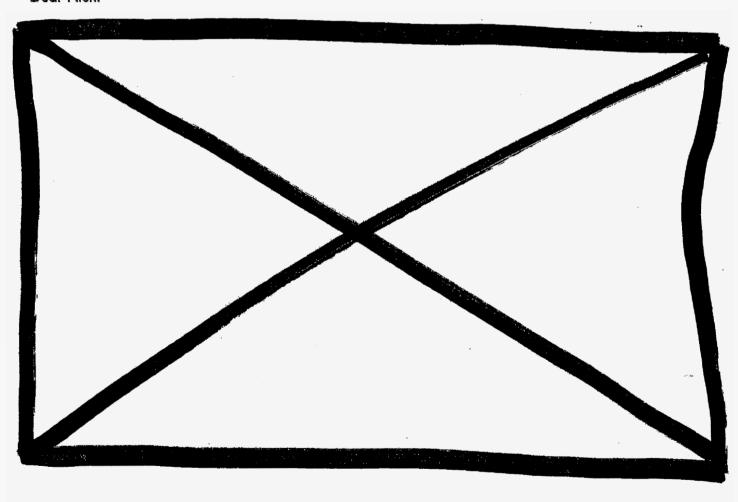


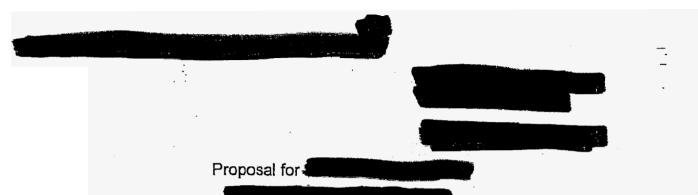
Mr. Rick Rhodes Term Gas Lead Progress Energy Inc.

September 03, 2003

Re: Firm Gas Supply Offer to Florida Power Corporation - VIA Electronic Mail

Dear Rick:





Florida Power Corporation d/b/a Progress Energy Carolinas, Inc.

Term:

Pipeline:

Delivery:

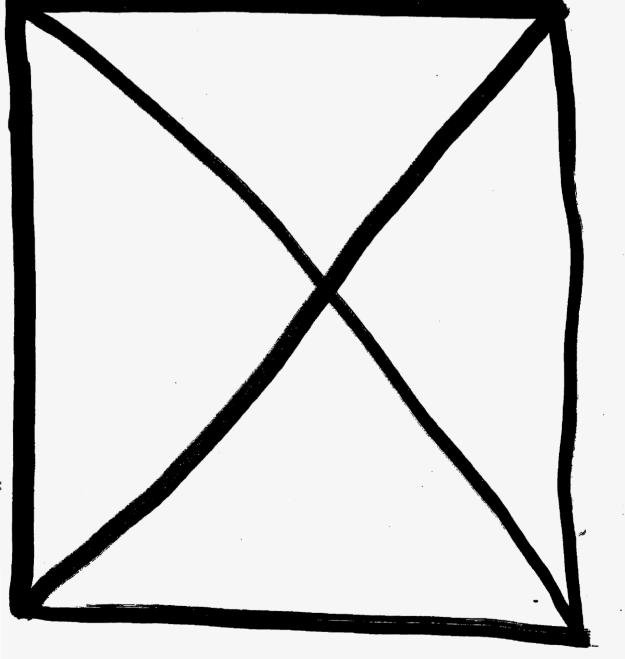
Volume:

Service:

Pricing:

Gas Quality:

Conditions:





From:

Sent: Wednesday, September 03, 2003 2:16 PM

To: R

Rick Rhodes (E-mail)

Cc:

Subject: RFP#

Mr. Rhodes -

Attached please find our response to the above referenced RFP.

Thank you,



<< Progress Energy RFP.doc>>

## CONFIDENTIAL

September 3, 2003

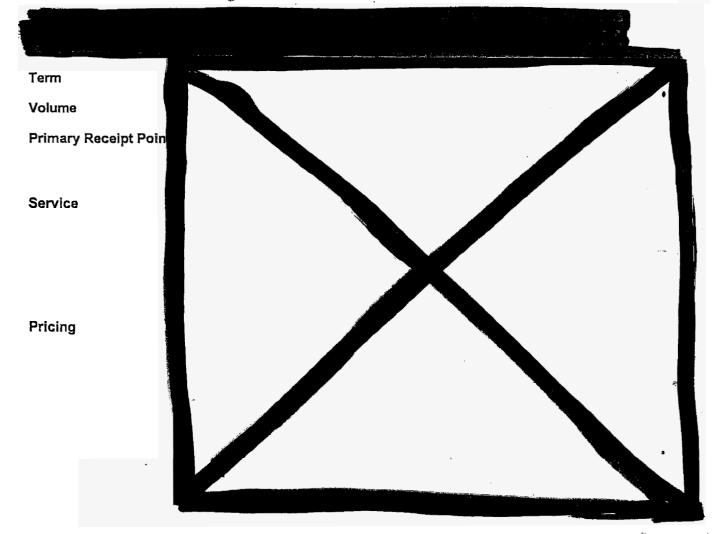
Progress Energy, Inc. Attn: Rick Rhodes Term Gas and Logistics Unit P. O. Box 1551 – PEB 10A Raleigh, NC 27602

Dear Mr. Rhodes:

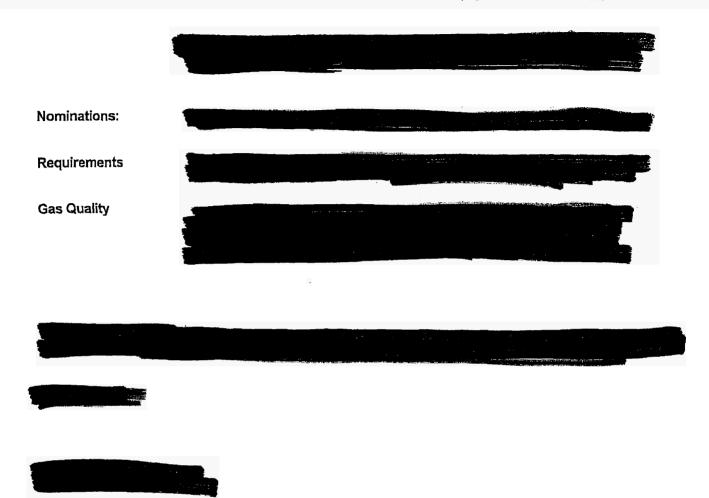
Subject:

Non-Binding Request for Proposal for Gas Supply

RFP#1



## CONFIDENTIAL



From:

Sent: Friday, September 05, 2003 12:14 PM

To: Subject: 'rick.rhodes@pgnmail.com' FW: Non-Binding RFP

Importance:

High

Sensitivity: Confidential

CONFIDENTIAL



Rick,

Attached below is \_\_\_\_\_ indicative non-binding response to Progress' non-binding request for proposal for gas supply sourced out \_\_\_\_\_. We hope you that you please understand that this is very preliminary and effectively kicks off any discussions that Progress and \_\_\_\_\_ will have regarding LNG supplies \_\_\_\_\_. We anticipate that details will be further defined as discussions progress.

We look forward to the conference call we have set up with you at 3 pm Eastern time next Monday (September 8) to discuss potential LNG arrangements

Regards,

----Original Message----

From: Rhodes, Rick [mailto:Rick.Rhodes@pgnmail.com]

Sent: Friday, August 22 2003 4:02 PM

To:

Subject: Non-Binding RFP

Importance: High

Sensitivity: Confidential

- > Progress Energy seeks non-binding proposals from your company to supply natural gas for the requirements listed in the attached RFP. Progress Energy is currently evaluating how LNG could play an integral role in its supply portfolio and your response will serve as a key input to this evaluation. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB.
- > You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.
- > We look forward to your response. Feel free to contact me with any questions. Thanks in advance for your timely response by this September 3, 2003 deadline.
- > > <<lng rfp elba island.doc>>
- > Rick Rhodes
- > Term Gas & Logistics
- > Progress Energy
- > 919.546.7613
- > rick.rhodes@pgnmail.com

PEF 000619 DOCK NO. 040817-ÈI



## CONFIDENTIAL



September 5, 2003

Via E-mail: rick.rhodes@pgnmail.com

Mr. Rick Rhodes
Term Gas Lead
Progress Energy Inc.
Term Gas and Logistics Unit
P.O. Box 1551 – PEB 10A
Raleigh, NC 27602

RE: Non-Binding Gas Supply Proposal at the



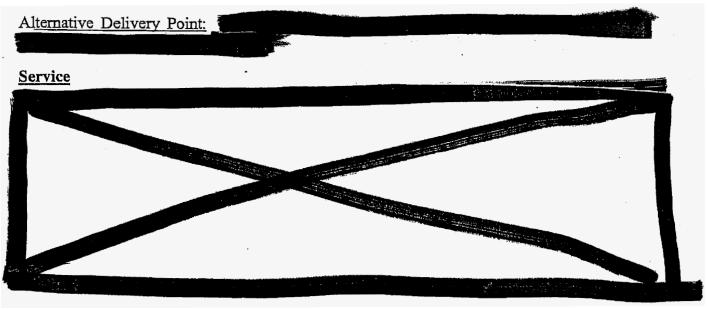


Volume

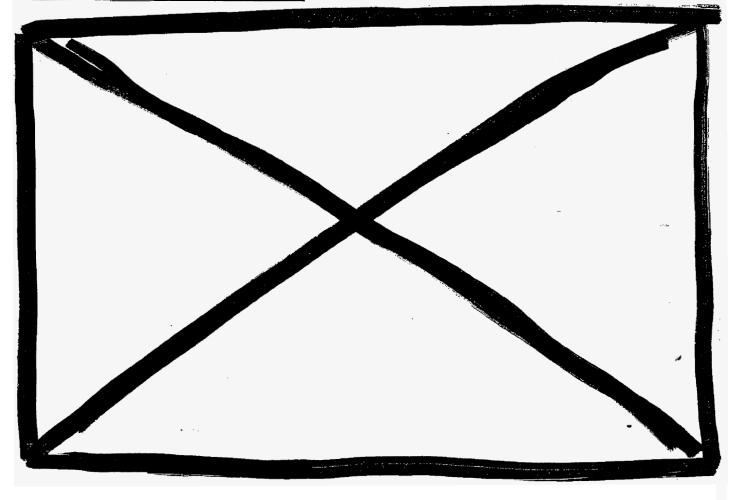
**Delivery Point** 

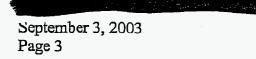
September 3, 2003 Page 2

# CONFIDENTIAL



#### Monthly Baseload Priced Firm Supply









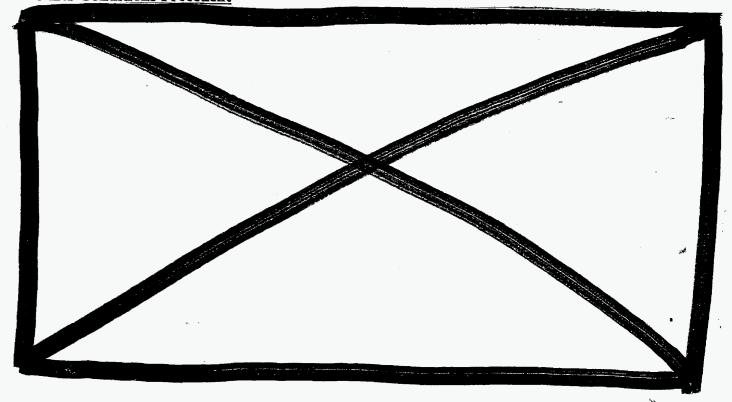
Taxes

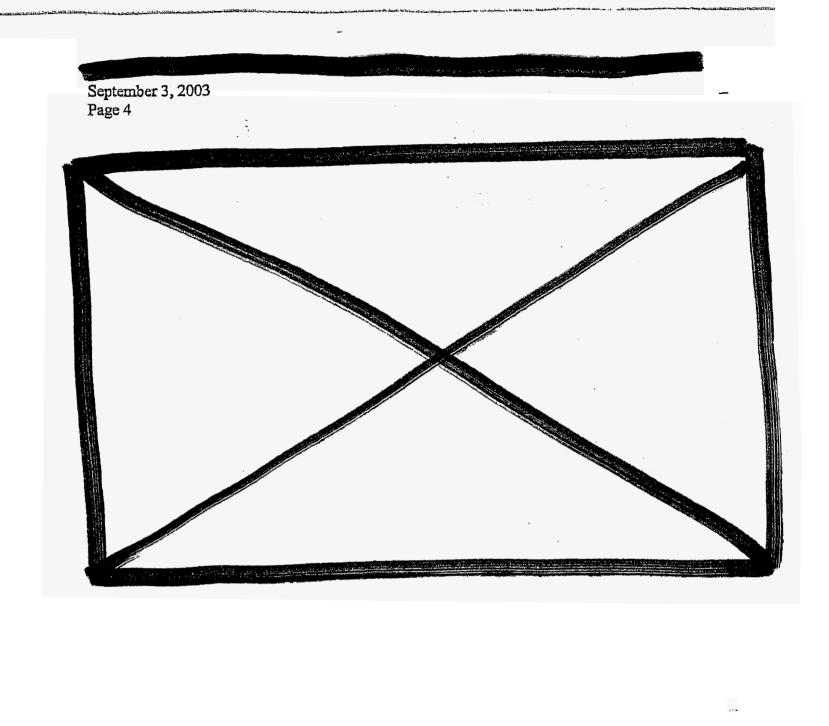


Credit



Other Conditions Precedent





•

From:

Trimble, John

Sent:

Thursday, September 04, 2003 7:35 AM

To:

Rhodes, Rick

Subject:









John Trimble

Long Term Representative

Progress Energy Ph: (919) 546-3323

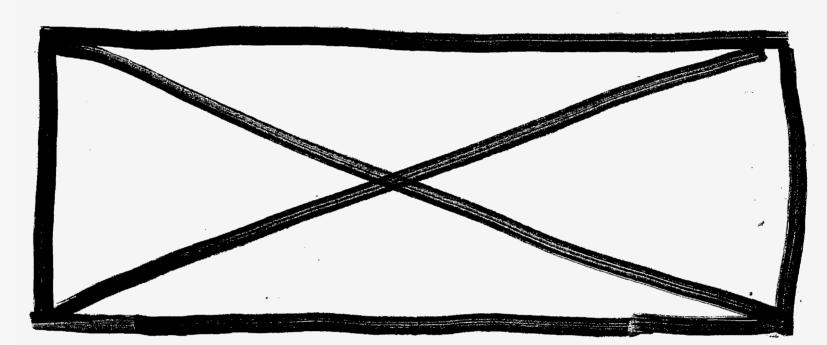
----Original Message----

From:

Sent: Wednesday, September 03, 2003 4:51 PM To: Trimble, John

Subject:

John -





Thomas P. Jacomini, Jr. Vice President (713) 361-7619

# CONFIDENTIAL



Confidential

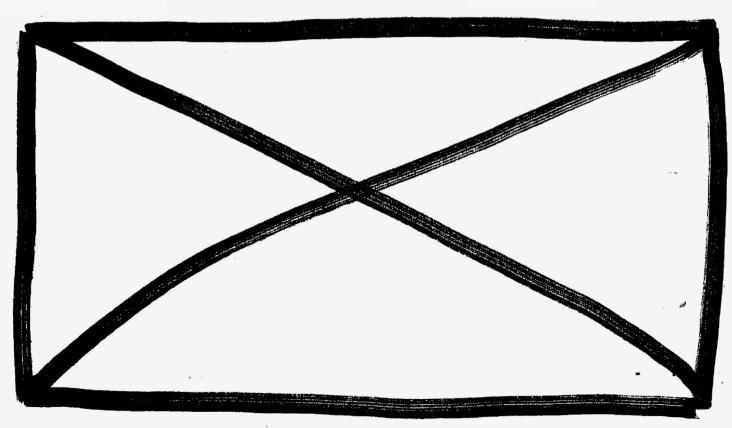
September 3, 2003

Mr. John Trimble Progress Energy Inc. PO Box 1551 – PEB 10A Raleigh, NC 27602

Via e-mail: john.trimble@pgnmail.com

Re: RFP#

Dear John:



# CONFIDENTIAL

Confidential

September 3, 2003

Page 2

Volume:

Primary Receipt Point:

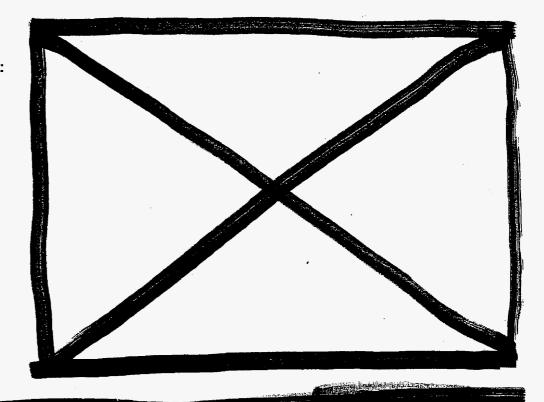
Service:

Pricing:

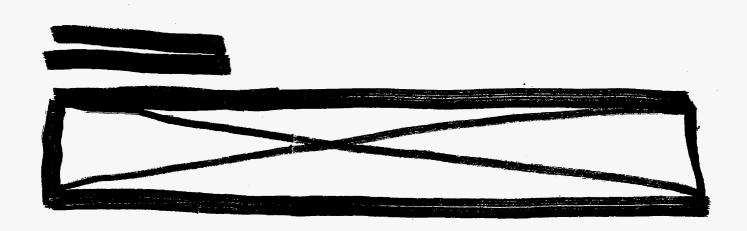
Nominations:

Requirements:

Gas Quality:



Sincerely,





Regulated Commercial Operations Department P. O. Box 1551 - PEB 10A
Raleigh, North Carolina 27602

RFP#

April 5, 2004

CONFIDENTIAL

Dear Sir or Madam:

Subject:

Term

Volume

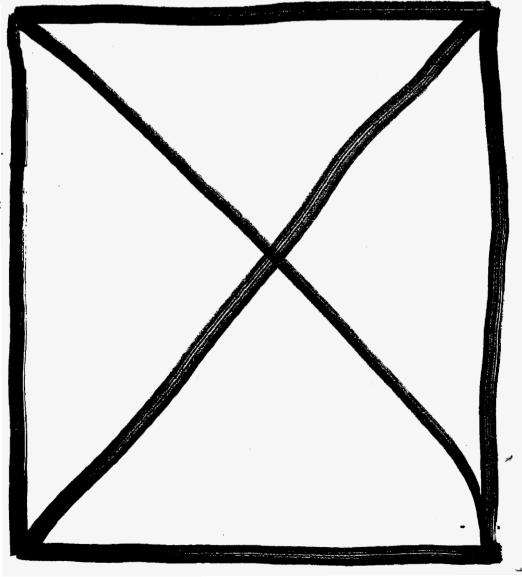
**Primary Receipt Point** 

Service

**Mandatory Pricing** 

**Optional Pricing** 

Force Majeure



### CONFIDENTIAL

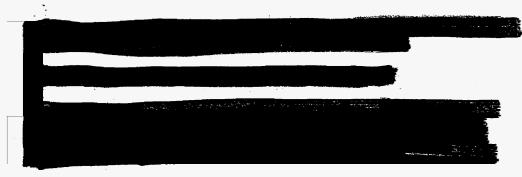
Page 2

October 6, 2004

Nominations:

Requirements

**Gas Quality** 



Proposals are DUE by:

Monday, April 26, 2004, 4:00 p.m. EST

**Proposals** 

Proposals are preferred to be submitted via e-mail to the address below. Proposals may be submitted by FAX. Proposals received AFTER the DUE date may be considered at Buyer's discretion. All Proposals MUST reference RFP# Questions related to deal points should be directed to the author at the number listed during business hours (EST).

Please send proposals to:

Progress Energy Inc. Attn: Rick Rhodes

P.O. Box 1551 - PEB 10A Raleigh, North Carolina 27602 Telephone: 919-546-7613

Send e-mail responses to:

rick.rhodes@pgnmail.com

Send FAX responses to:

919-546-2922

Sincerely,

Rick Rhodes

Term Gas Lead 919-546-7613

From:

Rhodes, Rick

Sent:

Monday, April 05, 2004 1:49 PM

To:

Subject:

Importance: Sensitivity:

High Confidential

Expires:

Monday, April 26, 2004 4:00 PM





Florida Power Corporation d/b/a Progress Energy Florida, Inc. (FPC) seeks proposals from you to supply natural gas for the requirements listed in the attached RFP. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB with FPC.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me at the number below with any questions. Thanks in advance for your timely response by this April 26, 2004 deadline.

#### \*\*\* IMMEDIATELY UPON RECEIPT, PLEASE RESPOND TO THE E-MAIL TO CONFIRM RECEIPT \*\*\*



From: Rhodes, Rick

Sent: Monday, April 05, 2004 1:48 PM

To: Subject:

Long-Term Gas RFP Elba

Importance:

High

Sensitivity:

Confidential

Expires:

Monday, April 26, 2004 4:00 PM



Florida Power Corporation d/b/a Progress Energy Florida, Inc. (FPC) seeks proposals from you to supply natural gas for the requirements listed in the attached RFP. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB with FPC.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me at the number below with any questions. Thanks in advance for your timely response by this April 26, 2004 deadline.

#### \*\*\* IMMEDIATELY UPON RECEIPT, PLEASE RESPOND TO THE E-MAIL TO CONFIRM RECEIPT \*\*\*



Rick Rhodes
Term Gas Lead
Progress Energy
919.546.7613
rick.rhodes@pgnmail.com

CONFIDENTIAL

From:

Rhodes, Rick

Sent:

Monday: April 05, 2004 1:51 PM

To:

Subject:

Long-Term Gas RFP Elba

Importance:

Sensitivity:

High

Confidential

**Expires:** 

Monday, April 26, 2004 4:00 PM





Florida Power Corporation d/b/a Progress Energy Florida, Inc. (FPC) seeks proposals from you to supply natural gas for the requirements listed in the attached RFP. A successful deal will require the execution of a NAESB with the attached Special Provisions, unless your firm already has an approved GISB or NAESB with FPC.

You are encouraged to submit your bid via e-mail. FAX response is acceptable, but e-mail is preferable.

We look forward to your response. Feel free to contact me at the number below with any questions. Thanks in advance for your timely response by this April 26, 2004 deadline.

\*\*\* IMMEDIATELY UPON RECEIPT, PLEASE RESPOND TO THE E-MAIL TO CONFIRM RECEIPT \*\*\*



Rick Rhodes
Term Gas Lead
Progress Energy
919.546.7613
rick.rhodes@pgnmail.com

PEF 000630 DOCK NO. 040817-EI

From:

Sent:

Thursday, April 22, 2004 12:07 PM

To:

Rhodes, Rick

Cc:

Subject: RFP#1

CONFIDENTIAL

<< Progress Energy 4-5-04 RFP.doc>> Rick -

Attached please find response to the above referenced RFP. Please let me know if you have any questions, and thank you for the opportunity to participate.

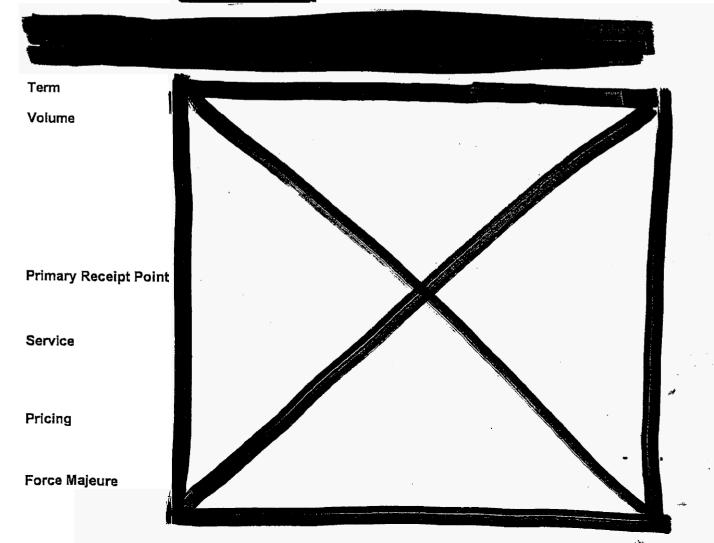
April 22, 2004

Progress Energy, Inc. Attn: Rick Rhodes Term Gas and Logistics Unit P. O. Box 1551 – PEB 10A Raleigh, NC 27602

Dear Mr. Rhodes:

Subject:

Request for Proposal for Long-Term Gas Supply; RFP#



PEF 000632

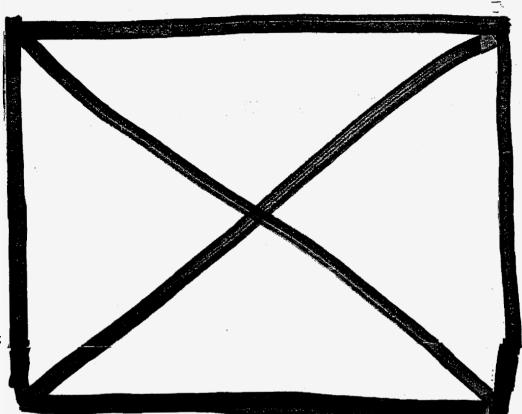
Nominations:

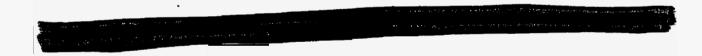
Requirements

Gas Quality

Acceptance Date

Conditions Precedent







From:

Sent:

Monday, April 26, 2004 3.45 PM

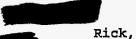
To:

Rhodes. Rick

Subject:

RFP#





appreciates the opportunity to deliver this proposal to you for supplies at beginning in May 2008.

Please don't hesitate to contact me once you've had an opportunity to review this proposal. I would appreciate the opportunity to address any immediate issues or concerns that you might have or if you require additional information.

Regards,

<<Pre><<Pre>rogress Energy April 26 2004 Proposal.doc>>





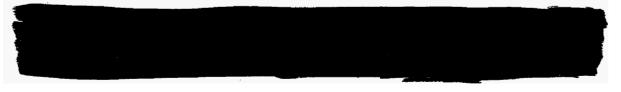
April 26, 2004

Via E-mail: rick.rhodes@pgnmail.com

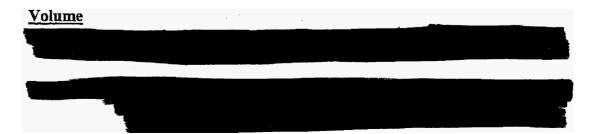
Mr. Rick Rhodes
Term Gas Lead
Progress Energy Inc.
Term Gas and Logistics Unit
P.O. Box 1551 – PEB 10A
Raleigh, NC 27602

RE: RFP#

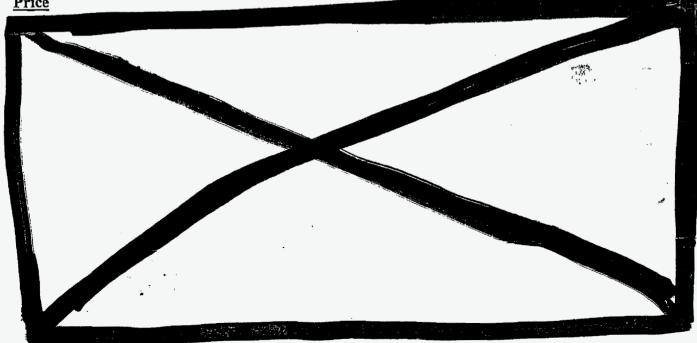
Dear Rick:

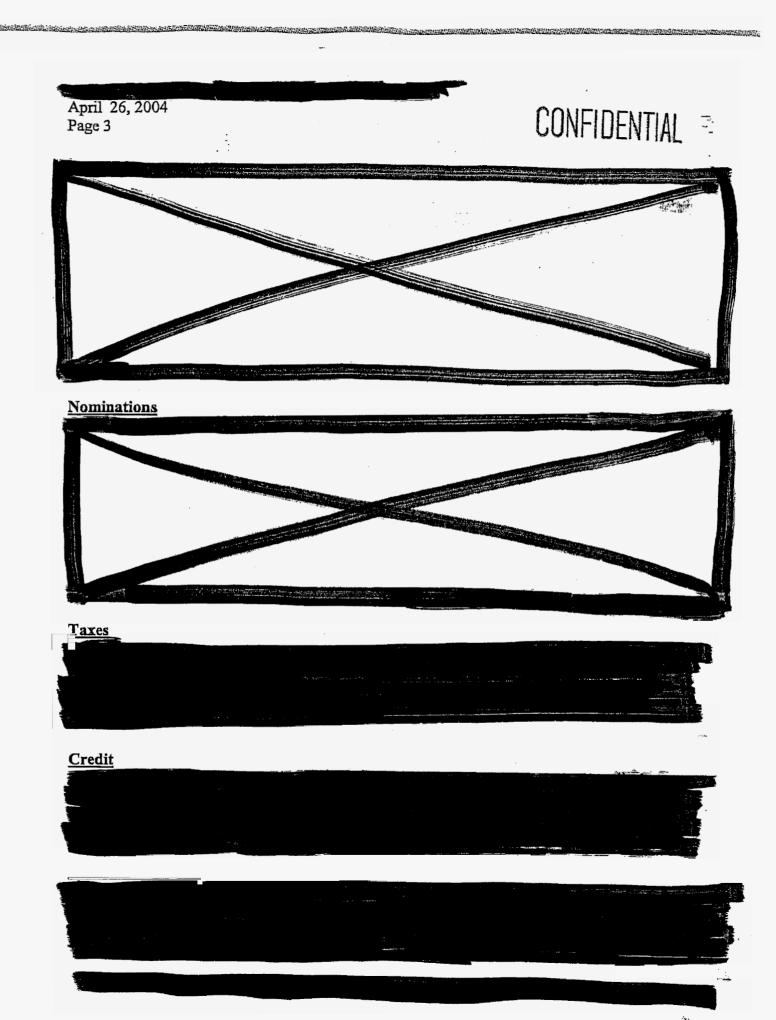


<u>Term</u>



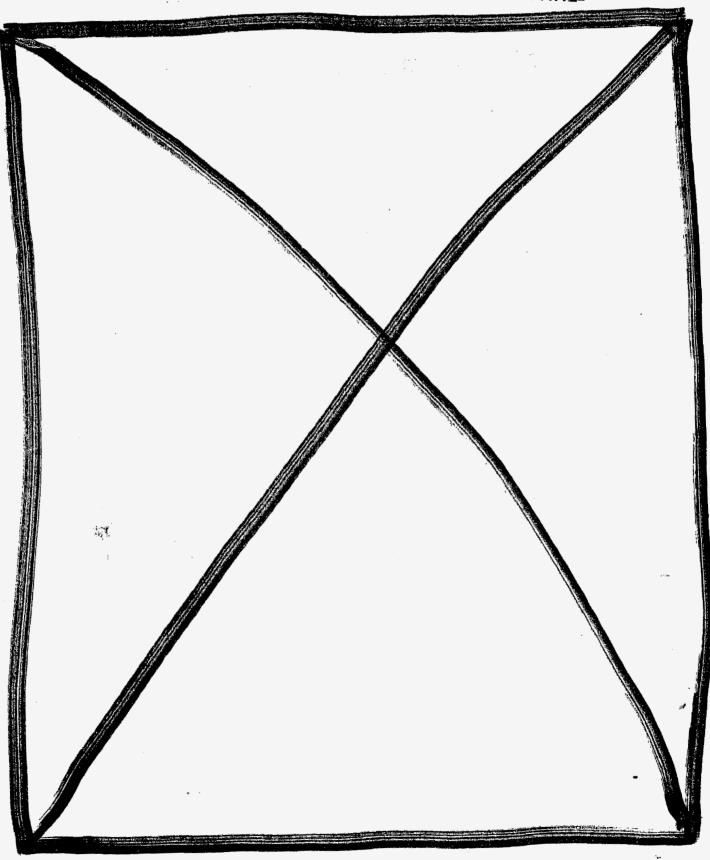
April 26, 2004 Page 2 CONFIDENTIAL **Delivery Point Service Price** 





April 26, 2004 Page 4

### CONFIDENTIAL



April 26, 2004
Page 5

CONFIDENTIAL

From: Sent:

Monday, April 26, 2004 3:56 PM

To:

Rhodes, Rick

Subject: RFP#:

CONFIDENTIAL

Mr. Rhodes:

Please find attached proposal in response to Progress Energy's request dated April 5th, 2004.

Sincerely,



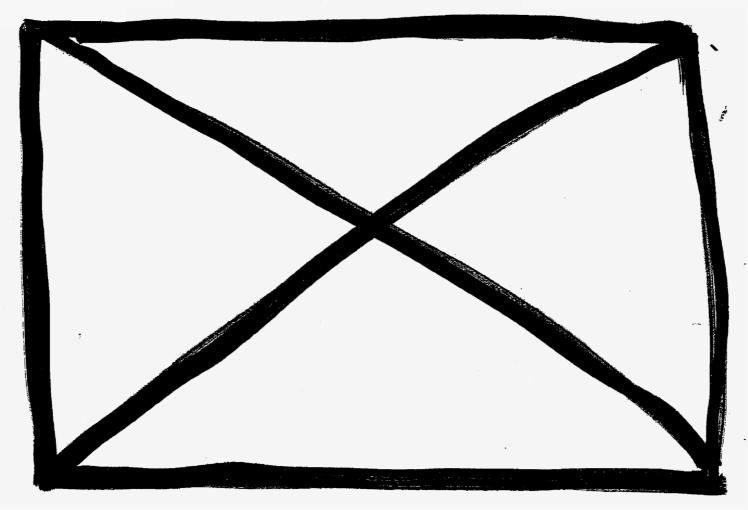


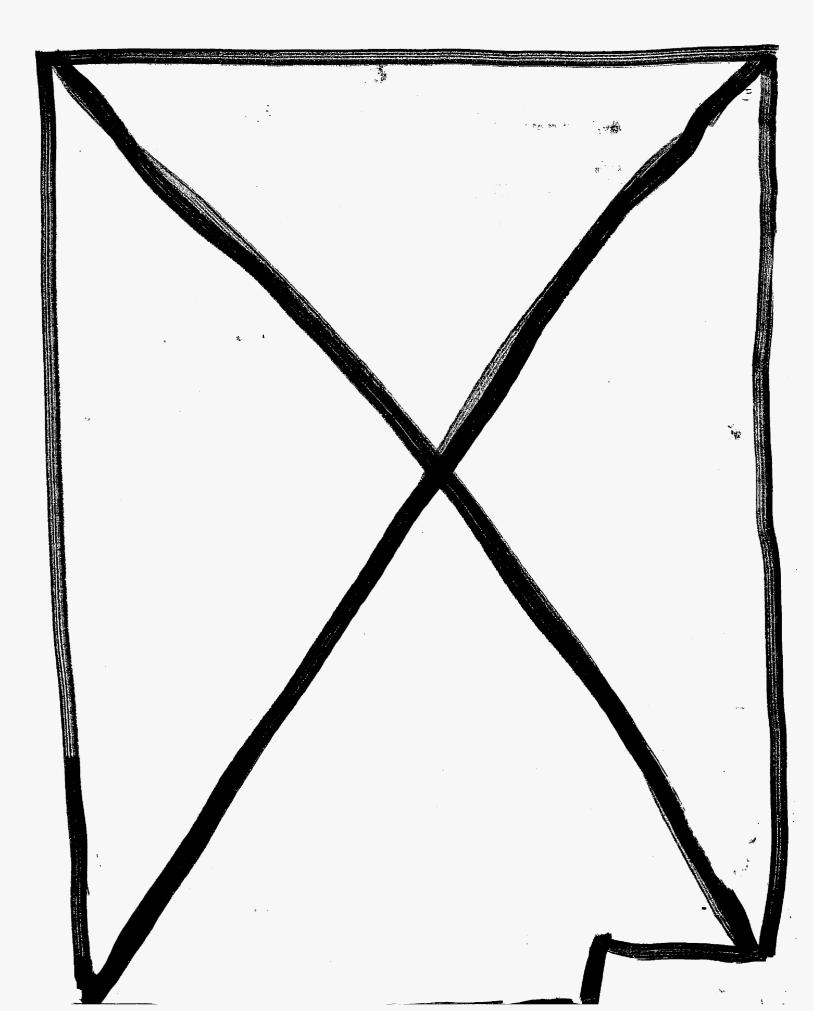
Mr. Rick Rhodes Progress Energy Inc. P.O. Box 1551 – PEB 10A Raleigh, NC 27602

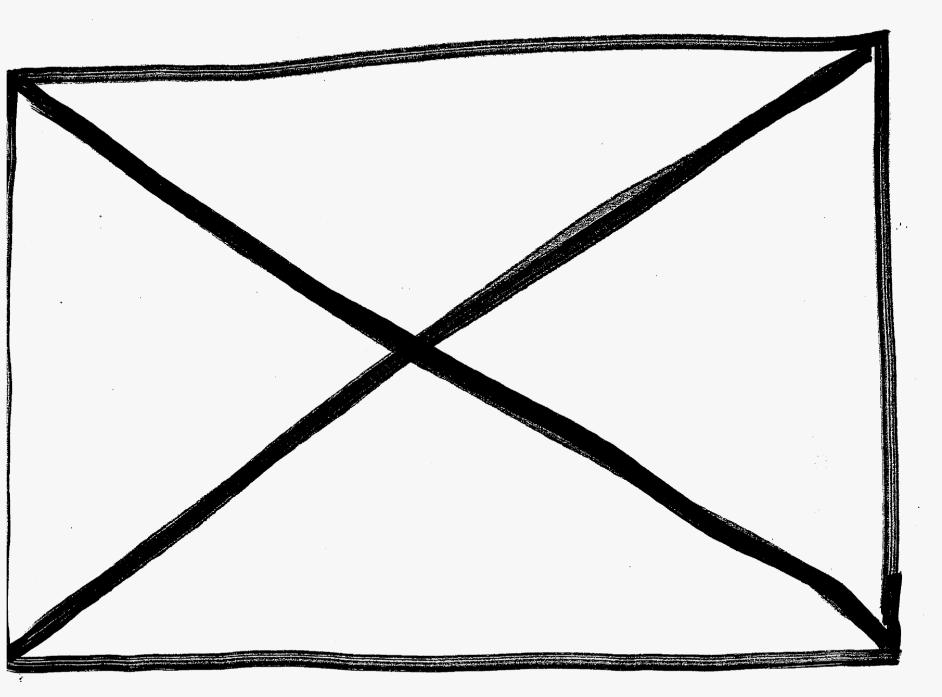
Re: RFP#

Dear Mr. Rhodes:

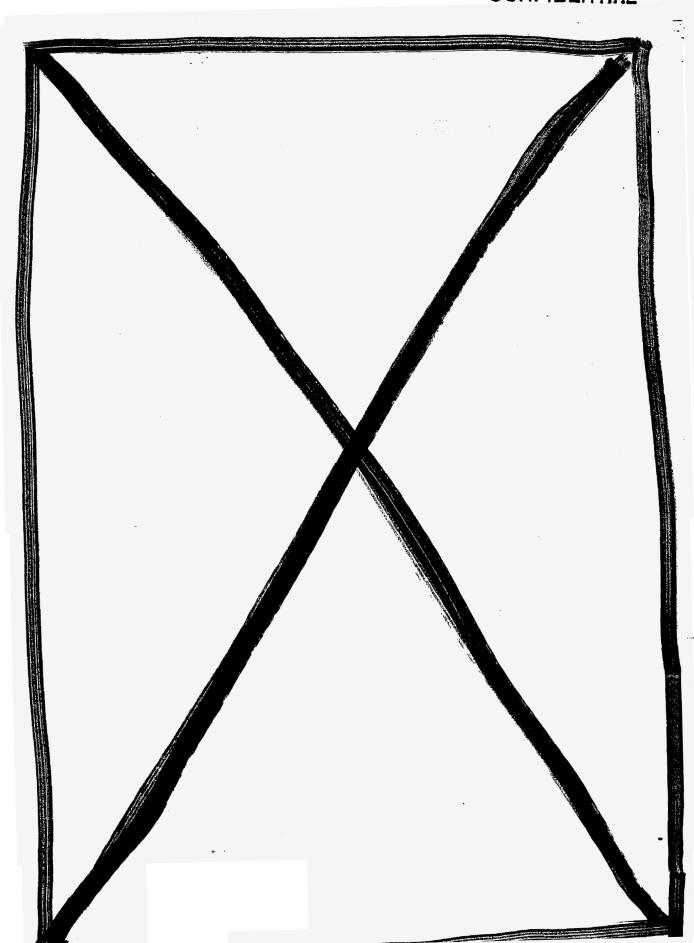
CONFIDENTIAL



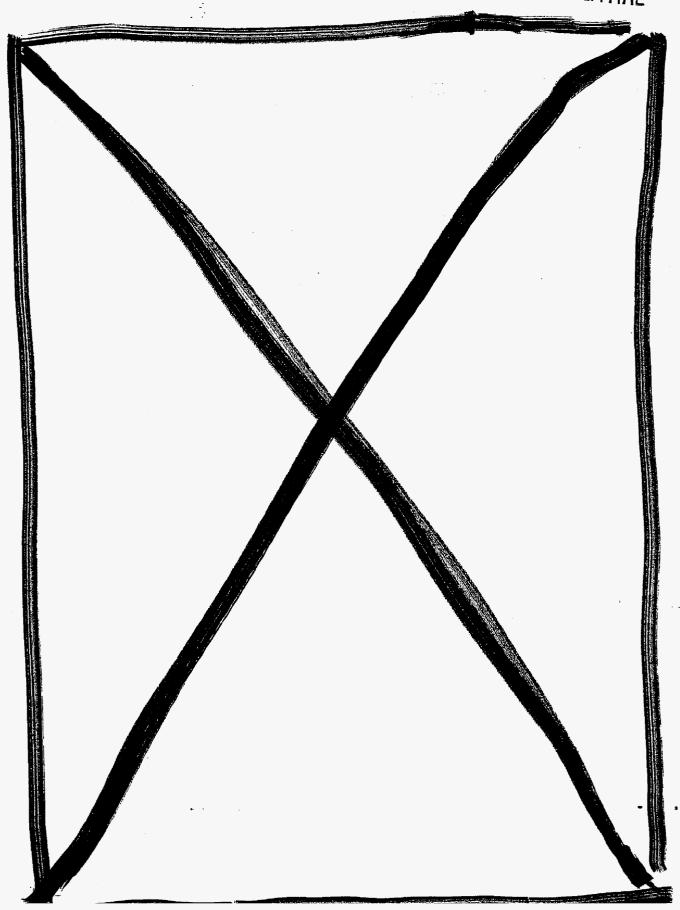




PEF 000643\* DOCK NO. 040817-EI



PEF 000644 30CK NO. 040817-EI



From:

Sent:

Wednesday, May 26, 2004 11:47 AM

To: Subject: Rhodes, Rick FW: RFP#







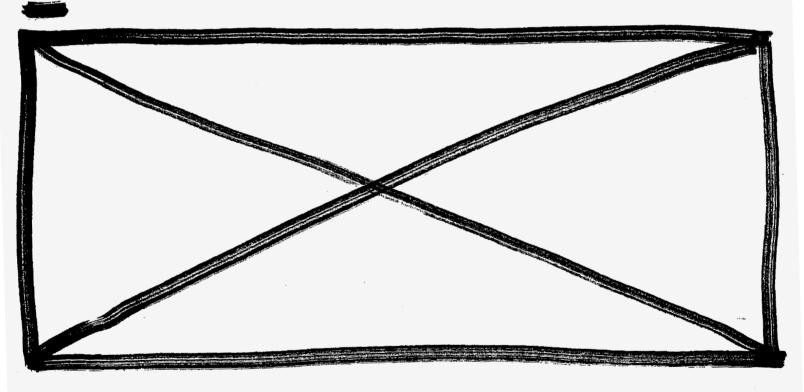
CONFIDENTIAL

Progress Energy Progress Energy Progress Energy May 26 2004 Pr... May 26 2004 Pr... April 26 2004 ...

to deliver supplies to Progress at Attached is an updated proposal for to deliver supplies to Progress at . I am also attaching a redline version that compares the changes introduced in this updated proposal to the April 26 proposal.

Please contact me at your convenience to discuss any questions or comments that you may have.

Thanks,







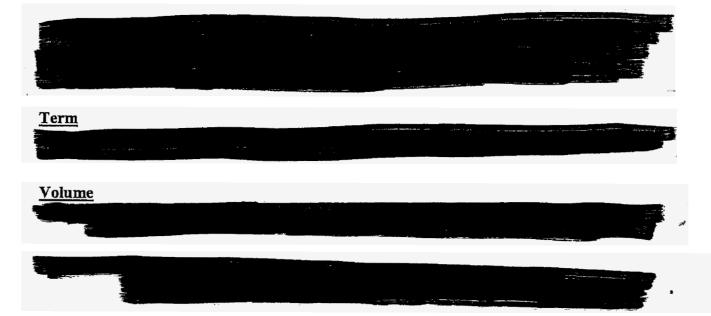
May 26, 2004

Via E-mail: rick.rhodes@pgnmail.com

Mr. Rick Rhodes
Term Gas Lead
Progress Energy Inc.
Term Gas and Logistics Unit
P.O. Box 1551 – PEB 10A
Raleigh, NC 27602

RE: RFP#

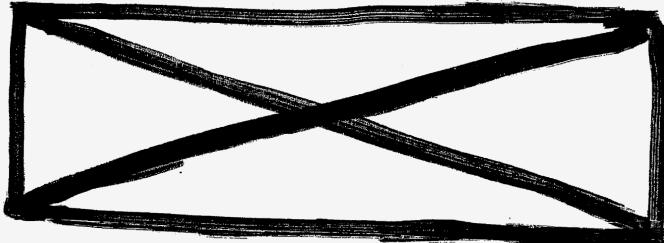
#### Dear Rick:



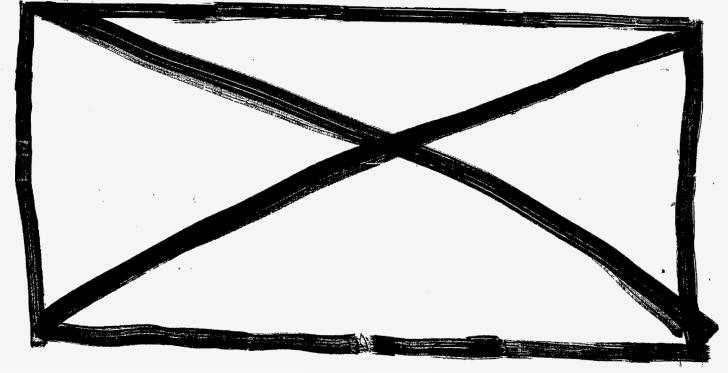
May 26, 2004 Page 2 CONFIDENTIAL

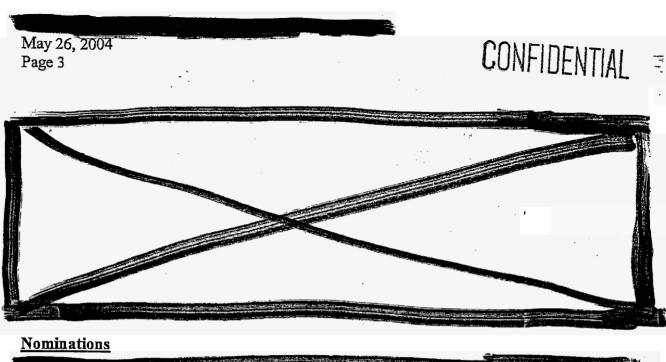


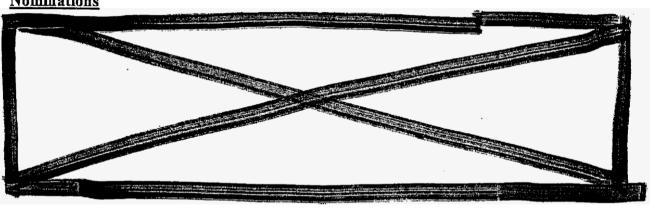




**Price** 









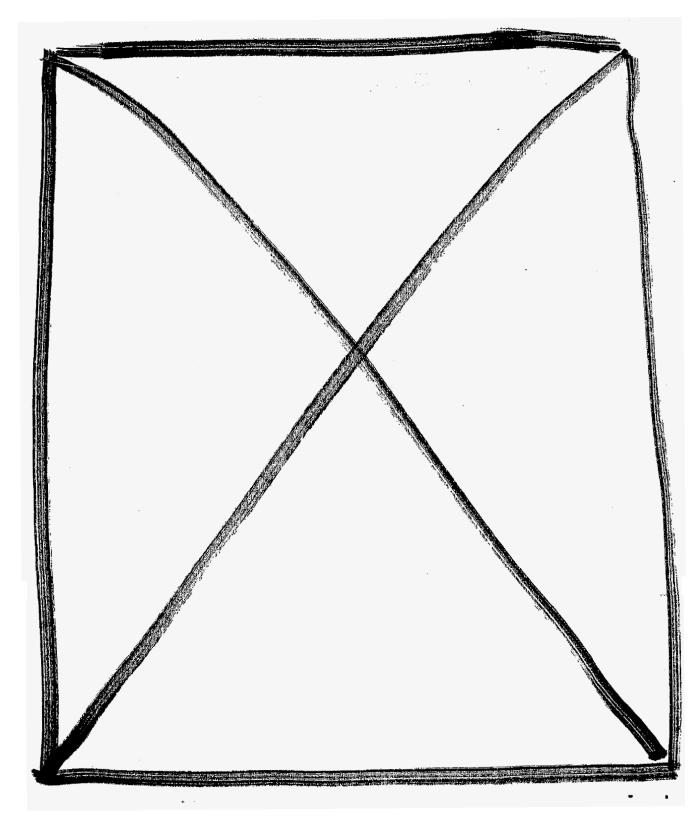




May 26, 2004 Page 4

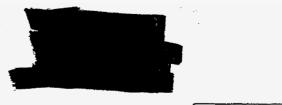
CONFIDENTIAL =







-



May 26, 2004

Deleted: April

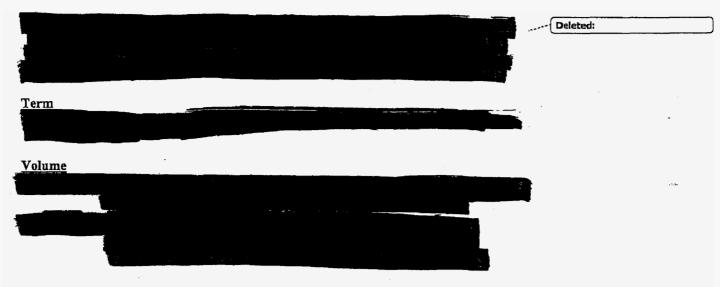
Via E-mail: rick.rhodes@pgnmail.com

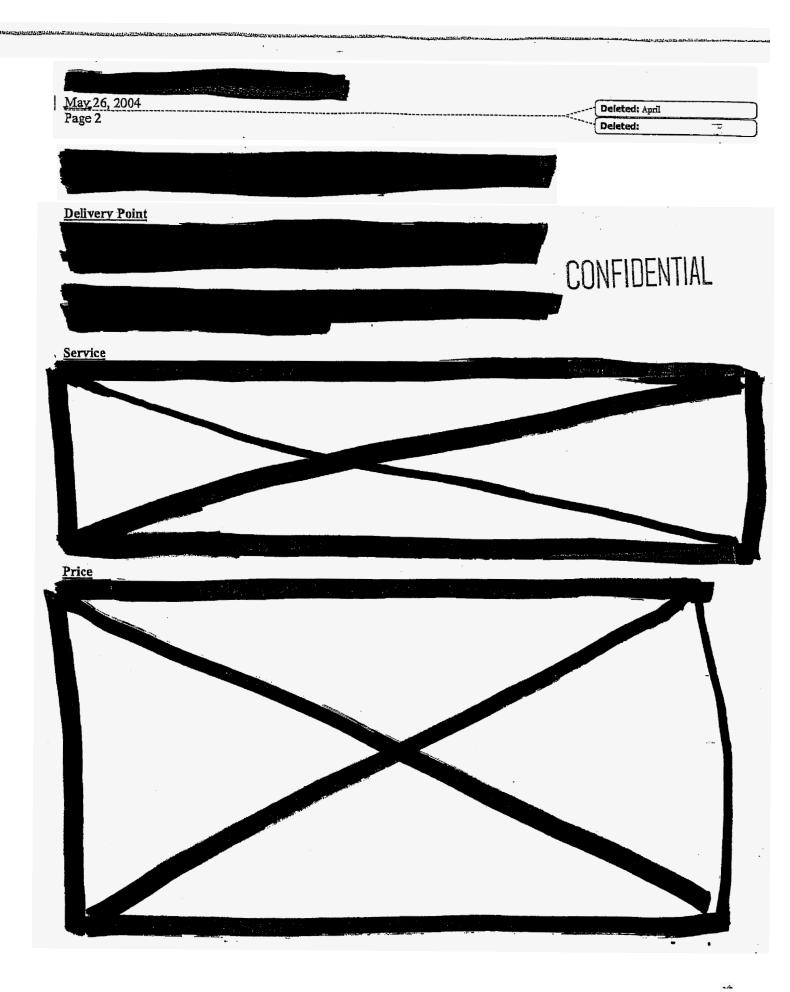
Mr. Rick Rhodes
Term Gas Lead
Progress Energy Inc.
Term Gas and Logistics Unit
P.O. Box 1551 – PEB 10A
Raleigh, NC 27602

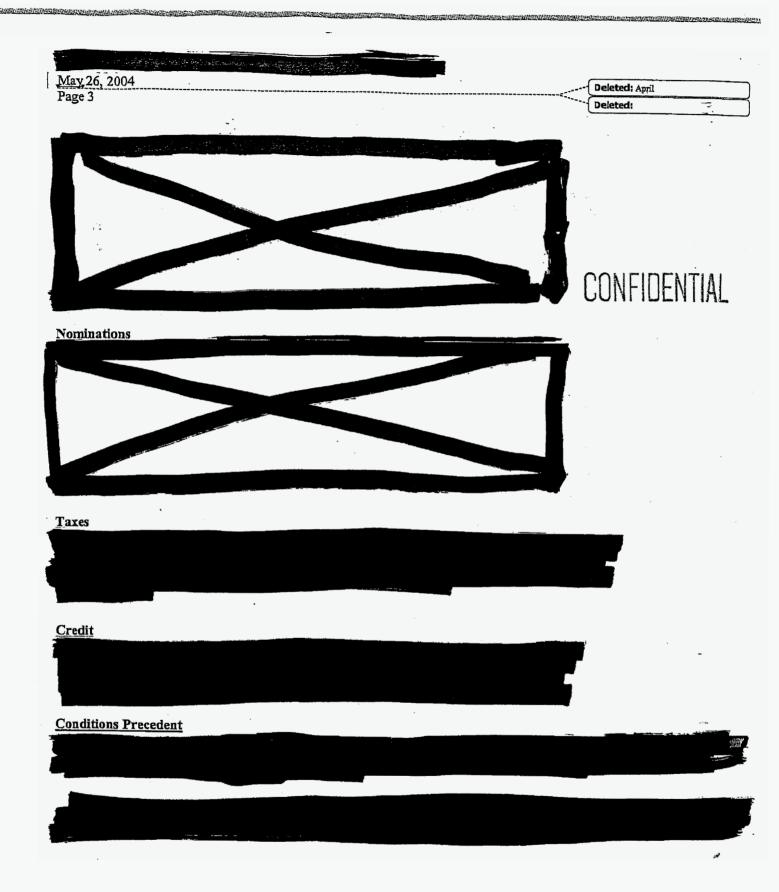
RE:

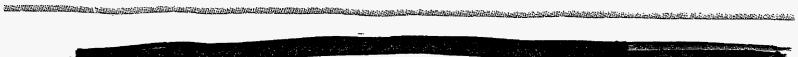


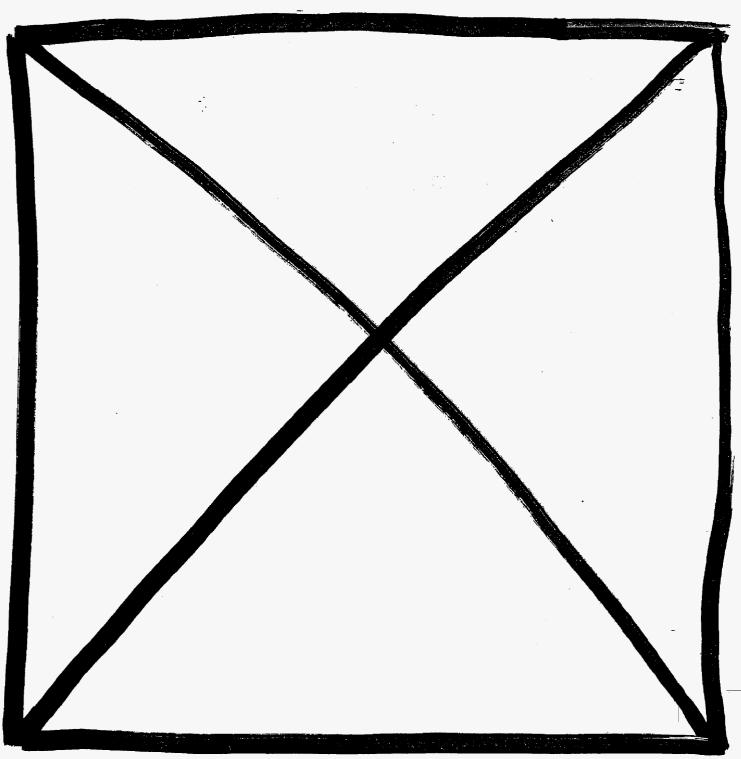
Dear Rick:



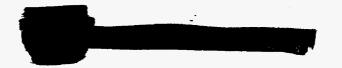








PEF 000655 \*\*\*





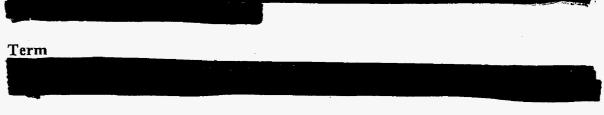
April 26, 2004

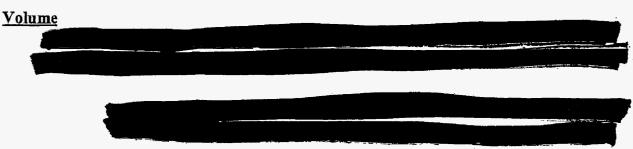
Via E-mail: rick.rhodes@pgnmail.com

Mr. Rick Rhodes
Term Gas Lead
Progress Energy Inc.
Term Gas and Logistics Unit
P.O. Box 1551 – PEB 10A
Raleigh, NC 27602

RE: RFP#

Dear Rick:

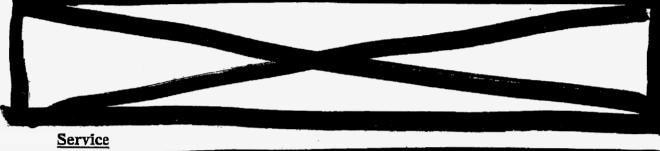


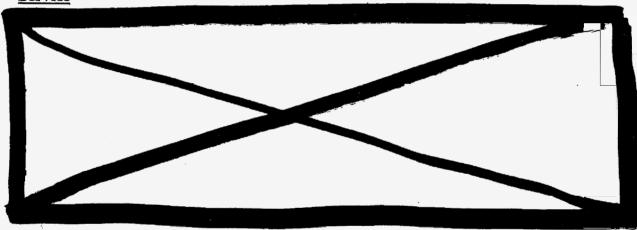


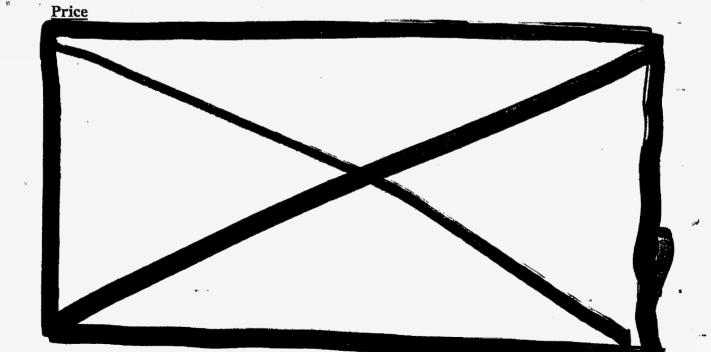
April 26, 2004 Page 2

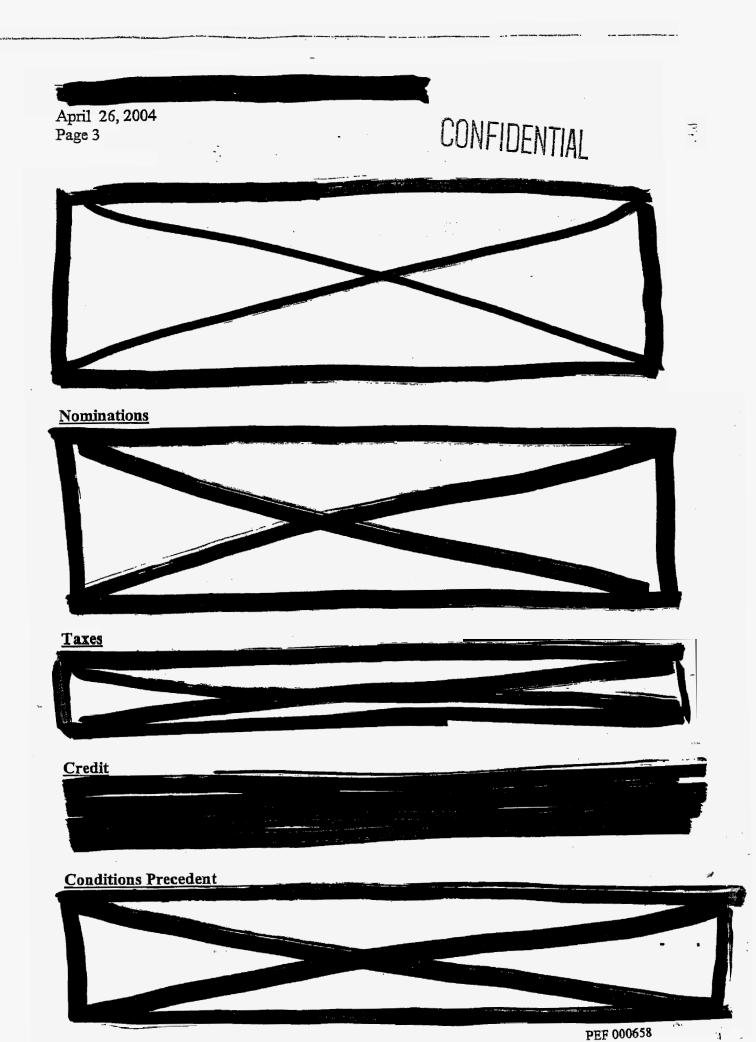
# CONFIDENTIAL

#### **Delivery Point**









April 26, 2004 Page 4 CONFIDENTIAL April 26, 2004
Page 5

CONFIDENTIAL



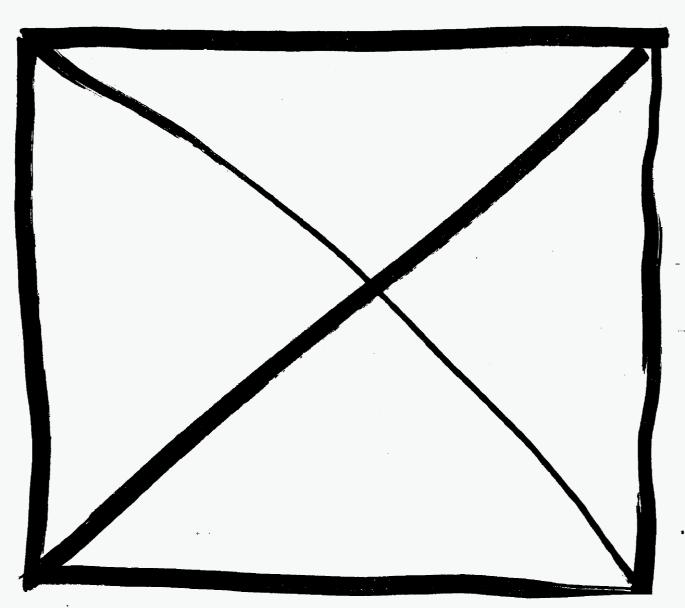
June 24, 2004

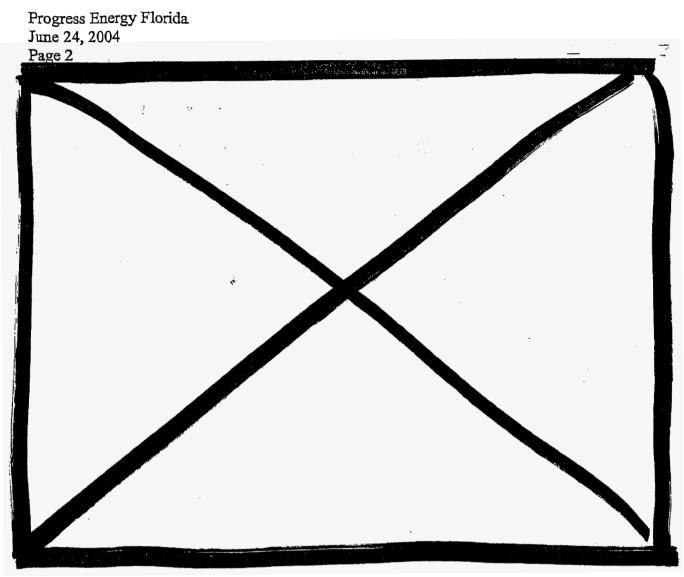
Mr. Rick Rhodes Progress Energy Inc. P.O. Box 1551 – PEB 10A Raleigh, NC 27602

Re: RFP#

Dear Rick:

# CONFIDENTIAL



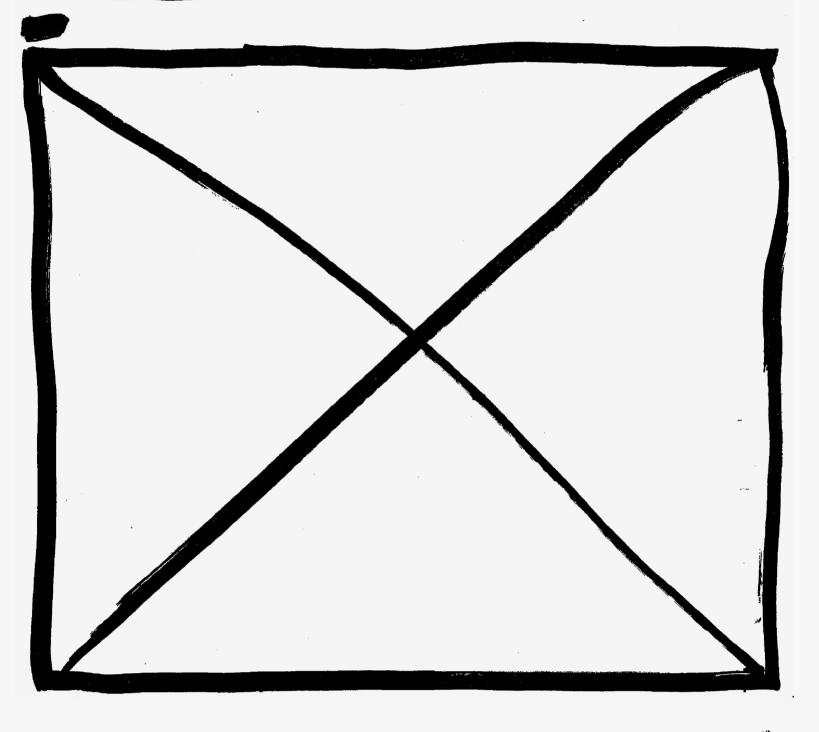


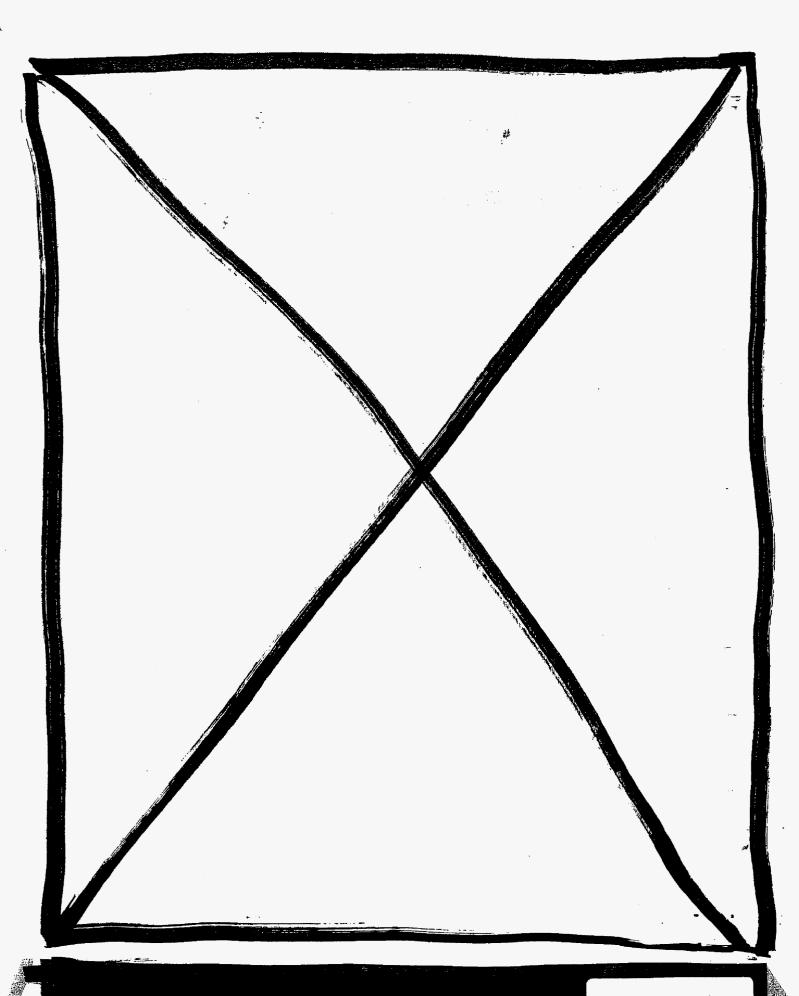
From: Sent: Wednesday, July 07, 2004 3:34 PM

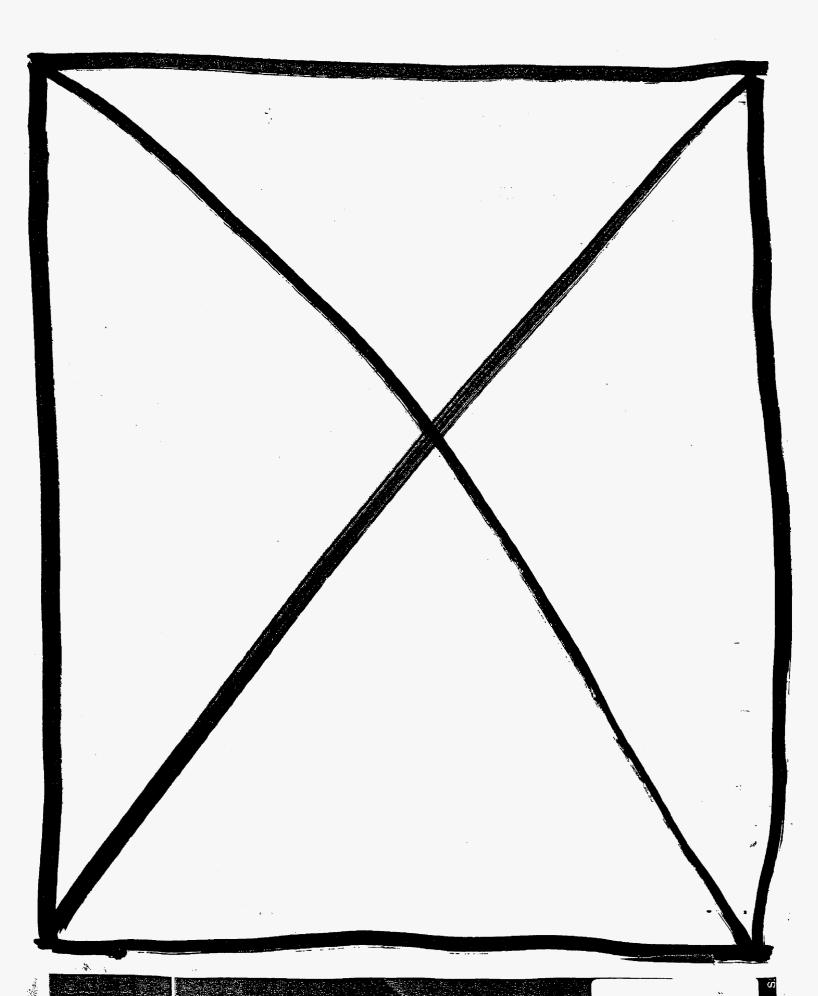
To:

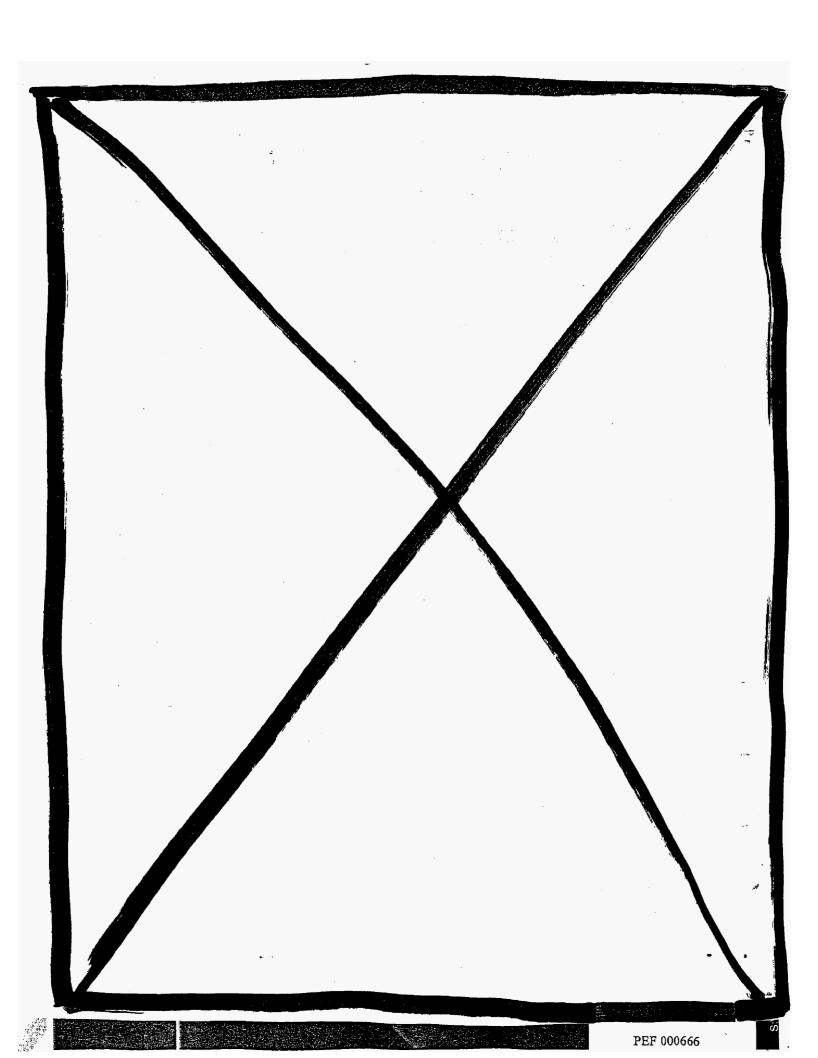
Cc:

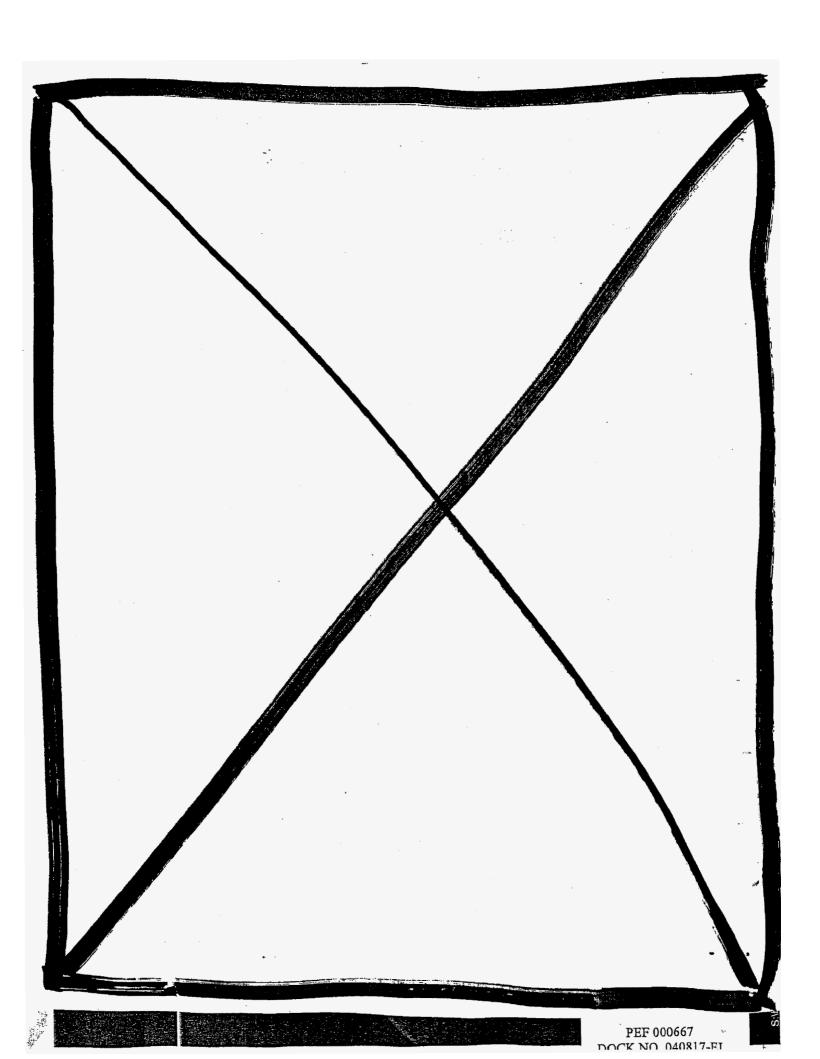
CONFIDENTIAL Subject:











#### Rhodes, Rick

From: Sent:

Thursday, June 03, 2004 10:50 AM

To:

Rhodes, Rick

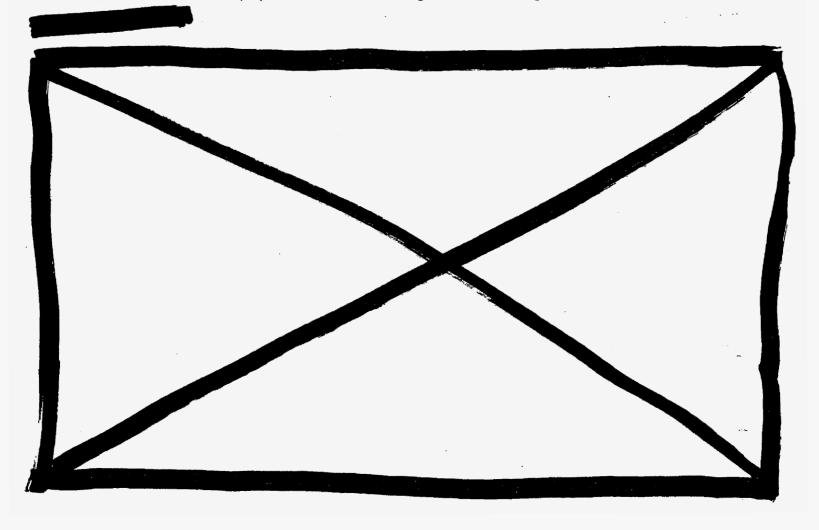
Cc:

Subject: Revised Progress Proposal

CONFIDENTIAL

Rick,

Attached you will find the revised proposal based on the meeting last week in Raleigh.



### Indicative Terms for Proposed Definitive Agreement

PARTY TO STATE

Seller:

**Buyer:** 

Definitive Agreement:

**Supply Date:** 

**Contract Term:** 

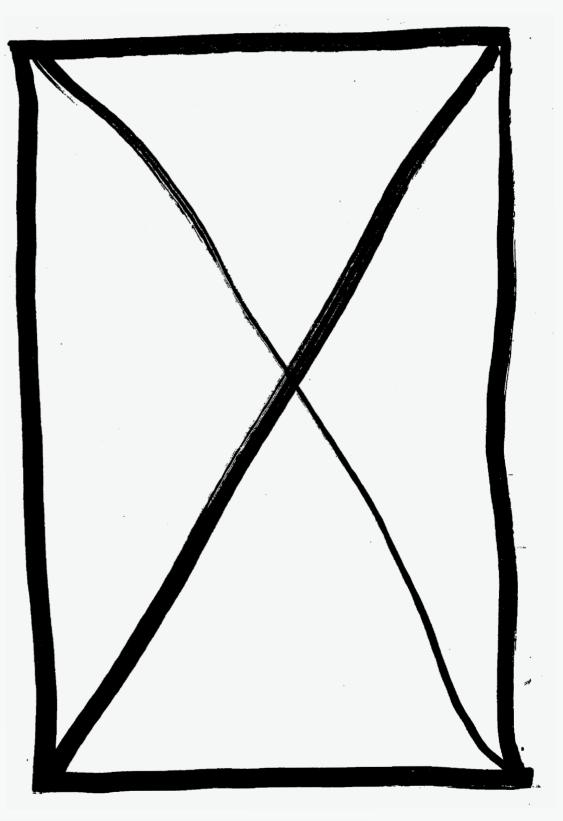
Re-gas Plant:

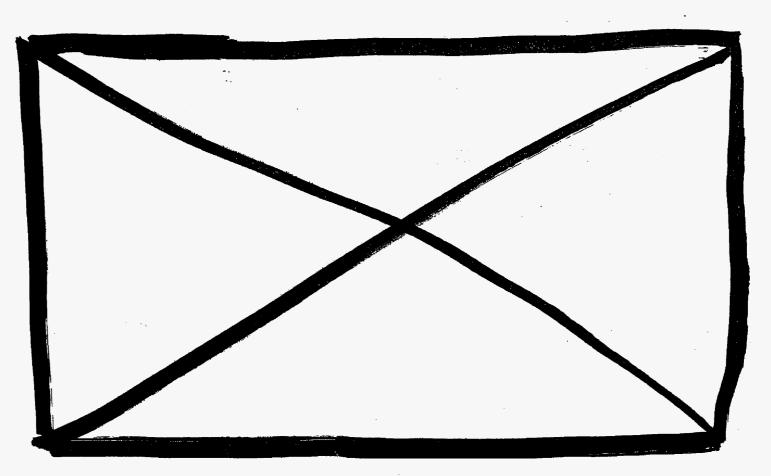
**Delivery Point:** 

Alternative Delivery Point:

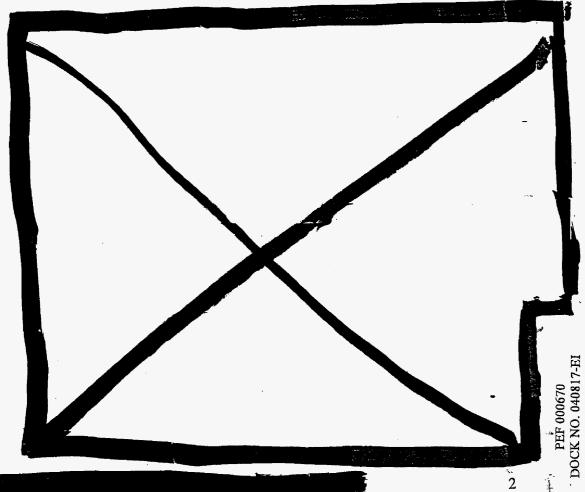
Title and Risk:

Daily Contract Quantity:



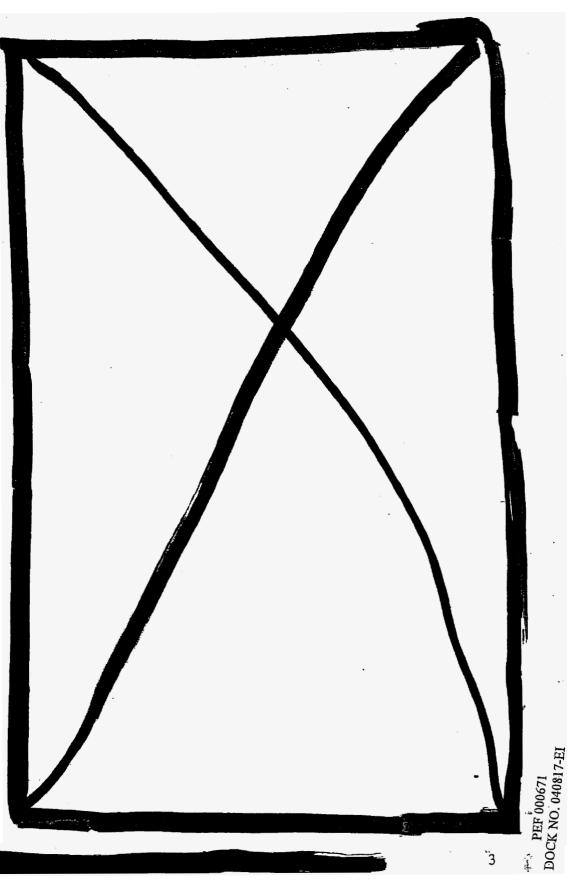


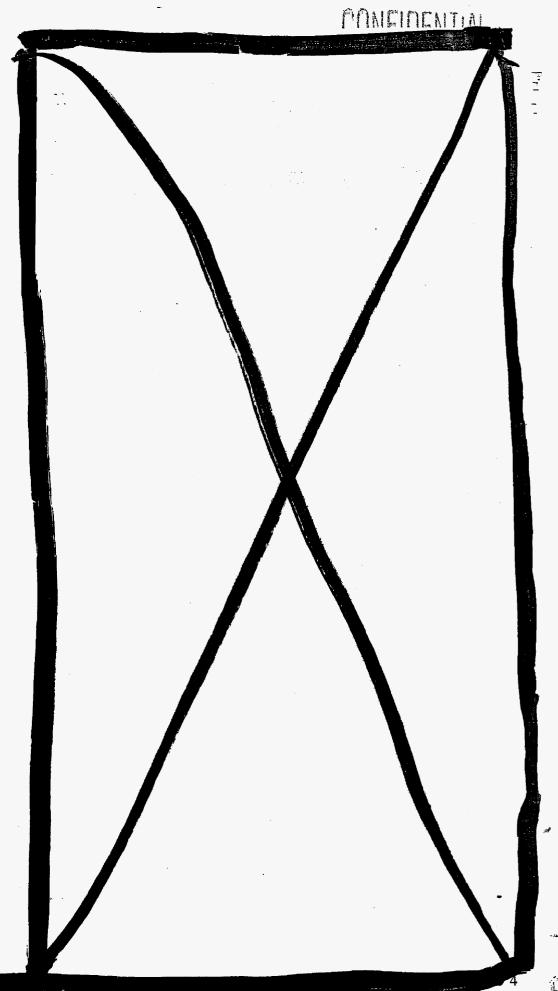
Natural Gas Price:



Specifications:

Force Majeure:





Duties and Taxes:

Conditions Precedent:

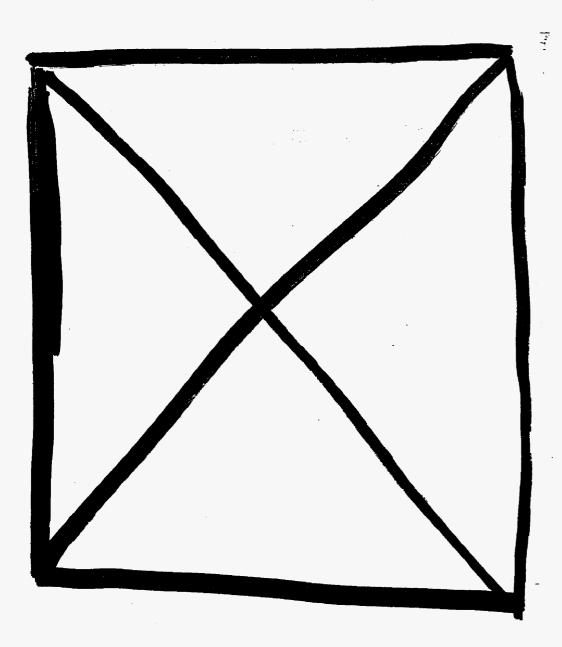
Governing Law:

Dispute Resolution:

> PEF 000672 OOCK NO. 040817-EI

Credit Support:

Effect:



PEF 000673 DOCK NO. 040817-EI

Š

#### Rhodes, Rick

From:

Sent:

To:

Cc: Subject: Thursday; April 01, 2004 6:41 PM

Rhodes, Rick

Florida Power Corporation, dba Progress Energy Florida, Inc. and Carolina Power & Light Company, dba Progress Energy Carolinas, Inc. NAESB s with BG LNG Services, LLC

Importance:

High









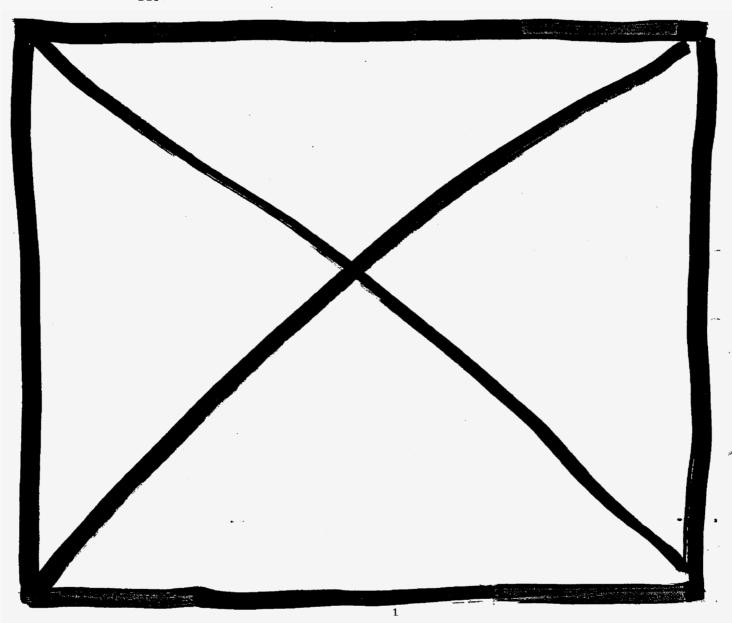


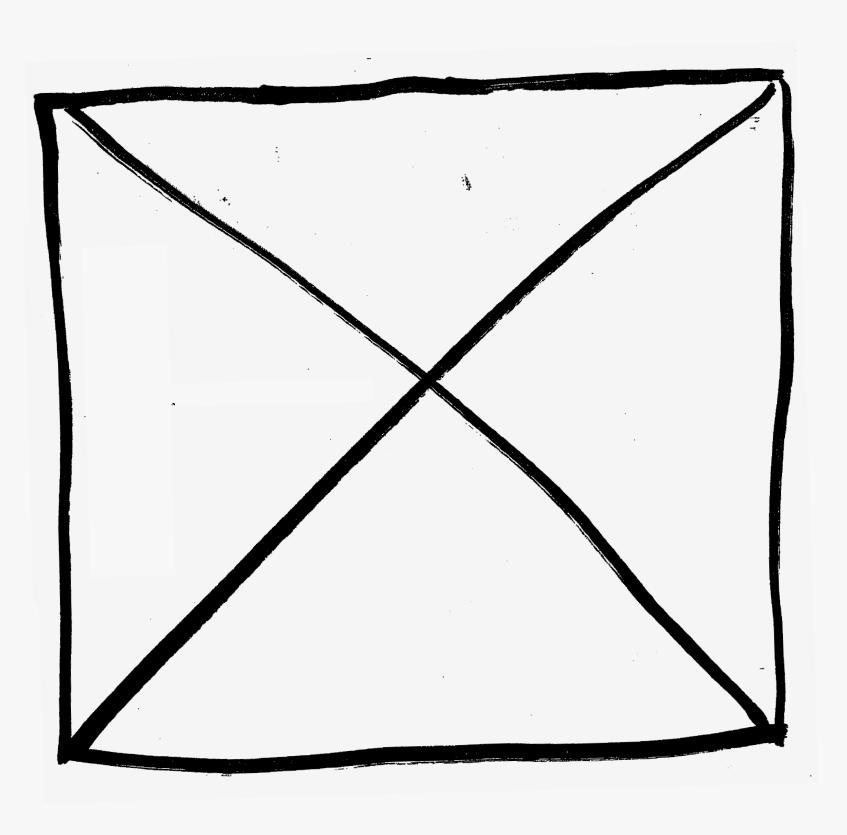


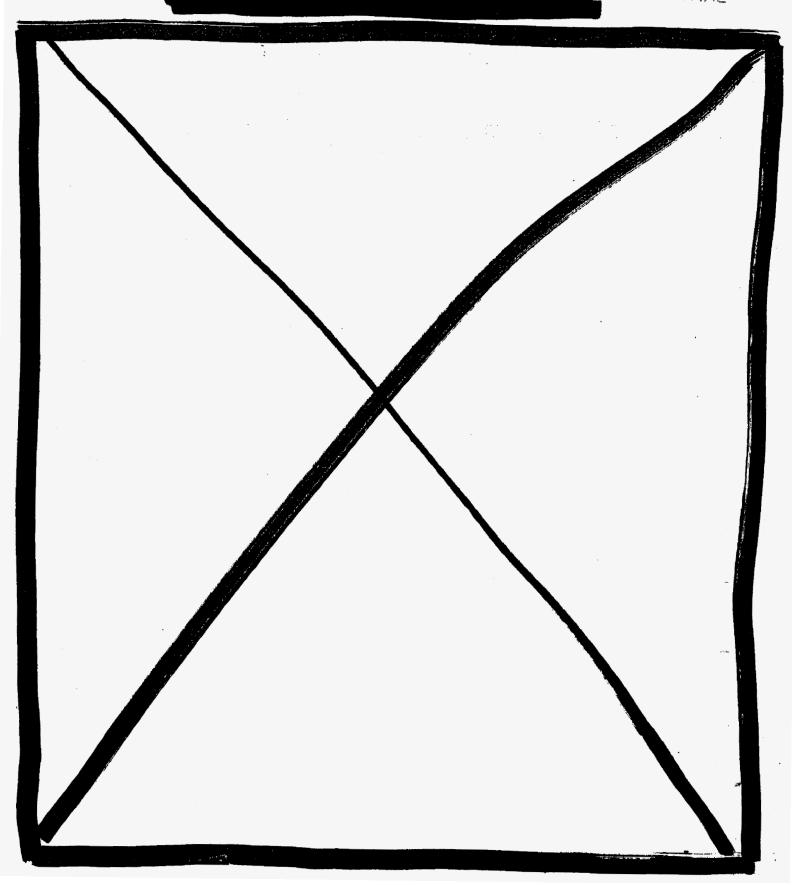




Peggy,

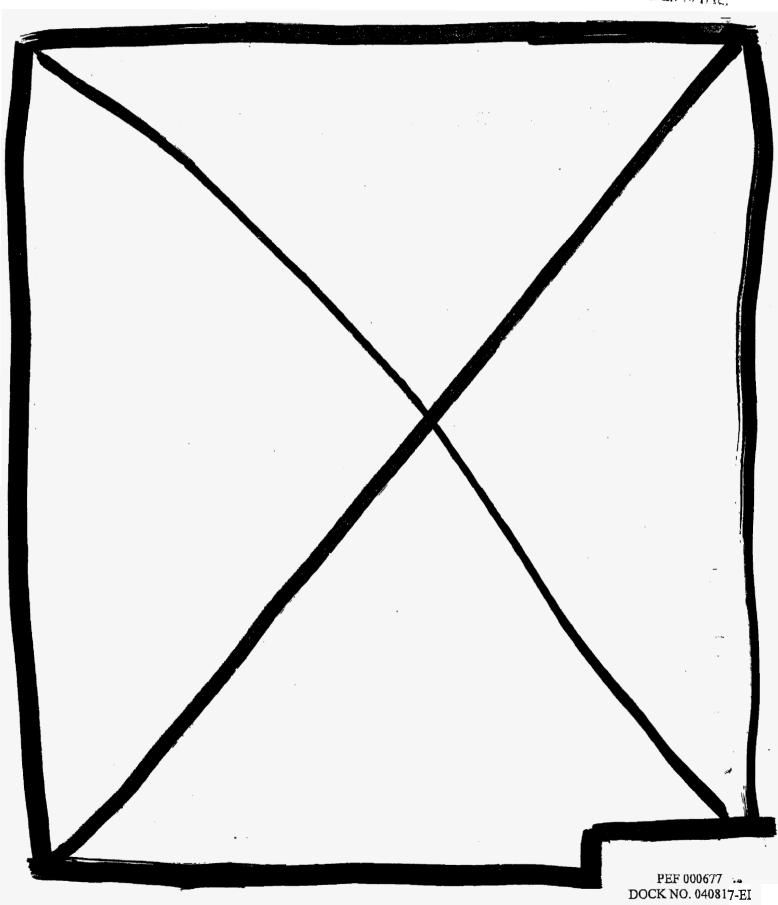






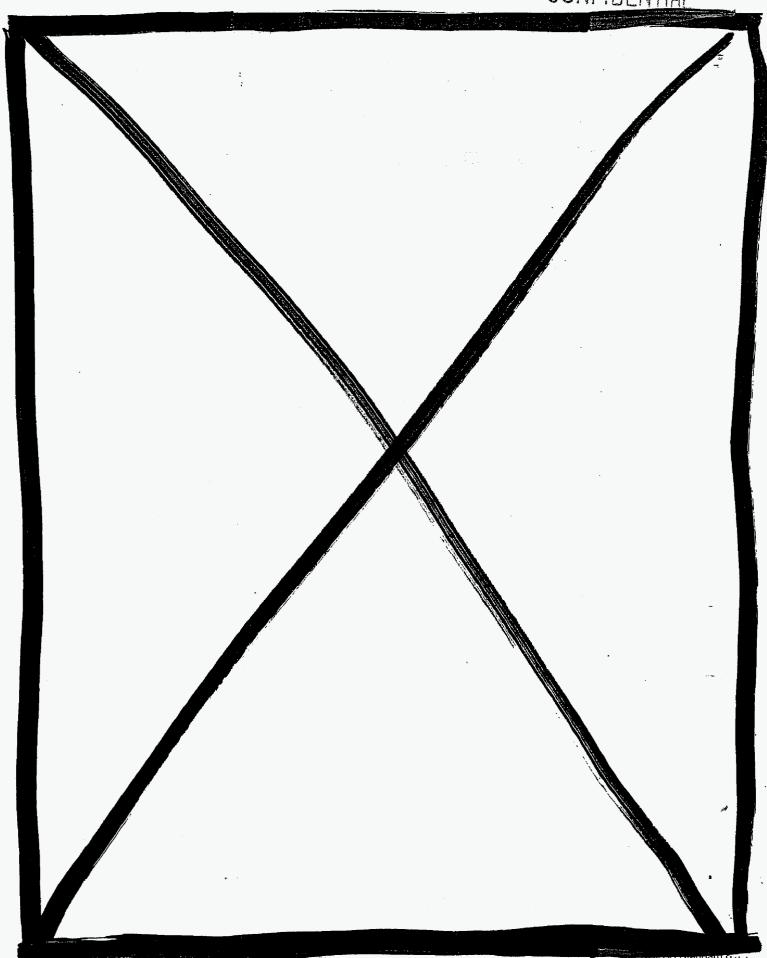
PEF 000676 DOCK NO. 040817-EI

# - Base Contract for Sale and Purchase of Natural Gas NFIDENTIAL



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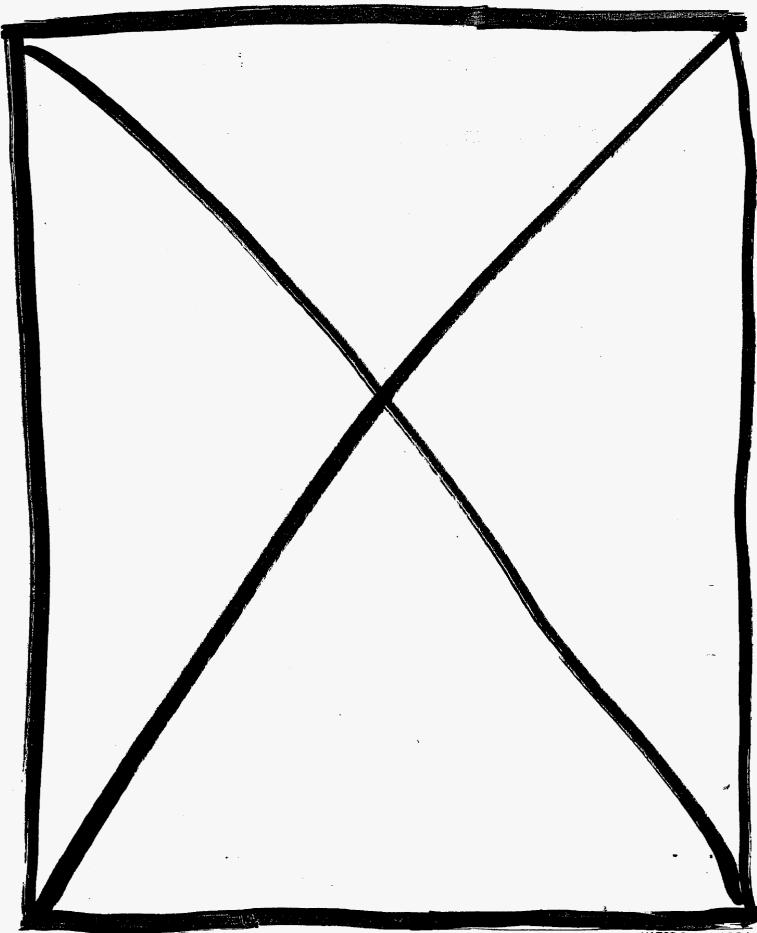
NAESB Standard 6.3.1 April 19, 2002



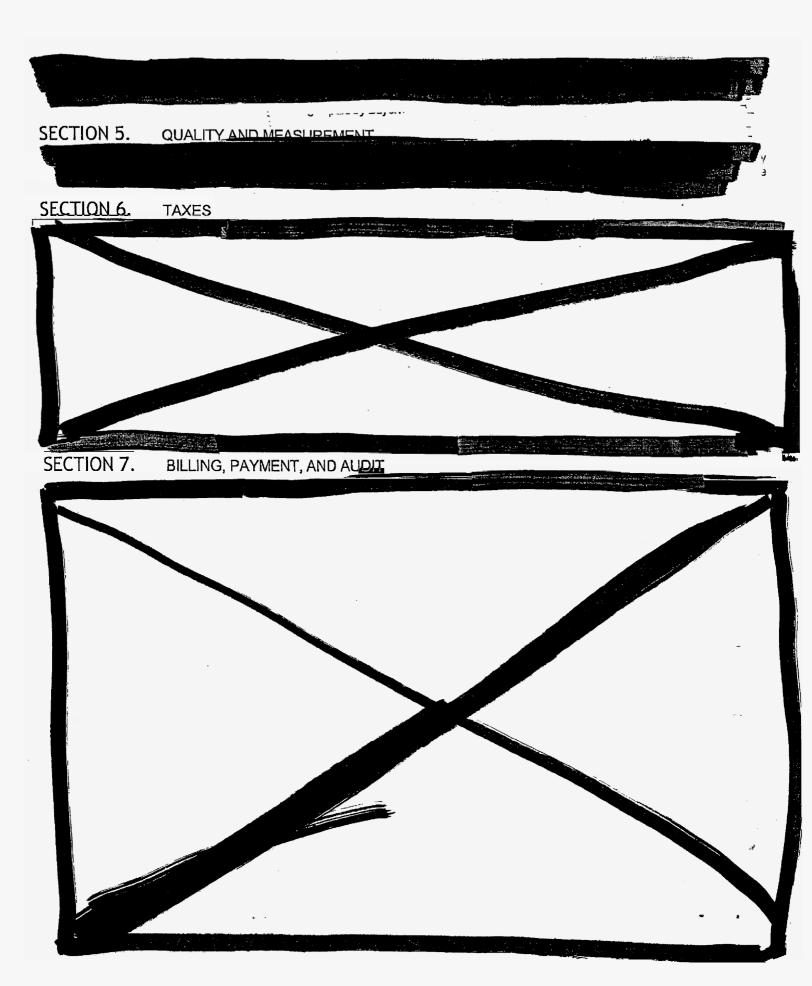
All Rights Reserved

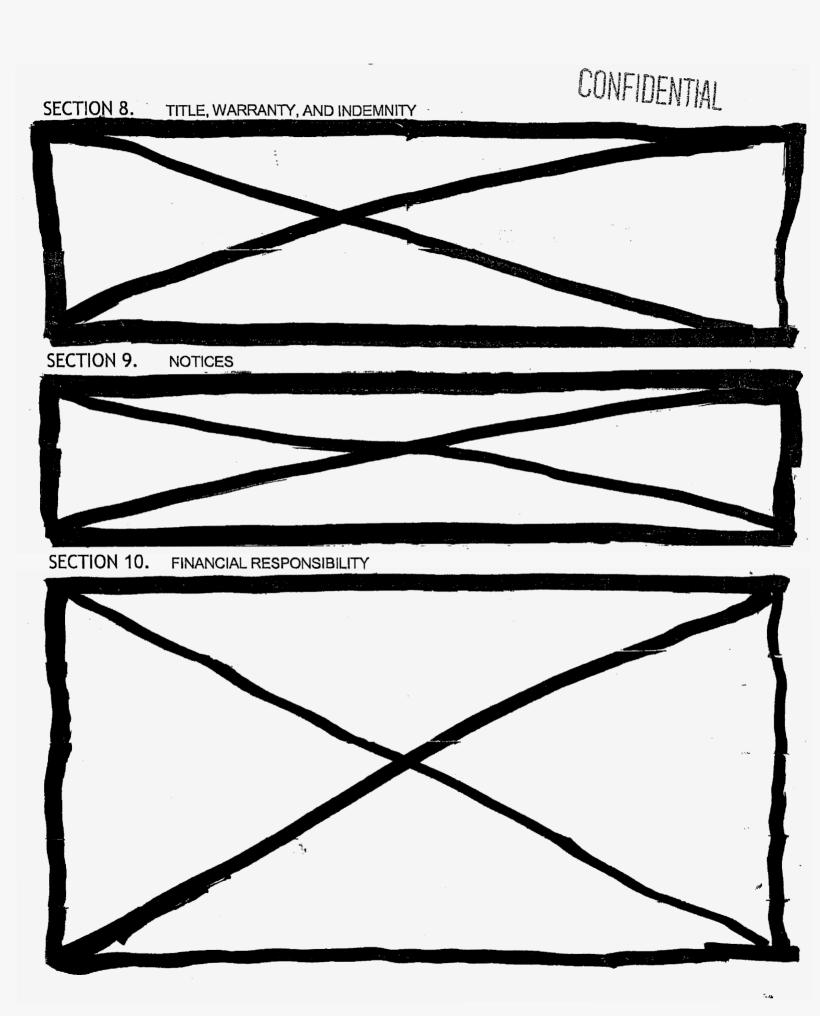
Page 3 of 10

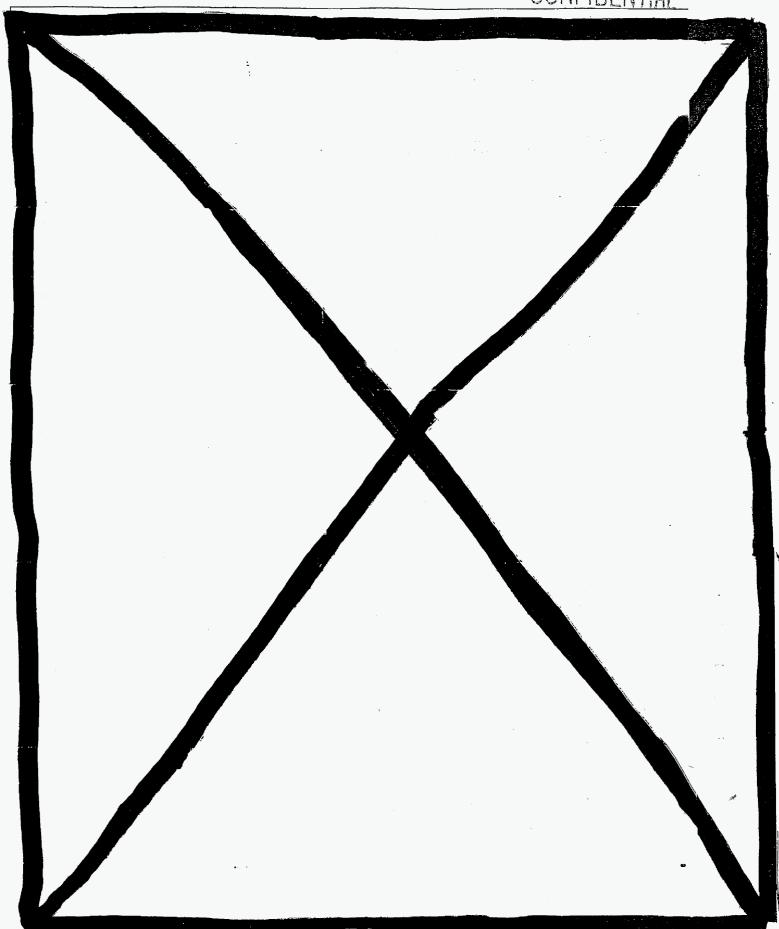
. بيرة April 19, 2002



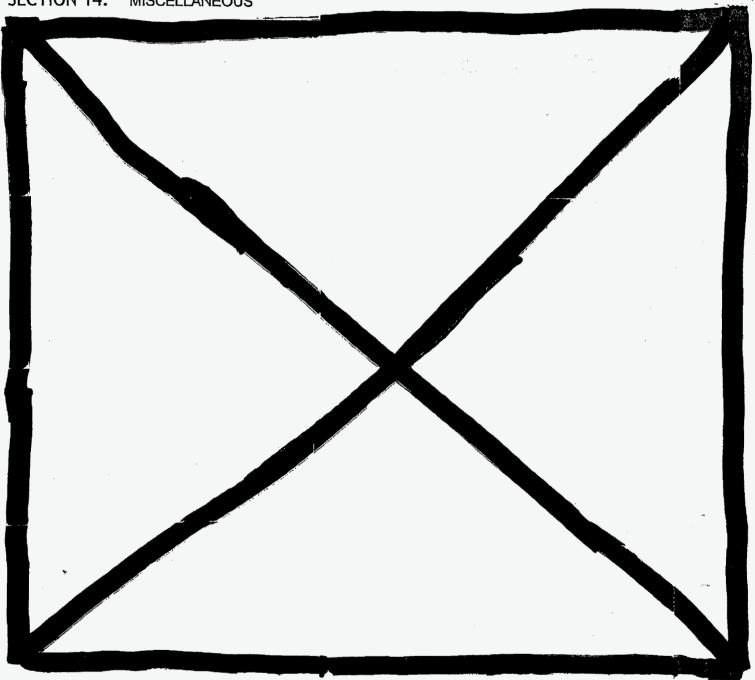
Copyright © 2002 North American Energy Standards Board, Inc.



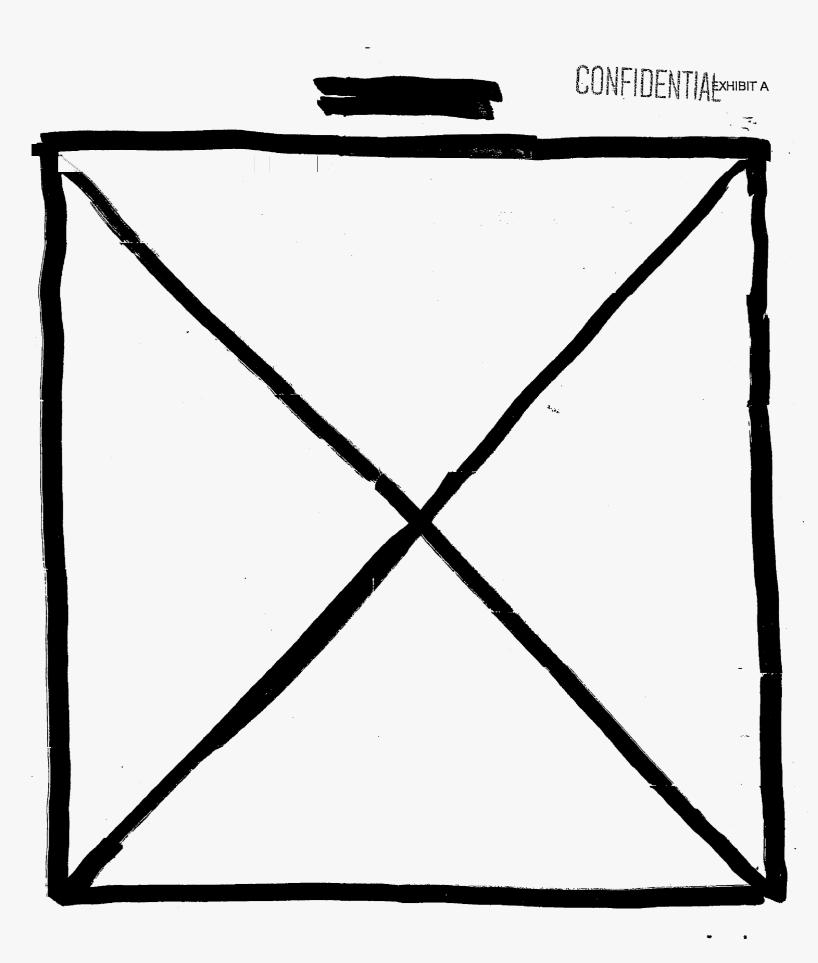


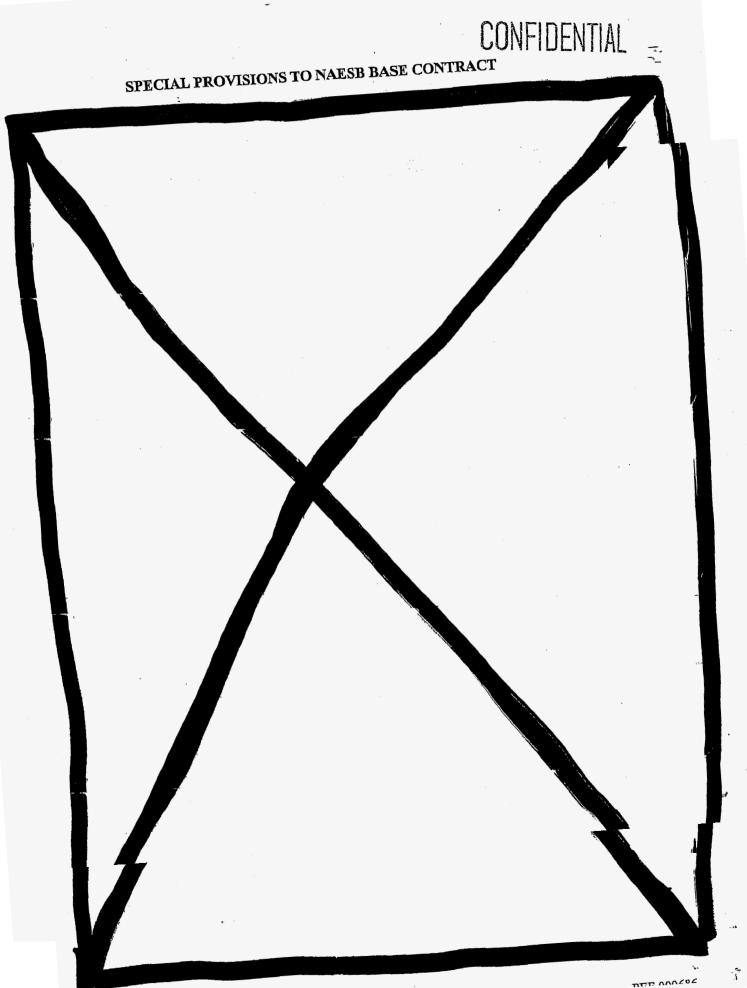


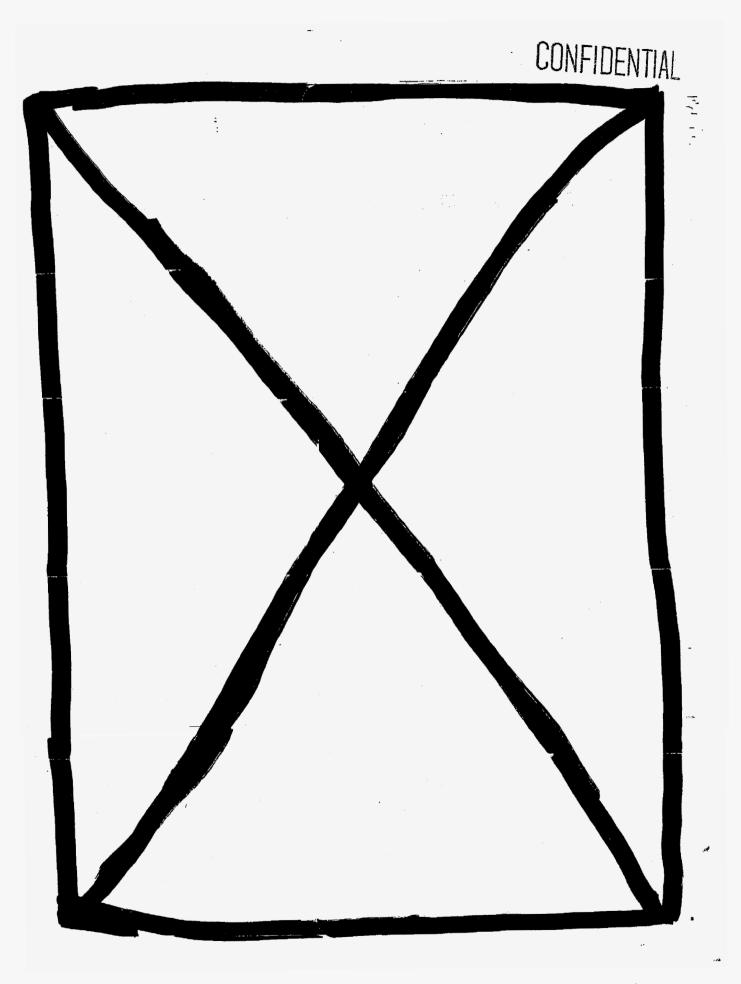
SECTION 14. **MISCELLANEOUS** 

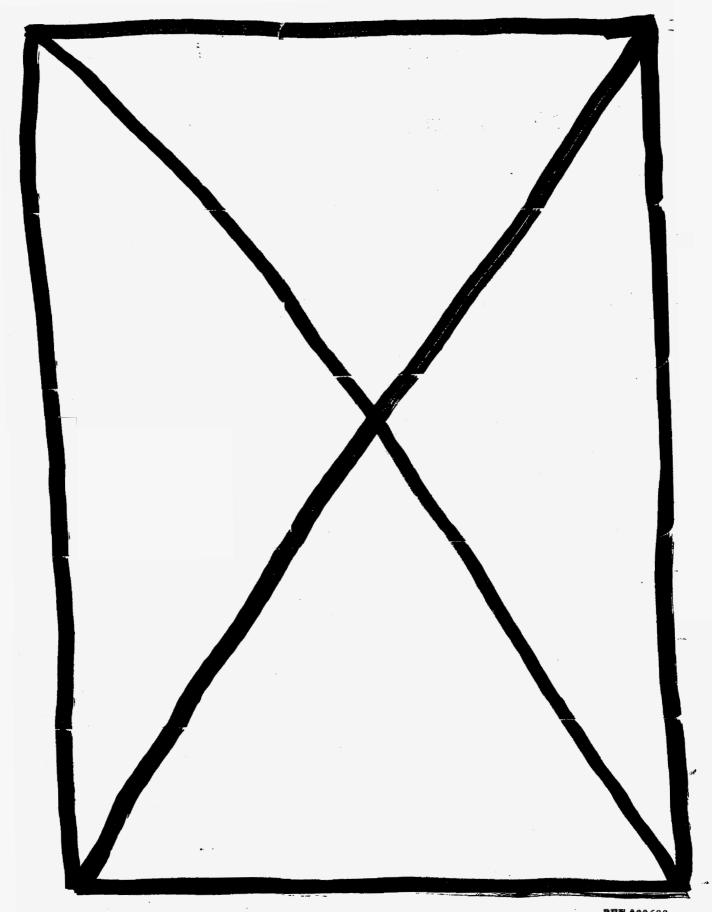


DISCLAIMER: The purposes of this Contract are to facilitate trade, avoid misunderstandings and make more definite the terms of contracts of purchase and sale of natural gas. Further, NAESB does not mandate the use of this Contract by any party. NAESB DISCLAIMS AND EXCLUDES, AND ANY USER OF THIS CONTRACT ACKNOWLEDGES AND AGREES TO NAESB'S DISCLAIMER OF, ANY AND ALL WARRANTIES, CONDITIONS OR REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THIS CONTRACT OR ANY PART THEREOF, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE (WHETHER OR NOT NAESB KNOWS, HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. EACH USER OF THIS CONTRACT ALSO AGREES THAT UNDER NO CIRCUMSTANCES WILL NAESB BE LIABLE FOR ANY DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY USE OF THIS CONTRACT.

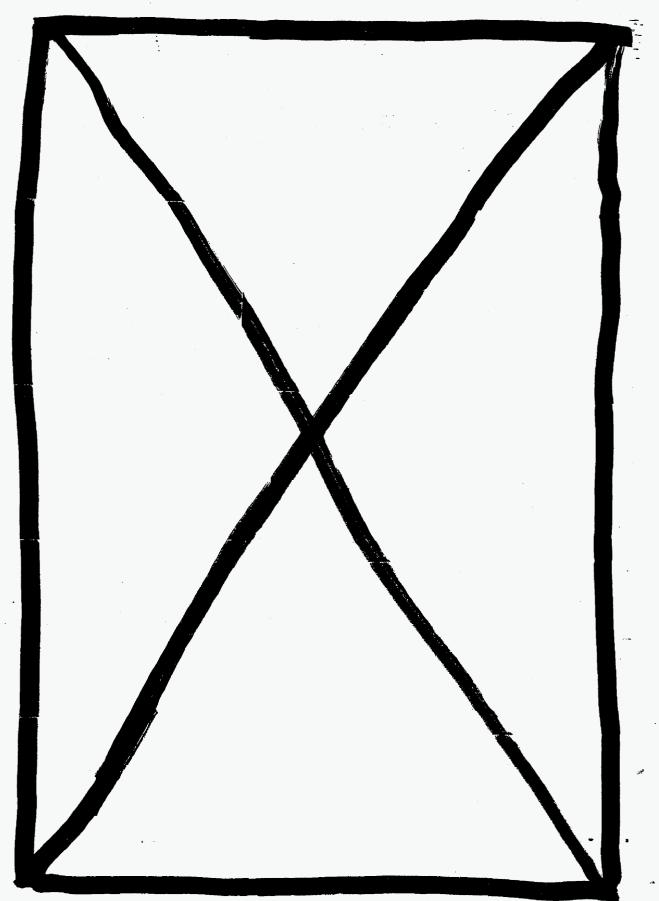


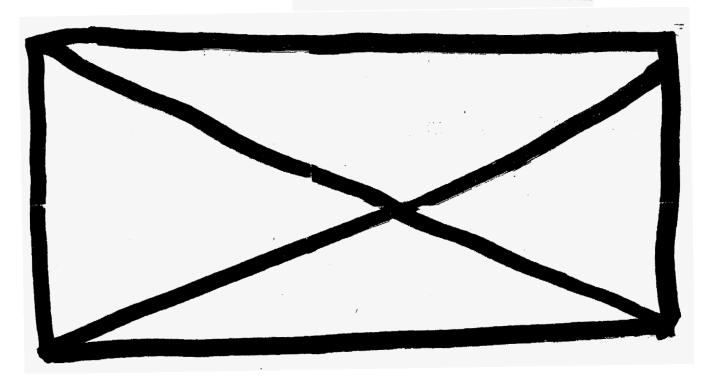


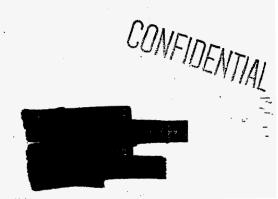




PEF 000688 DOCK NO. 040817-EI



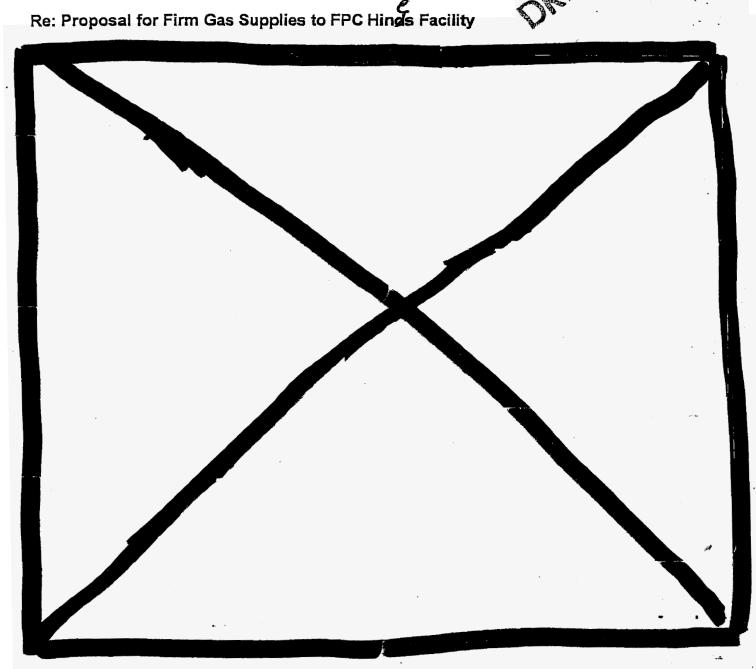




Mr. Rick Rhodes
Sr. Segment Leader
Florida Power Corporation d/b/a Progress Energy Florida
411 Fayetteville Street
Raleigh, NC 27602

February 26, 2004

OFAK





#### CONFIDENTIAL AND PRIVILEGED

Indicative Term Sheet for Definitive Agreement

DRAFT - FOR DISCUSSION PURPOSES ONLY - NOT TO BE CONSTRUED AS AN OFFER OR

ACCEPTANCE OF AN OFFER BY EITHER PARTY

Seller:

Buyer:

Party or Parties

Definitive Agreement:

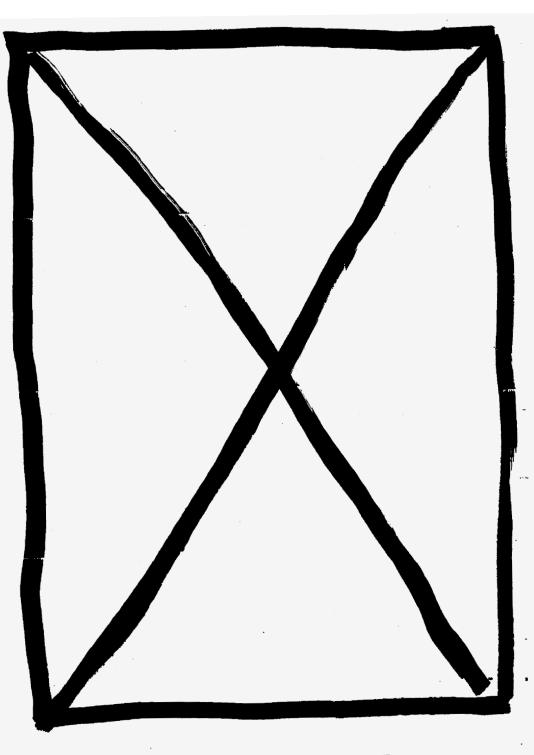
**Supply Date:** 

**Contract Term:** 

Contract Year:

Re-gas Plant:

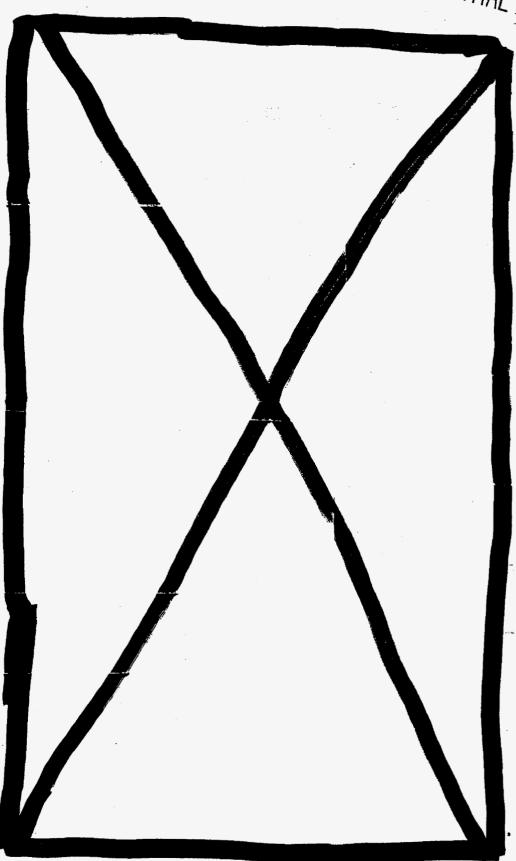
**Delivery Point:** 



- Title and Risk:

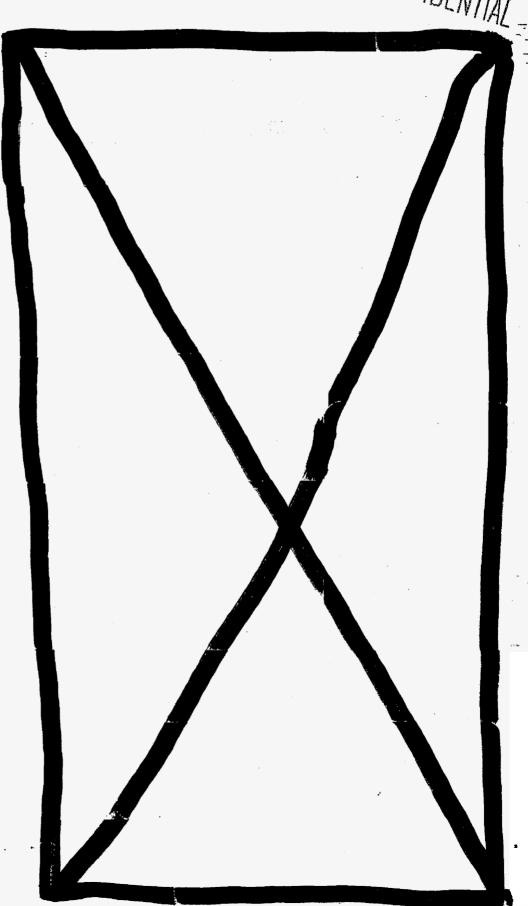
Contract Quantity:

Natural Gas Price:



Alternative Product:

Performance Obligations:



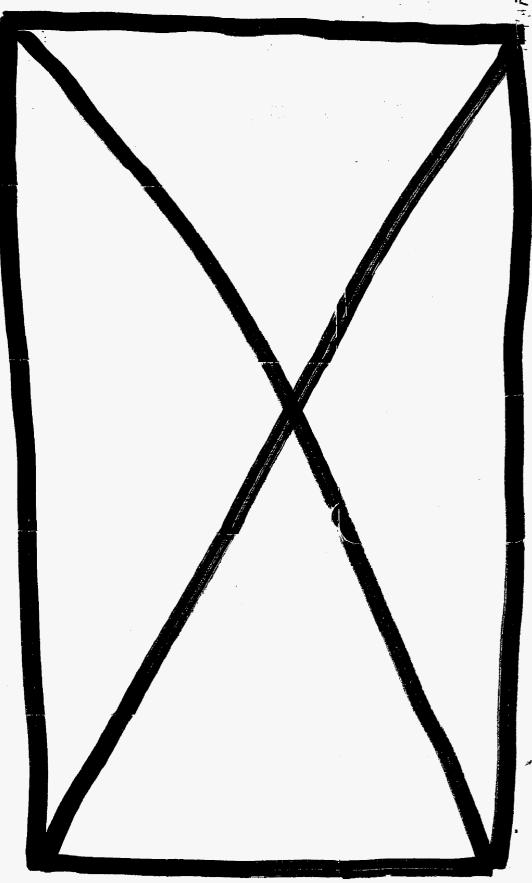
\*\*\* PEF 000694 • DOCK NO. 040817-EI

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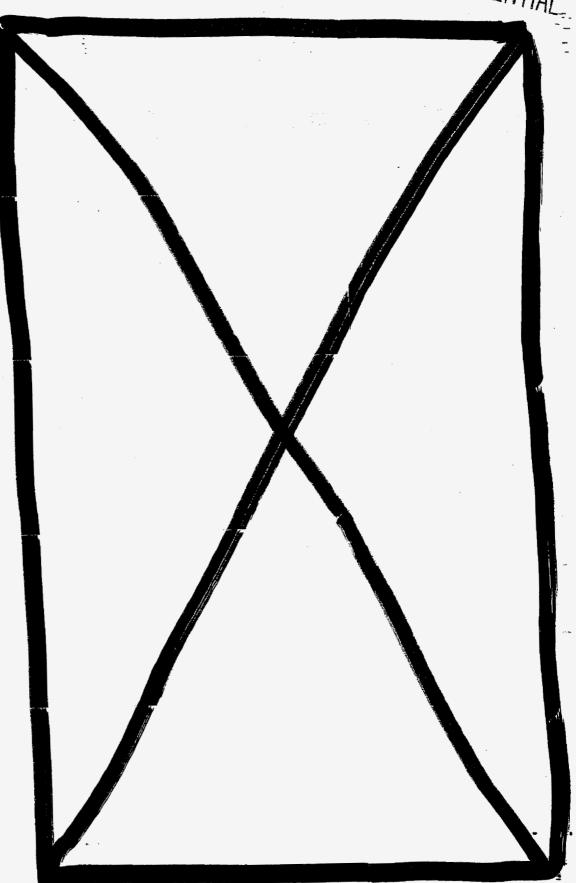
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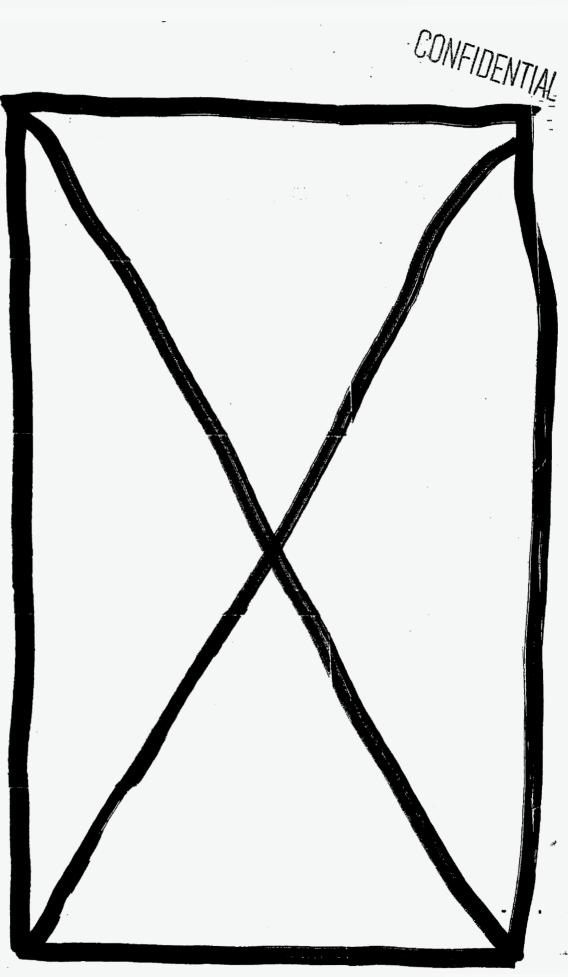
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Duties and Taxes:

Conditions Precedent:



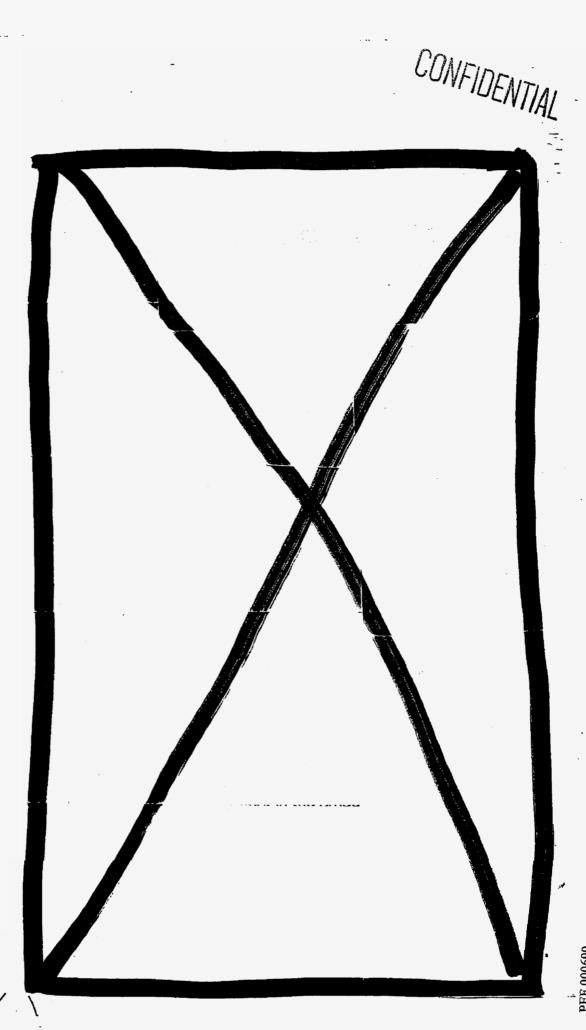
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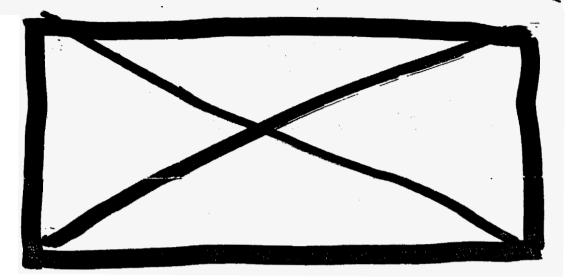
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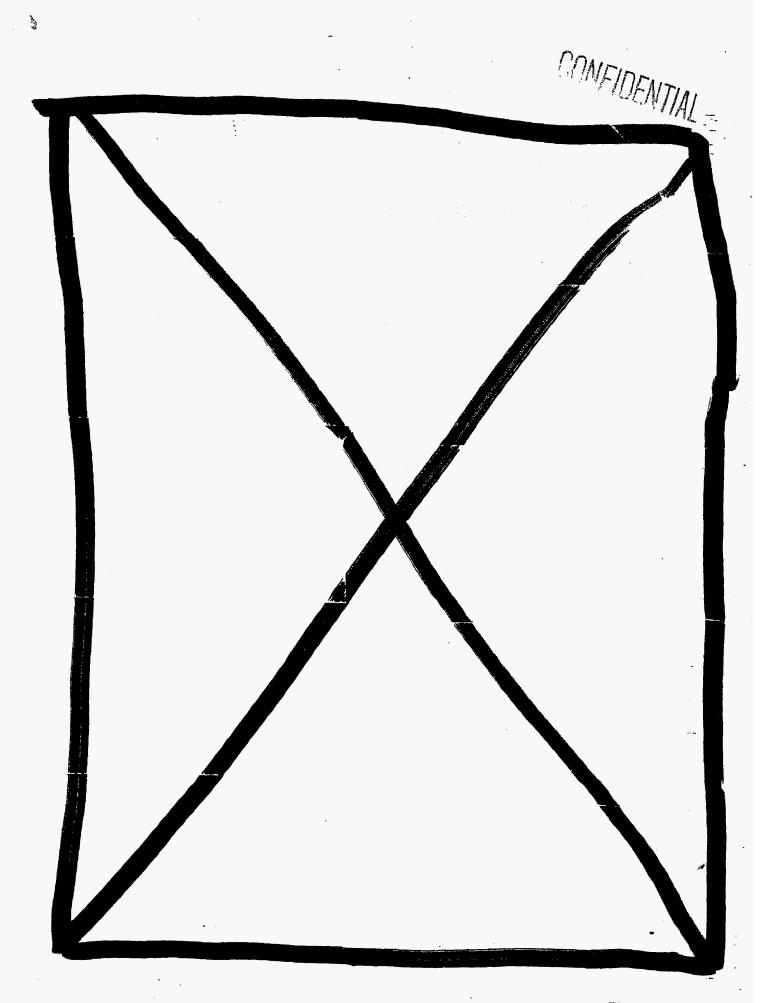


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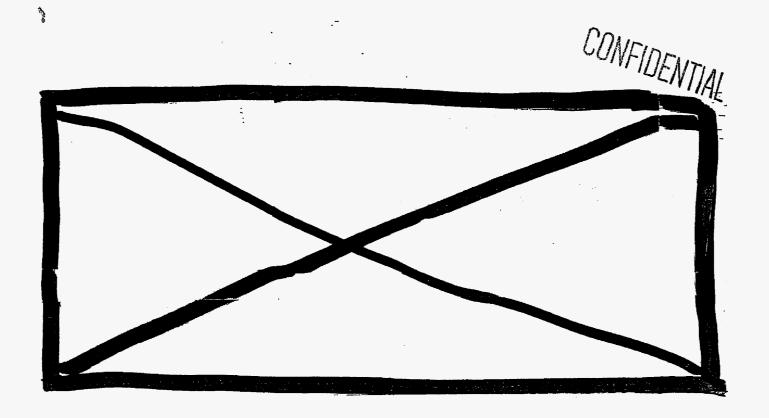
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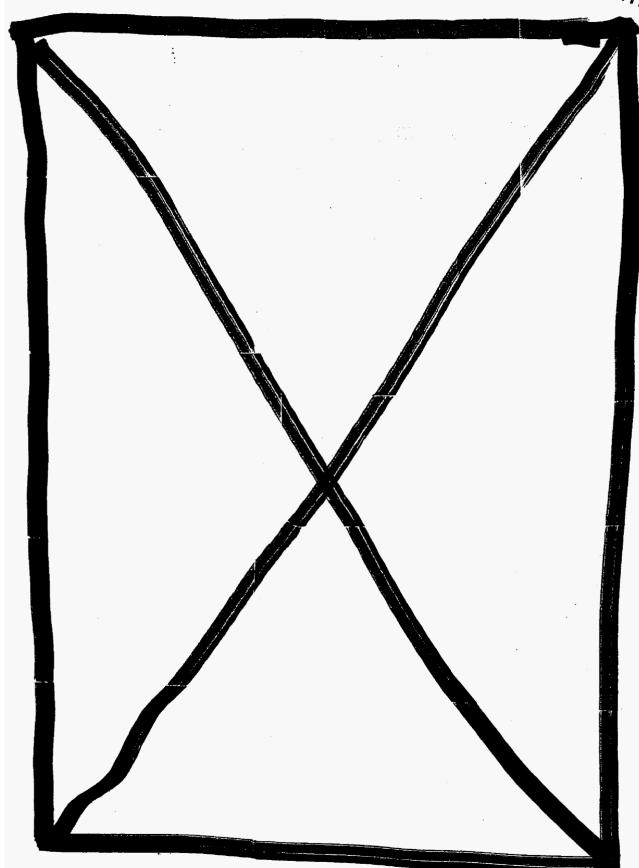


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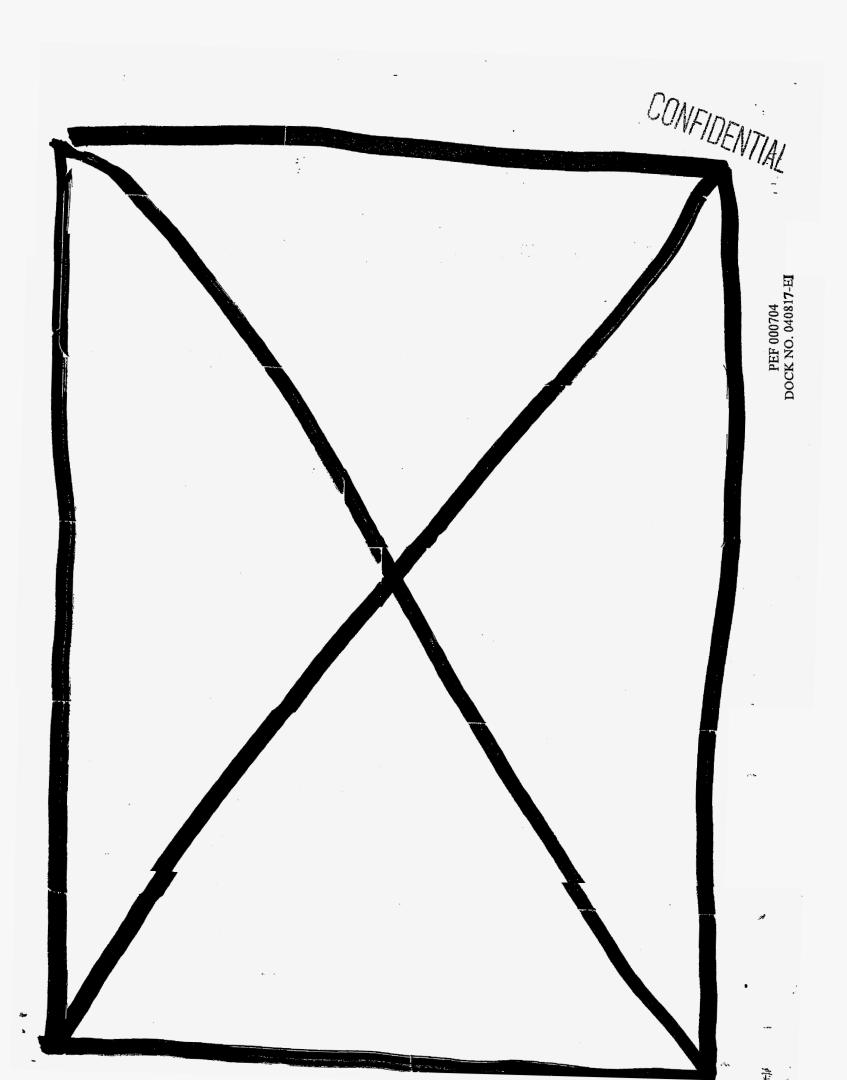


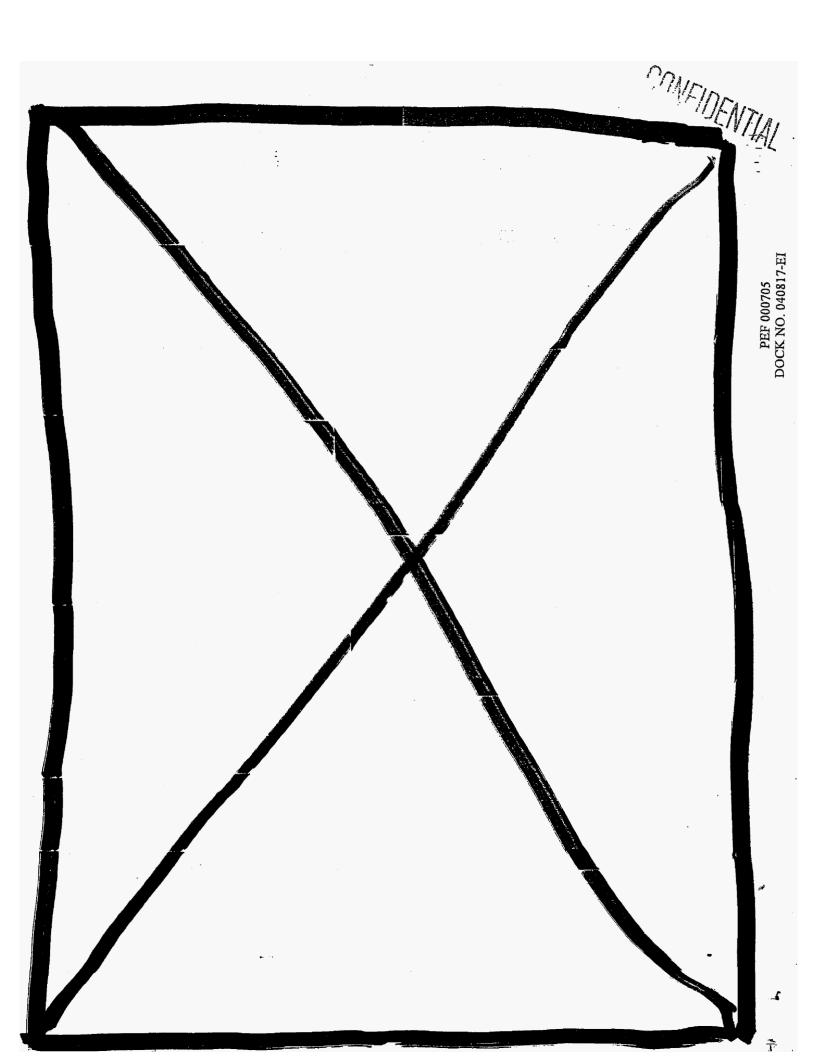
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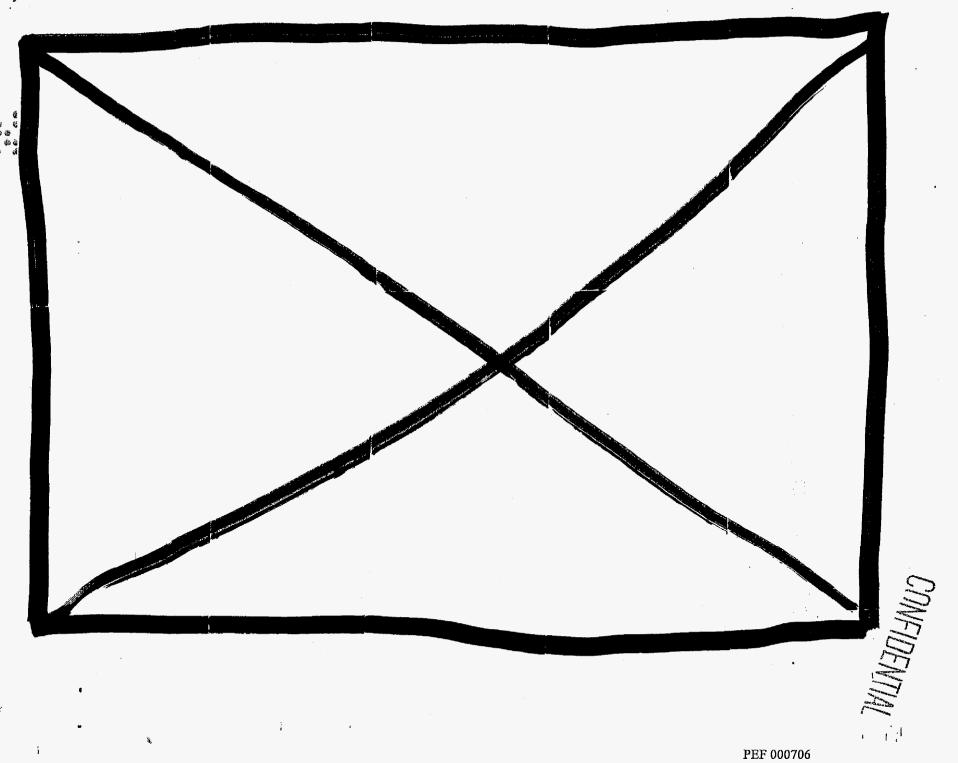
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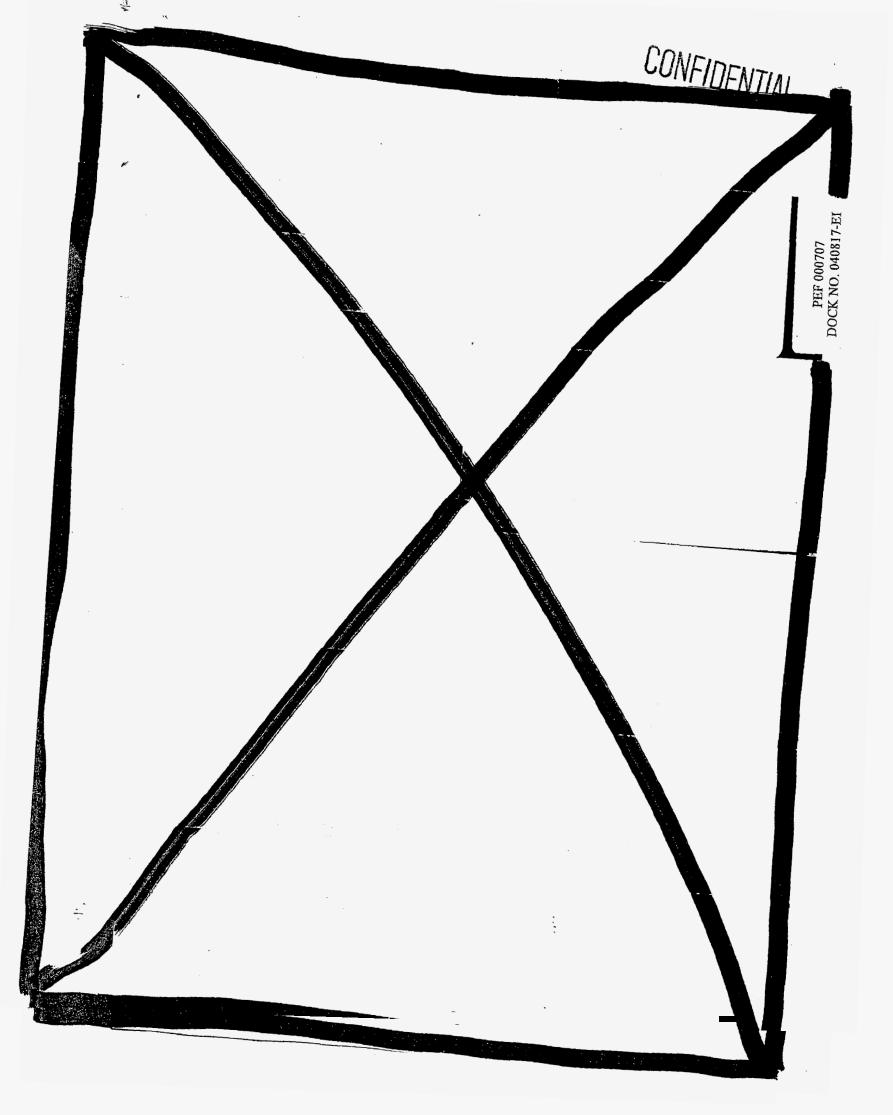
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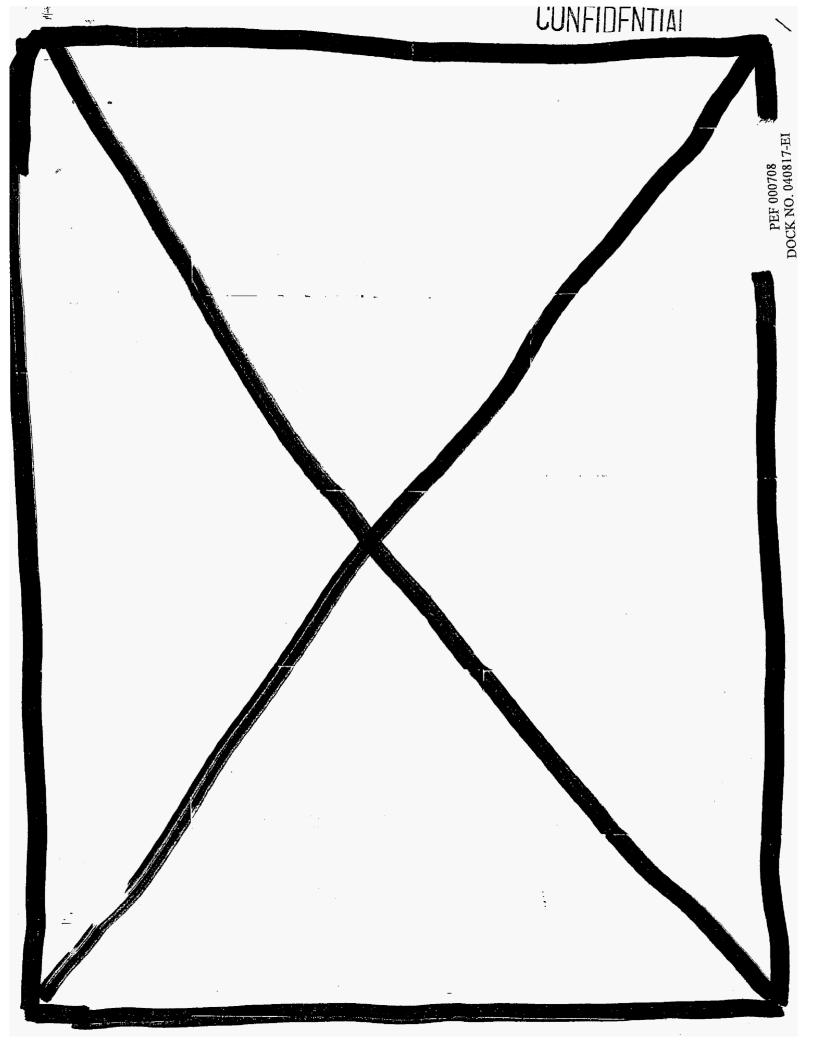


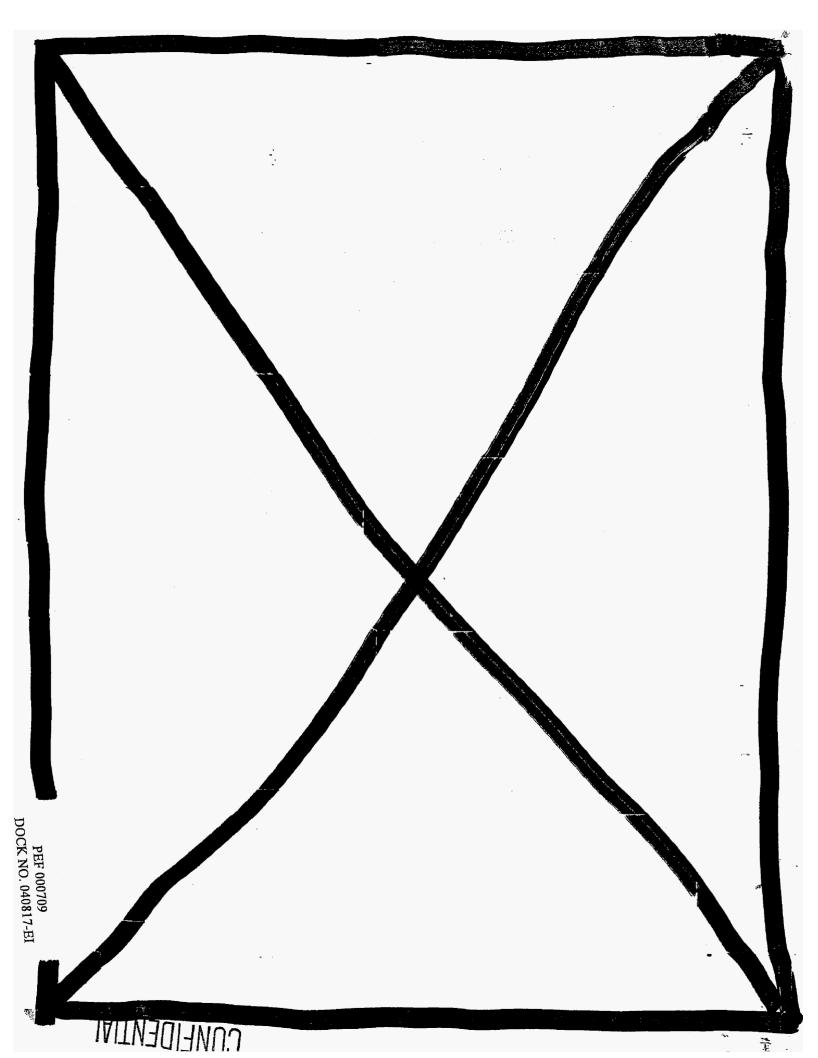


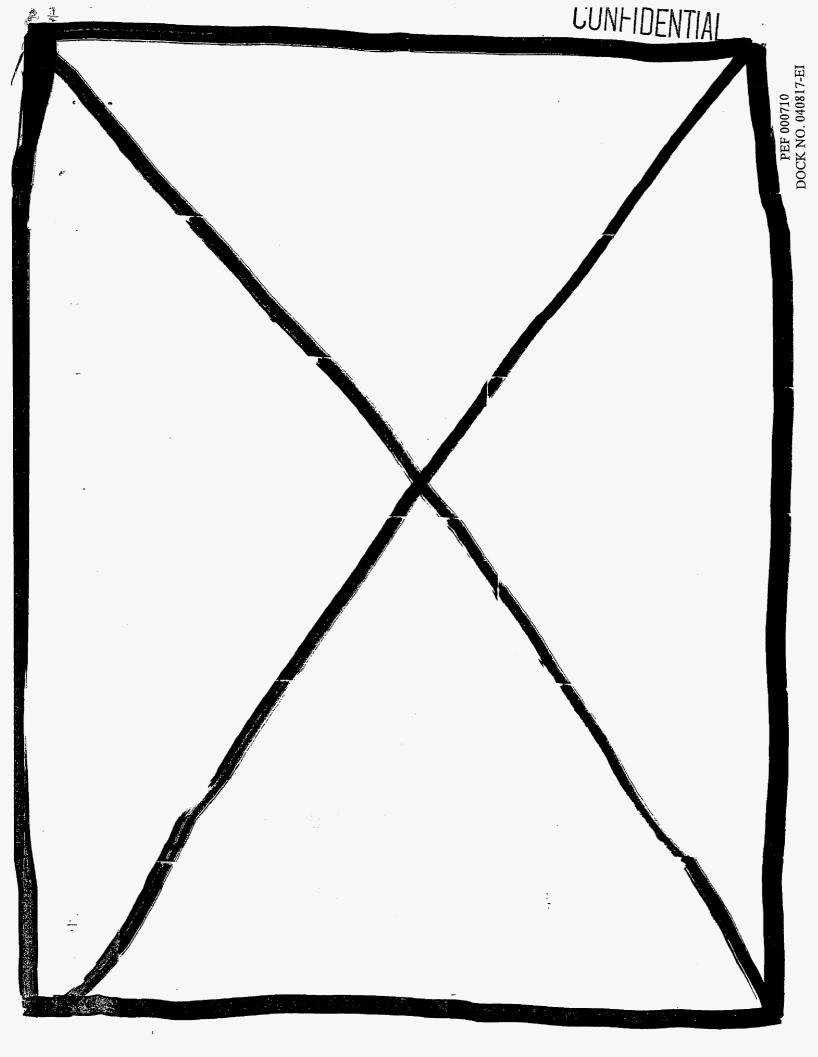


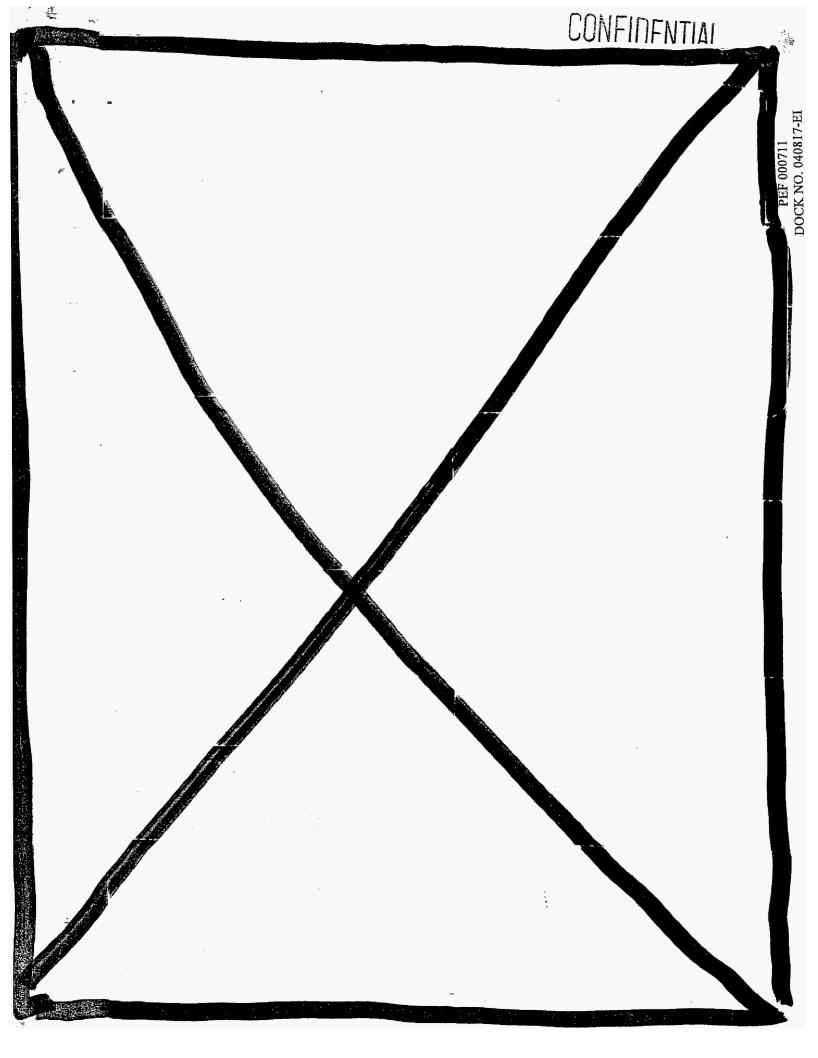
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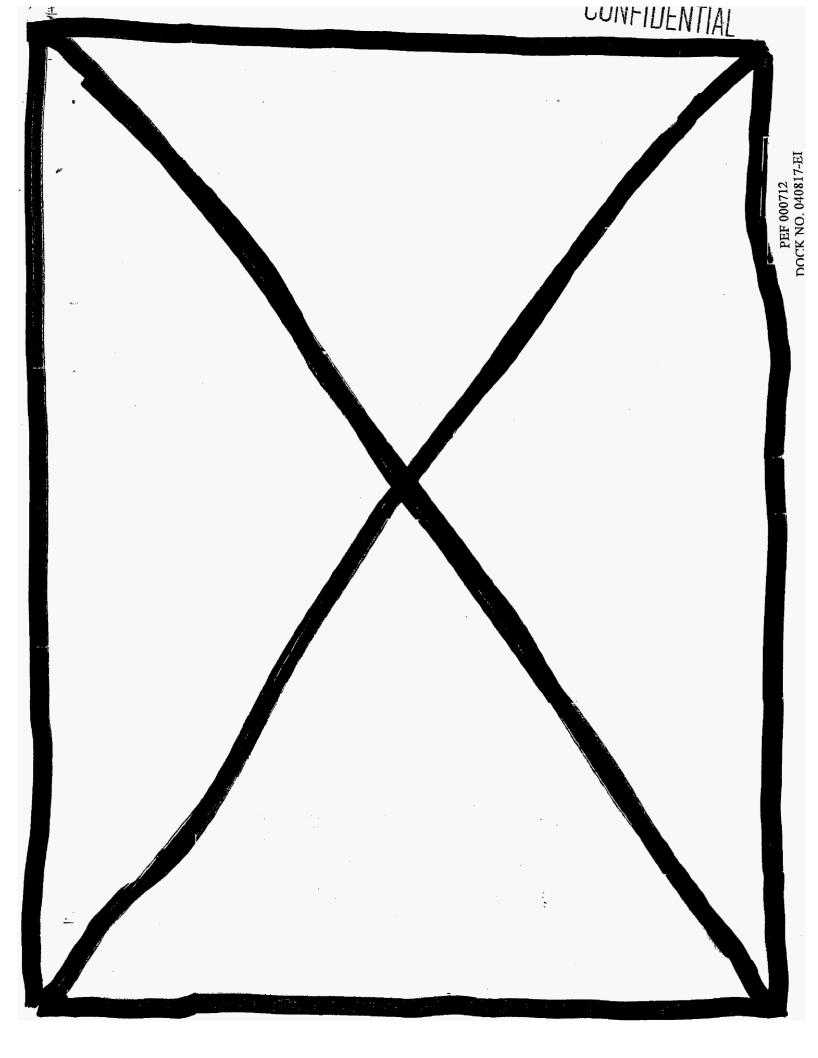




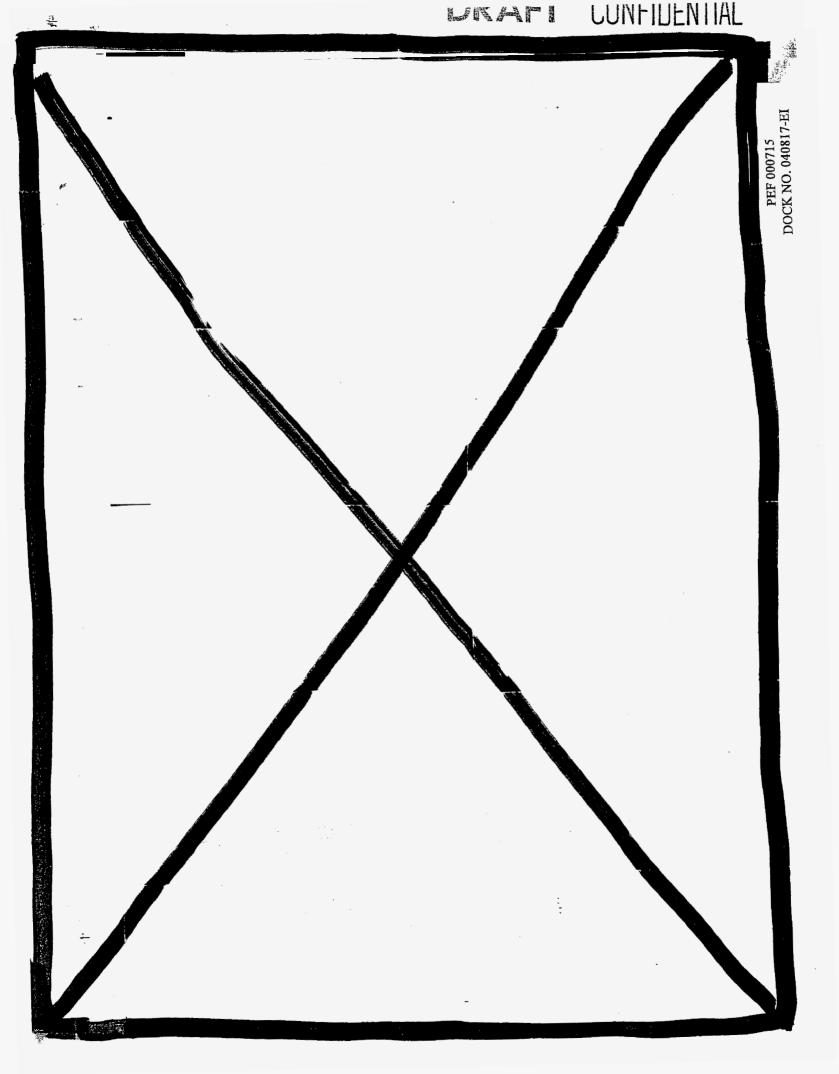








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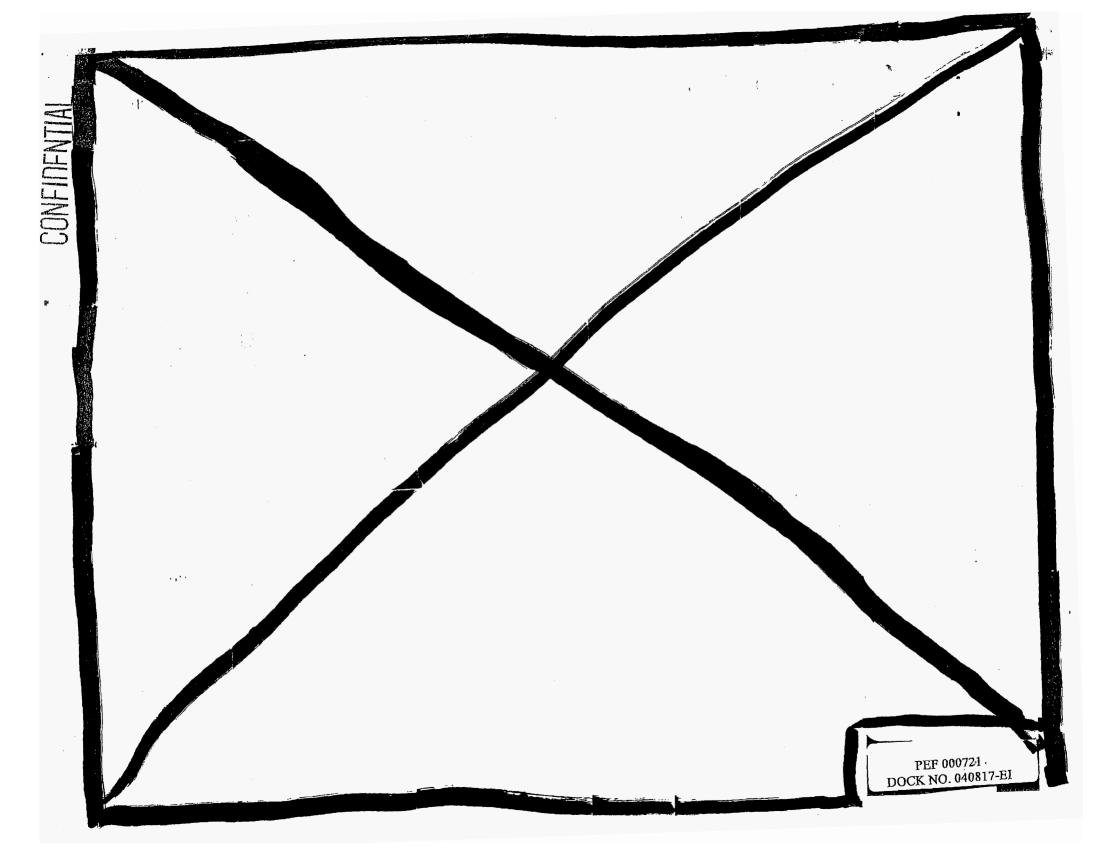


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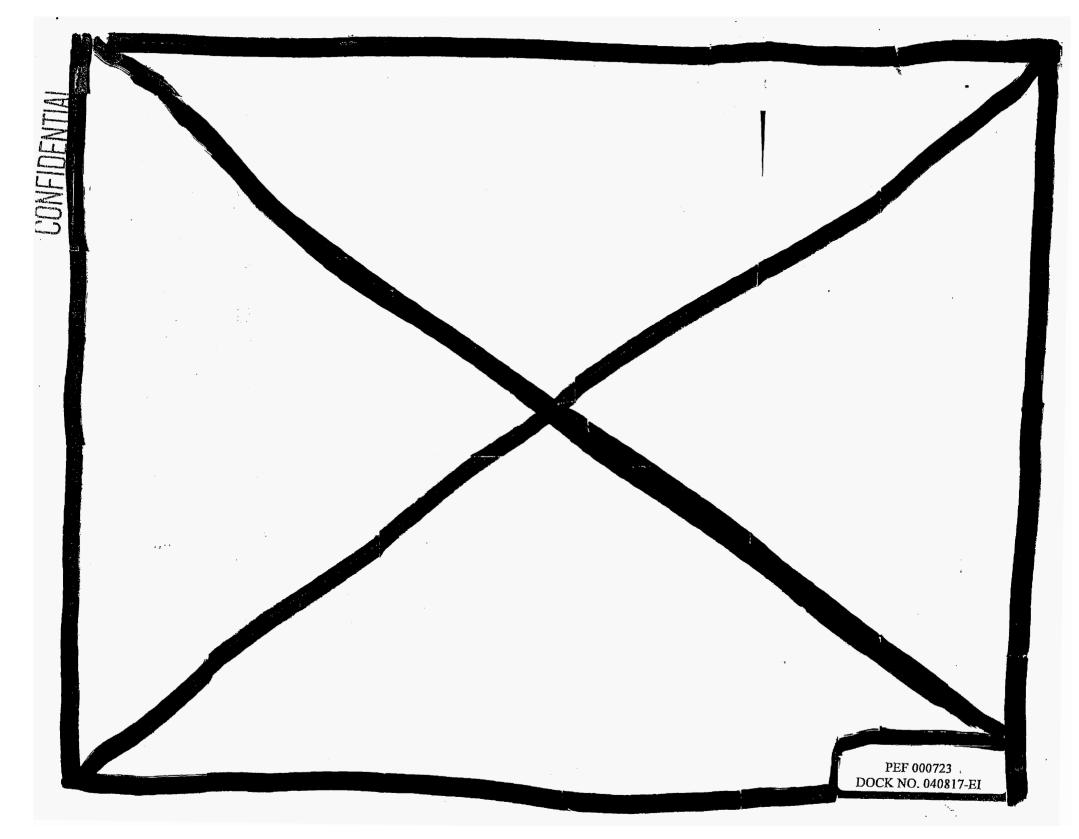
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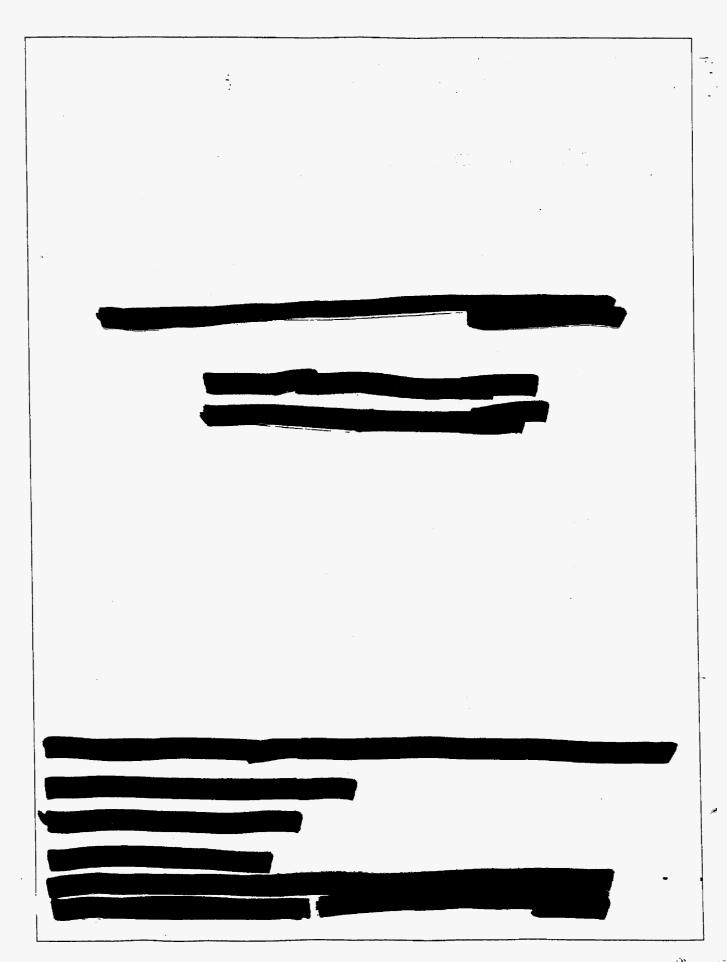
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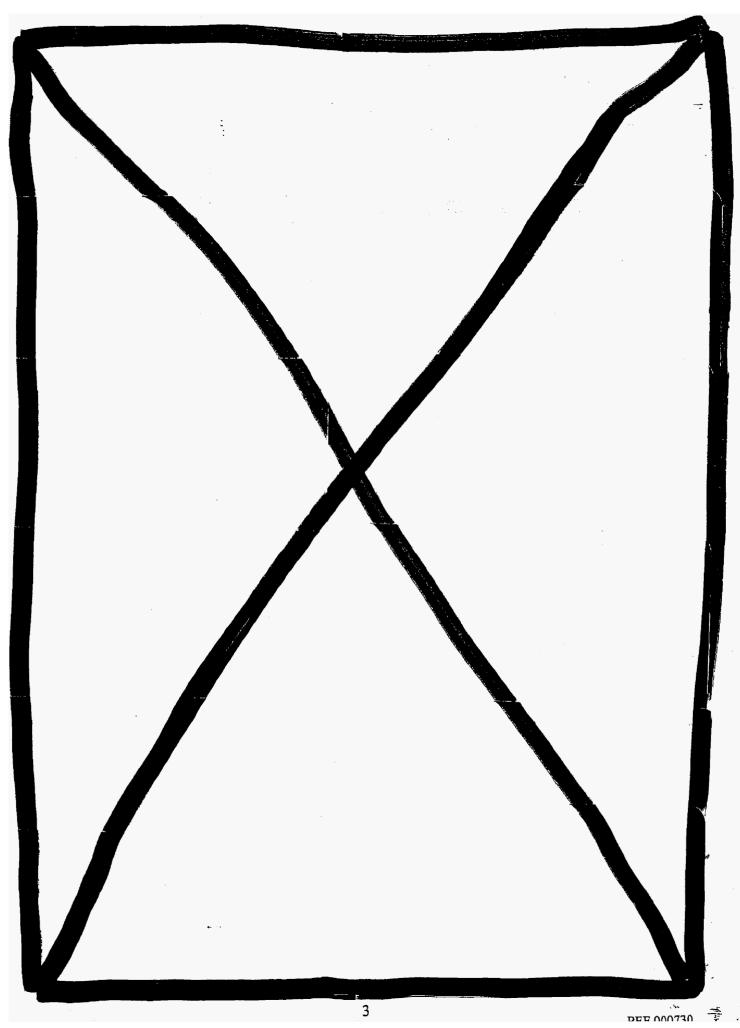
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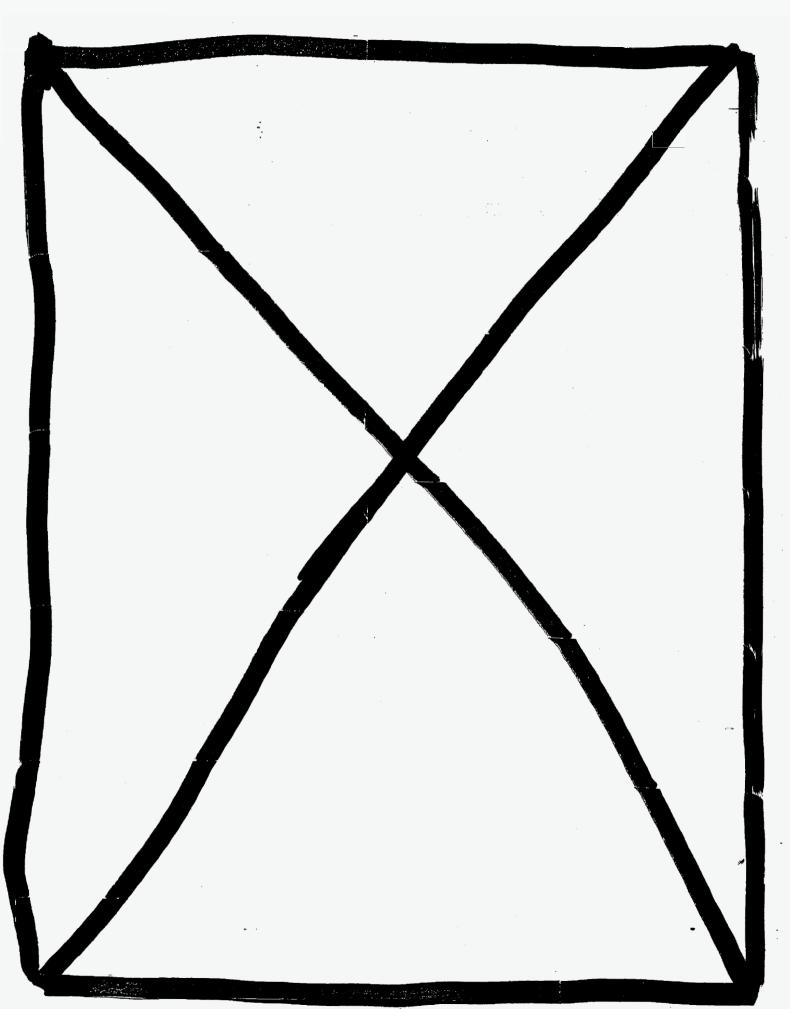


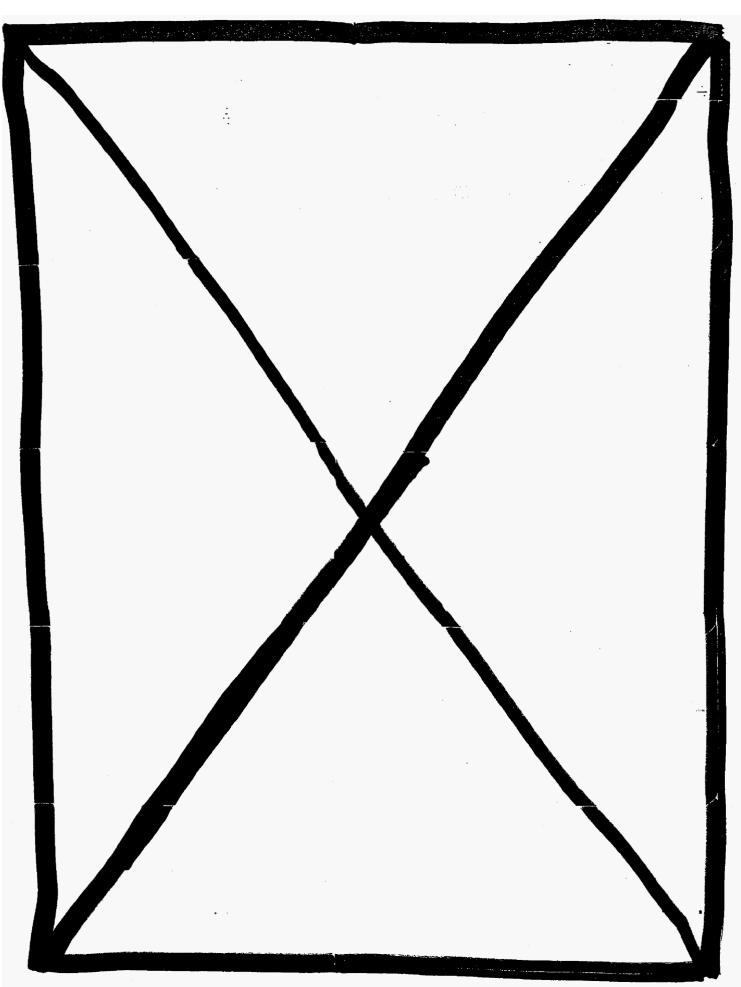
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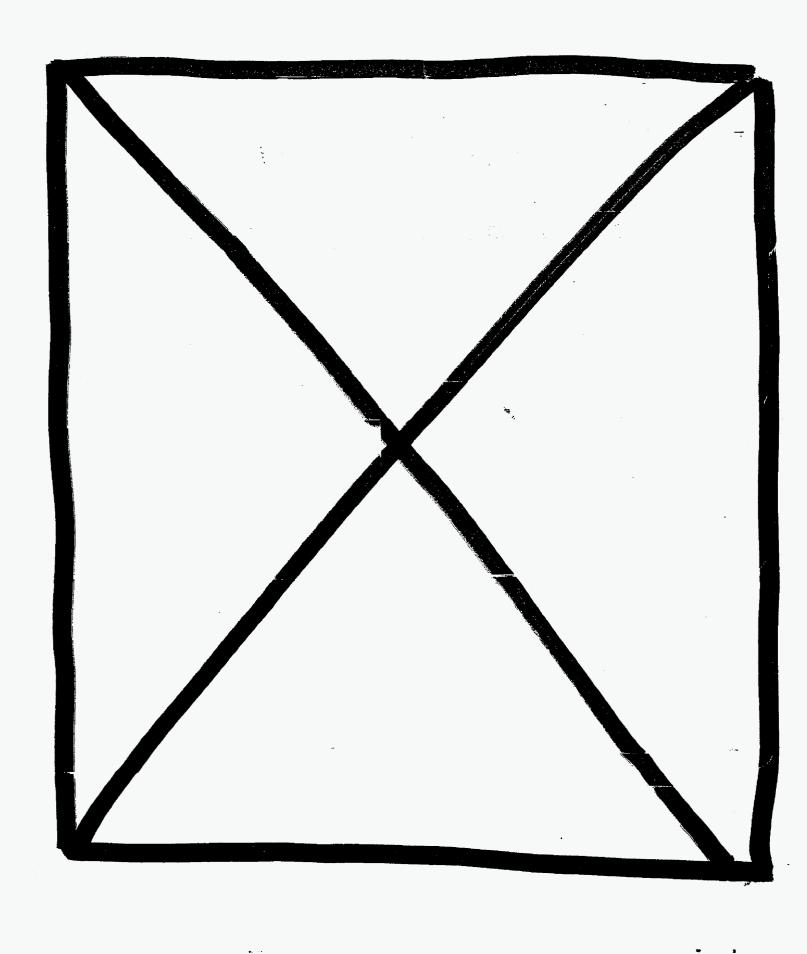
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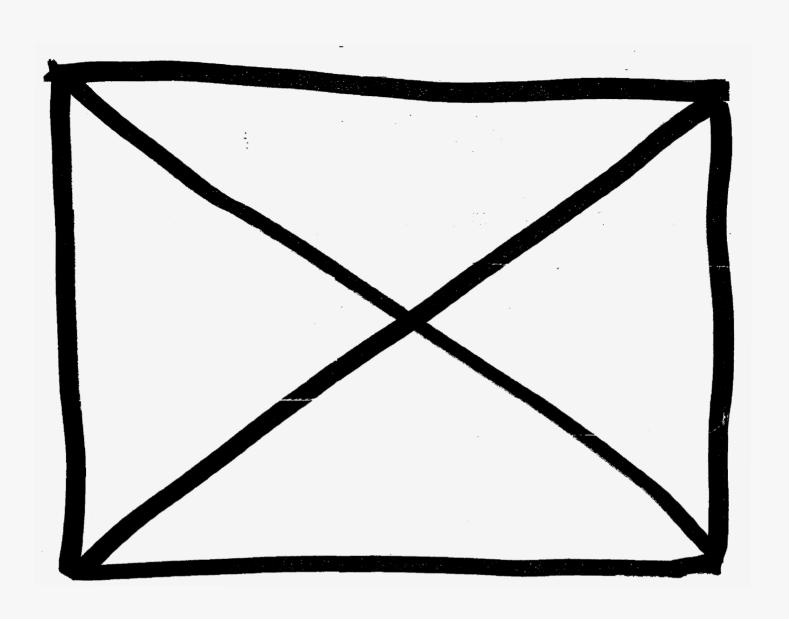
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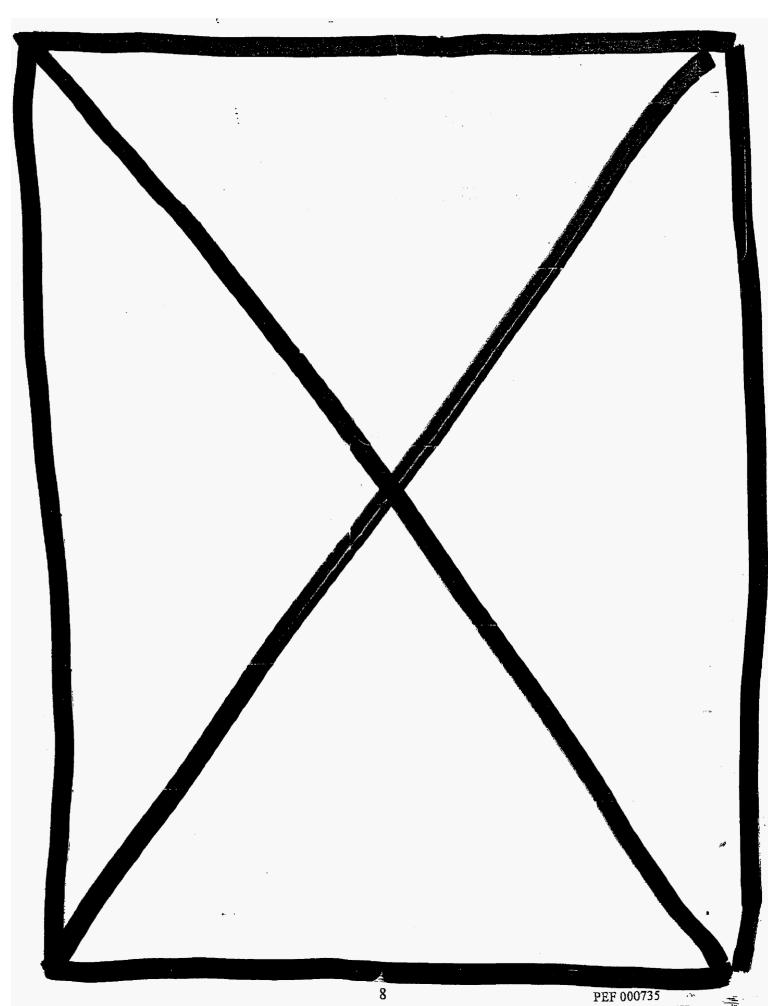




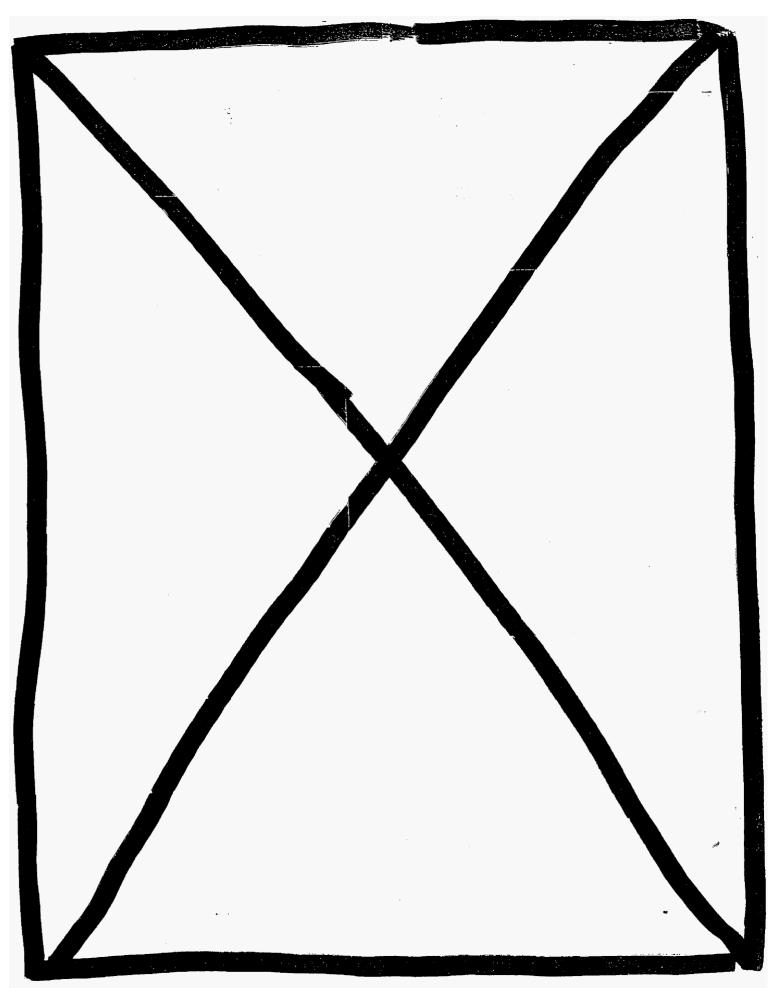


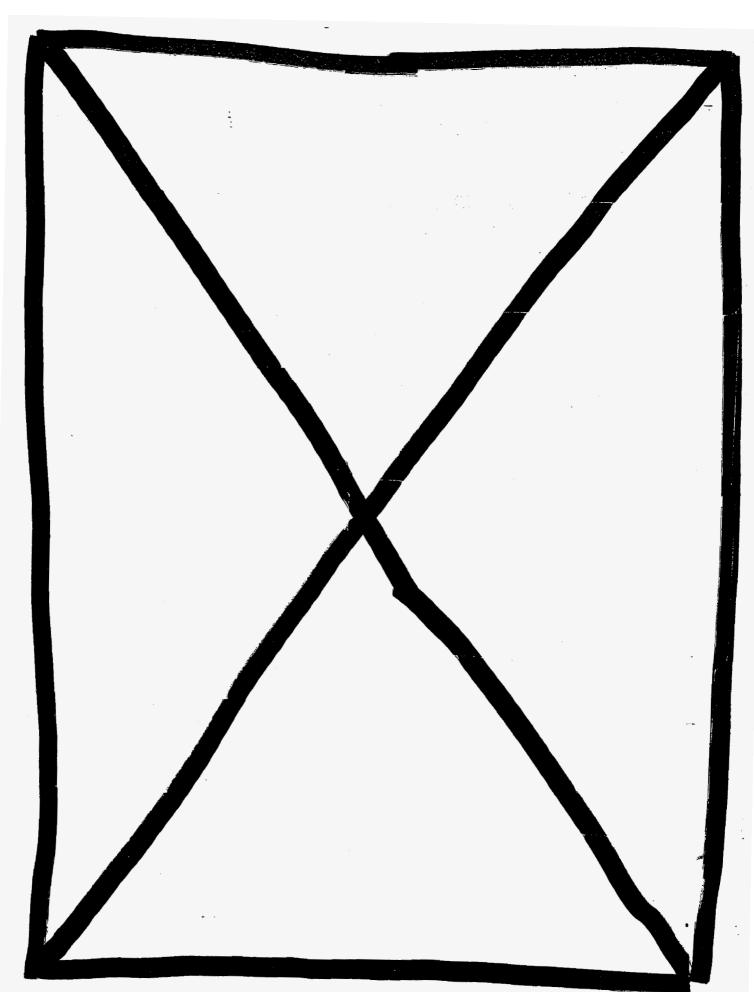


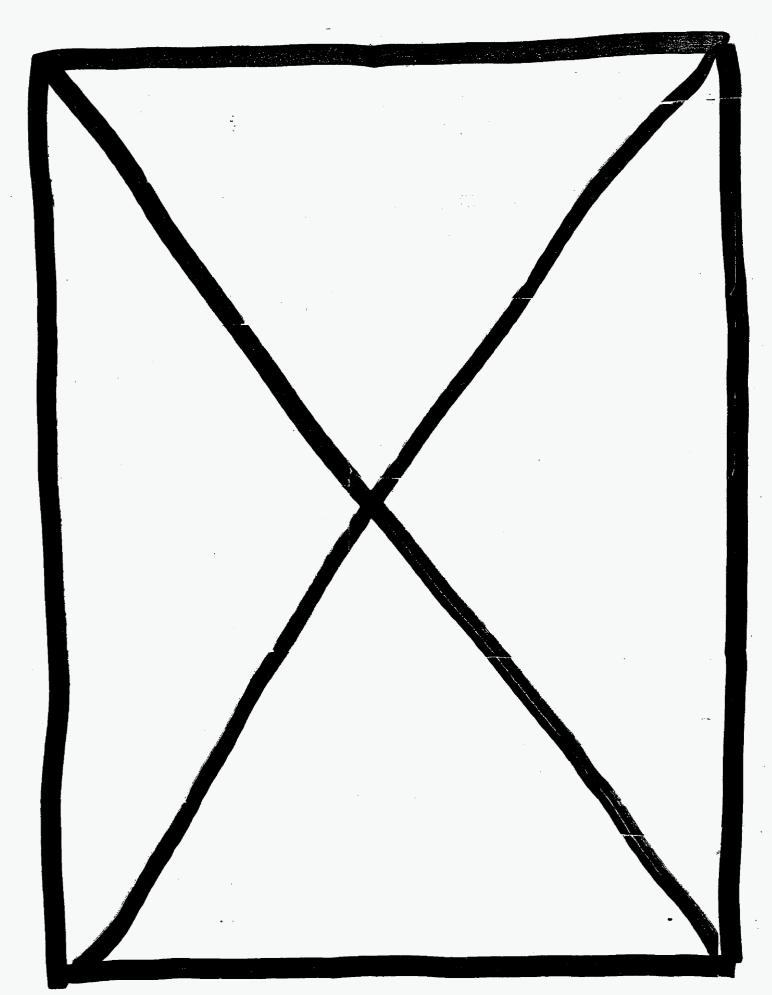


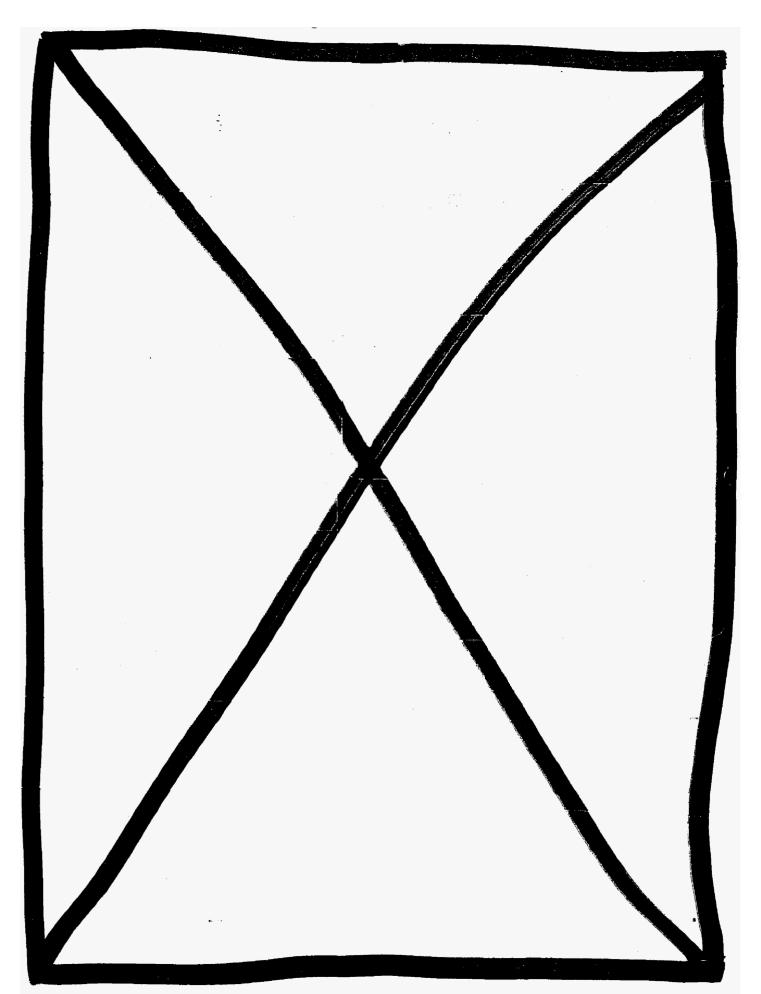


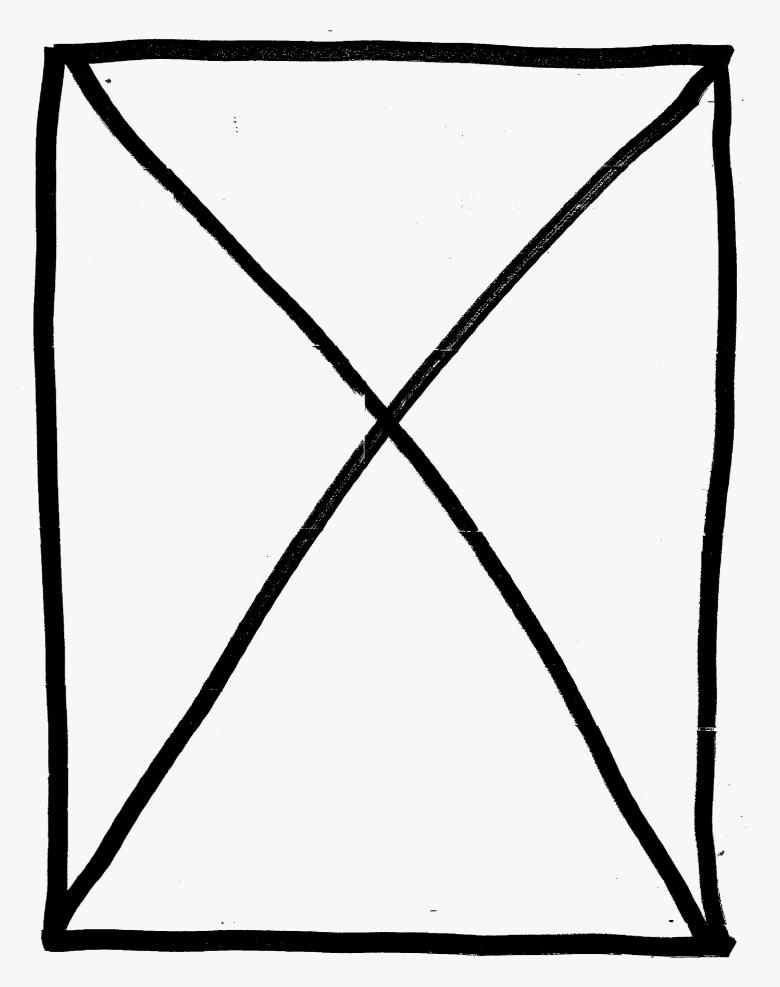
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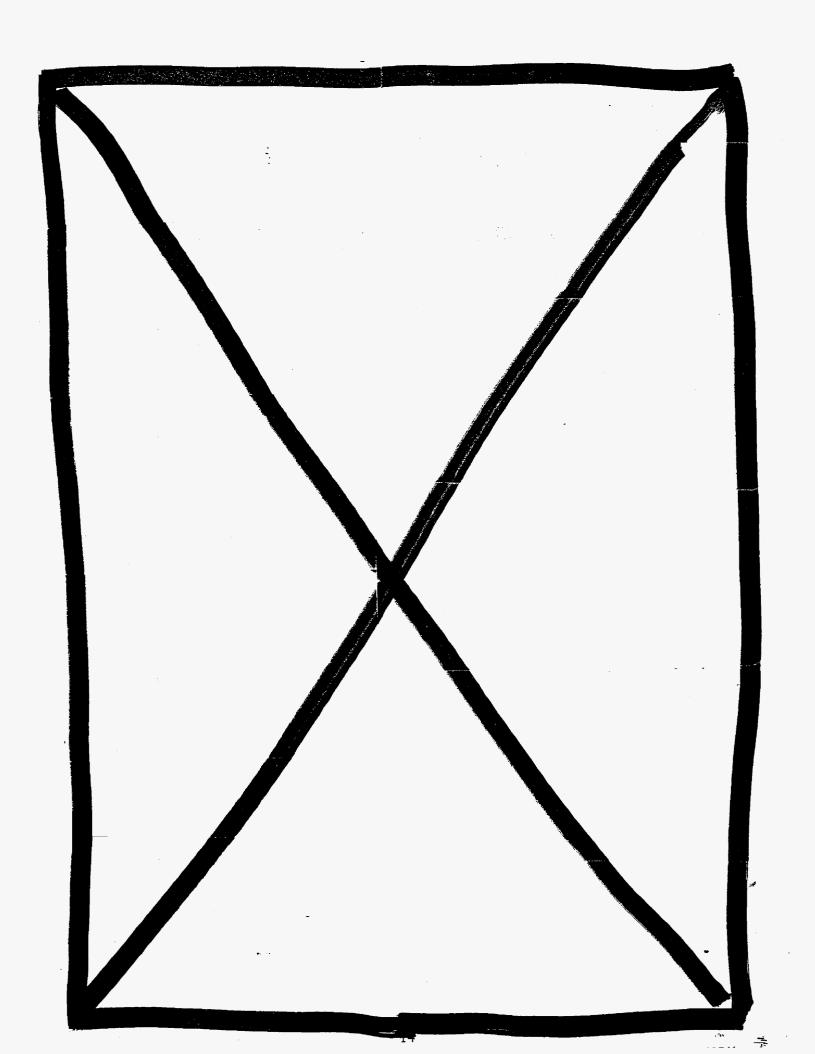


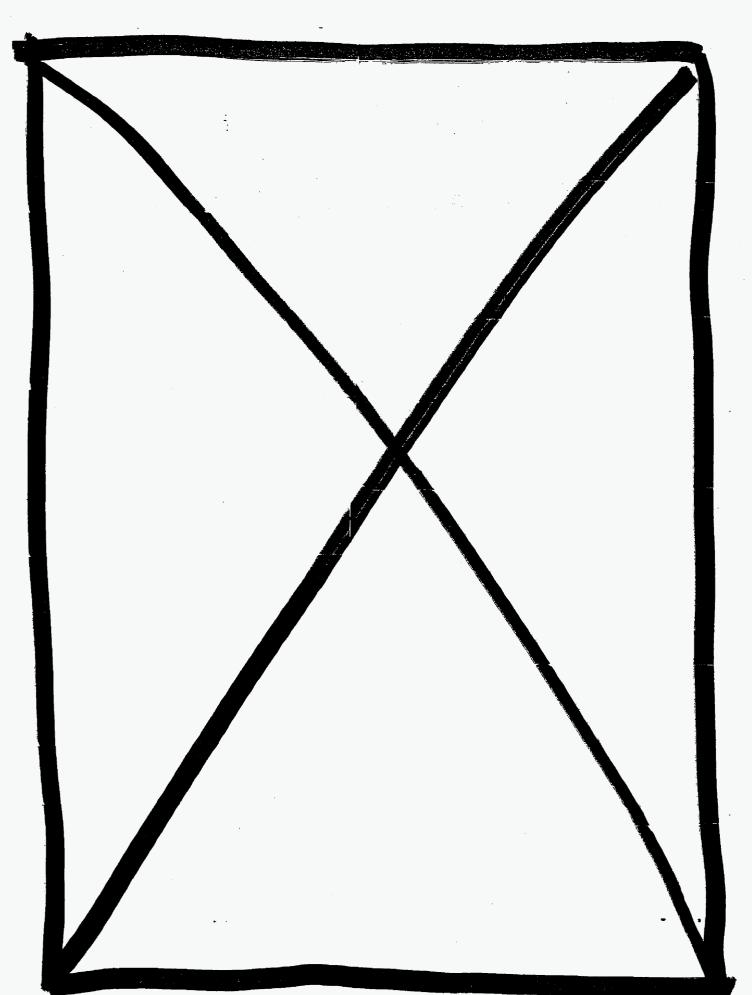


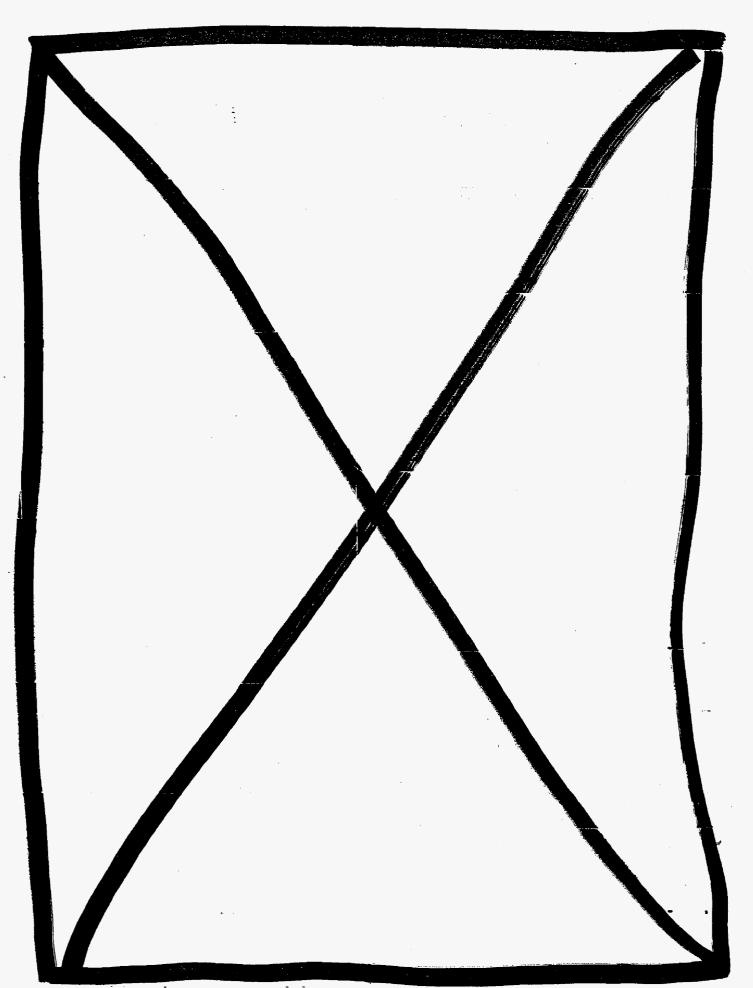


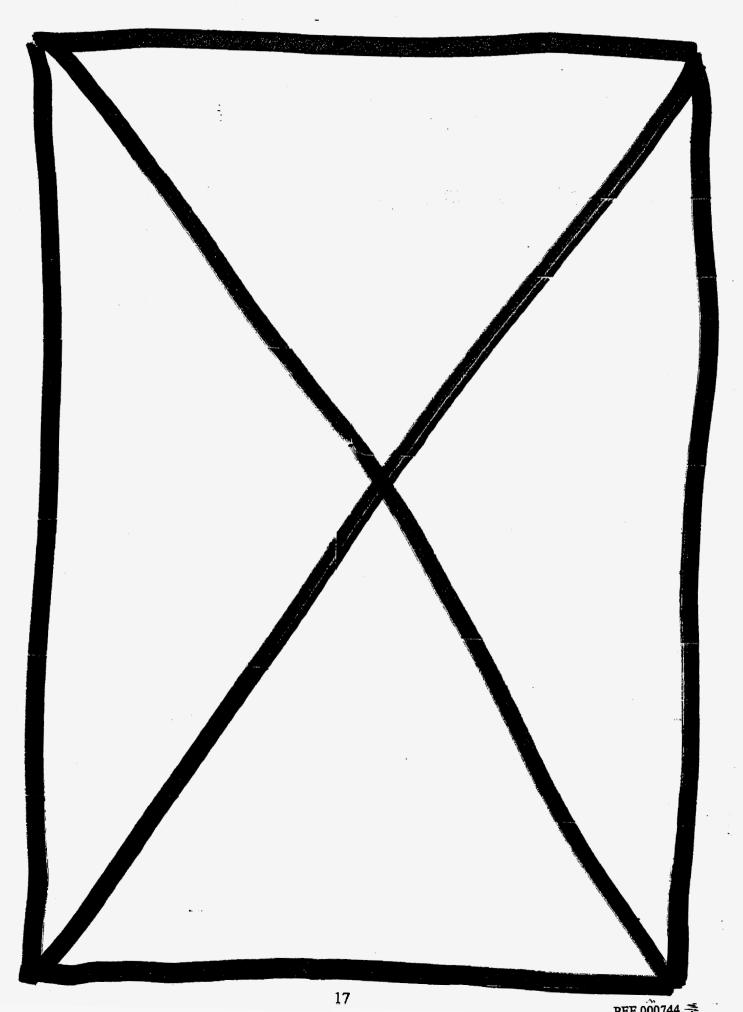


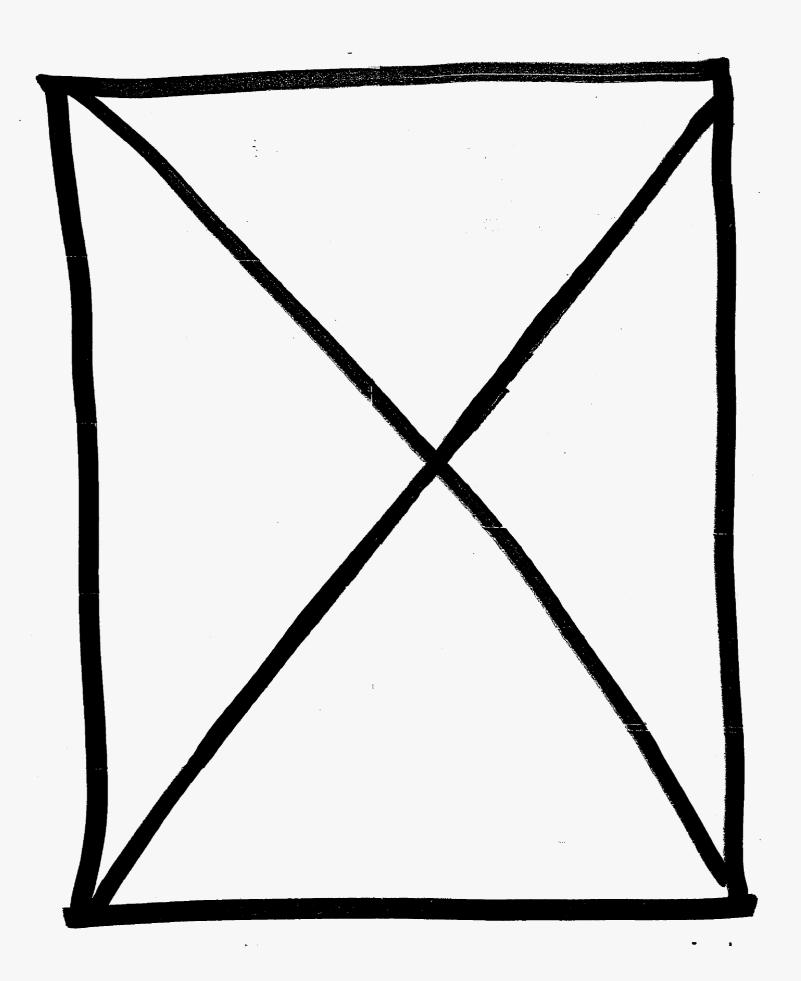


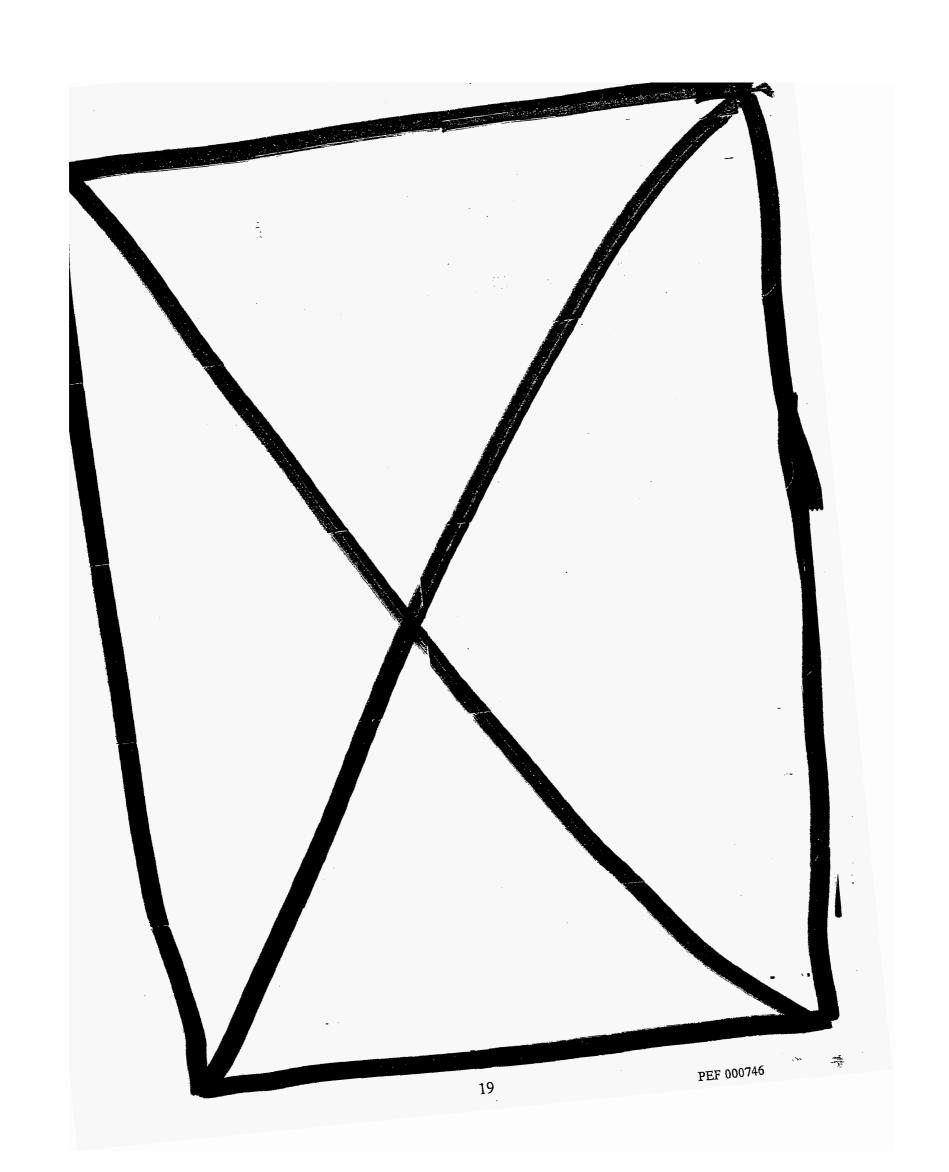


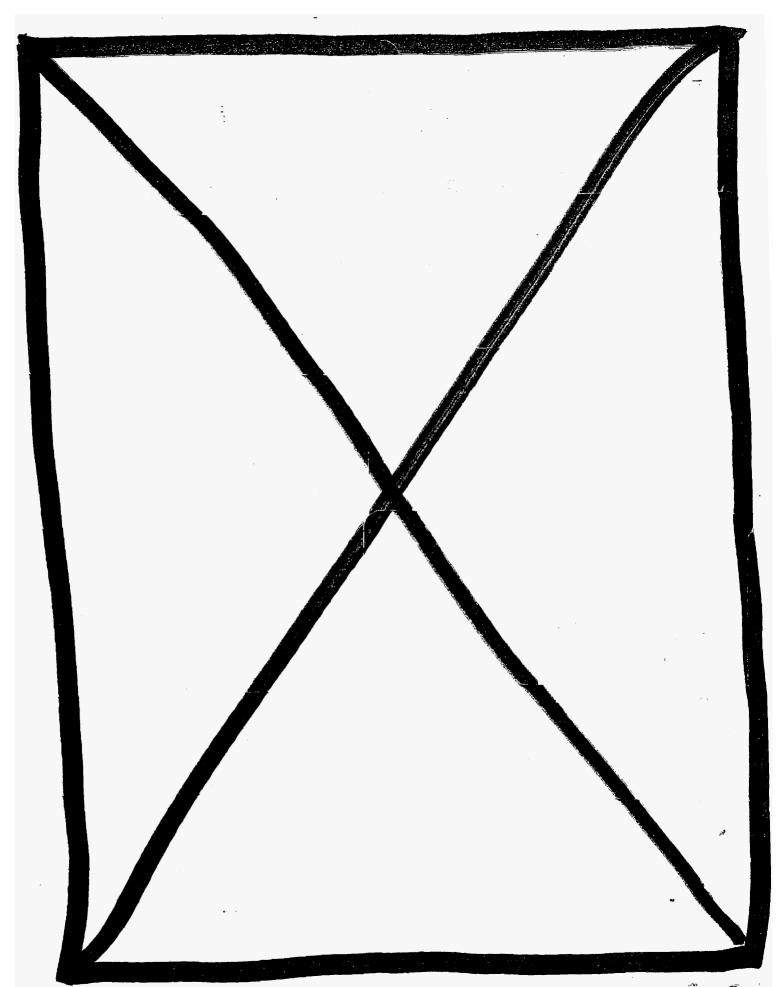


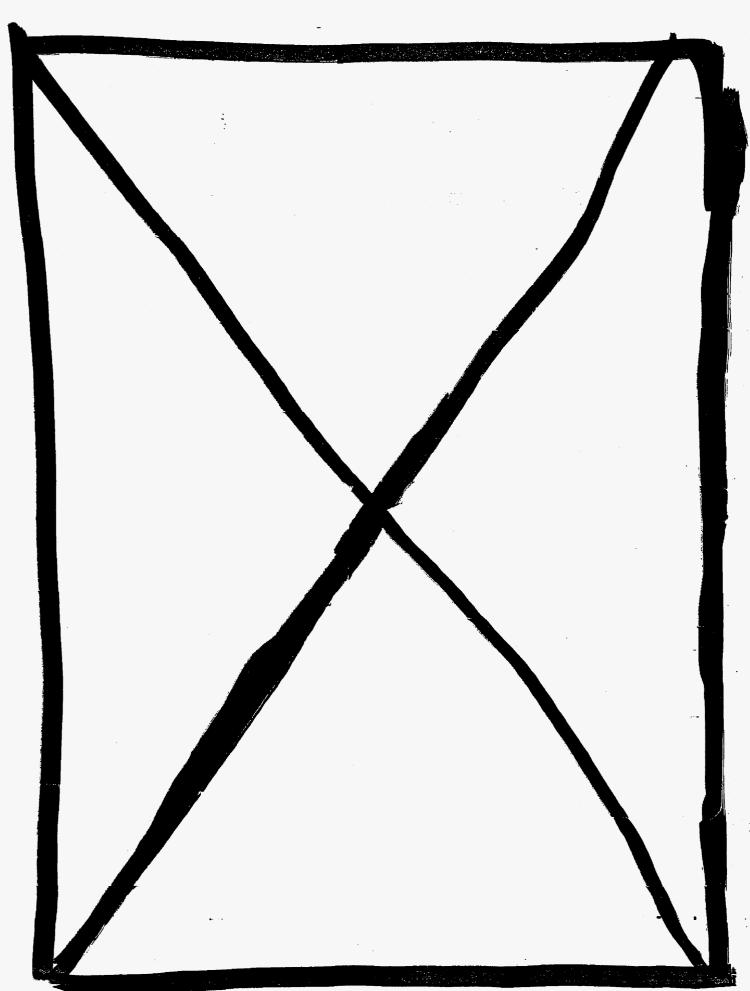


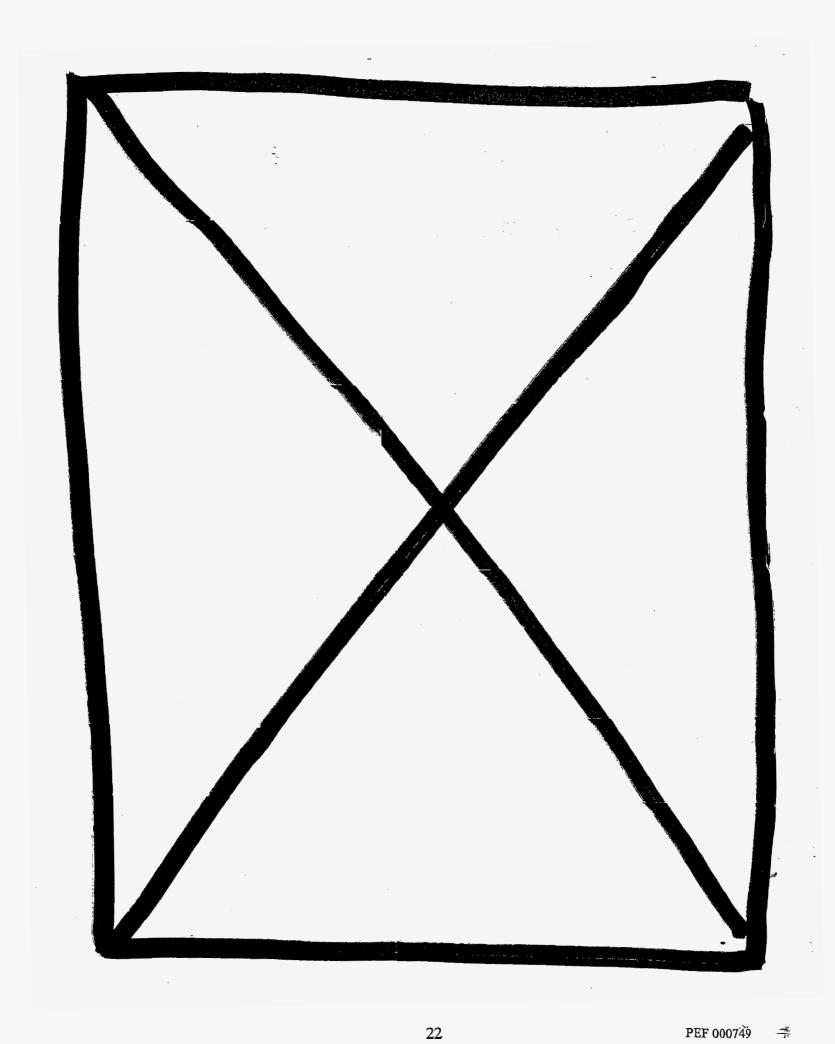




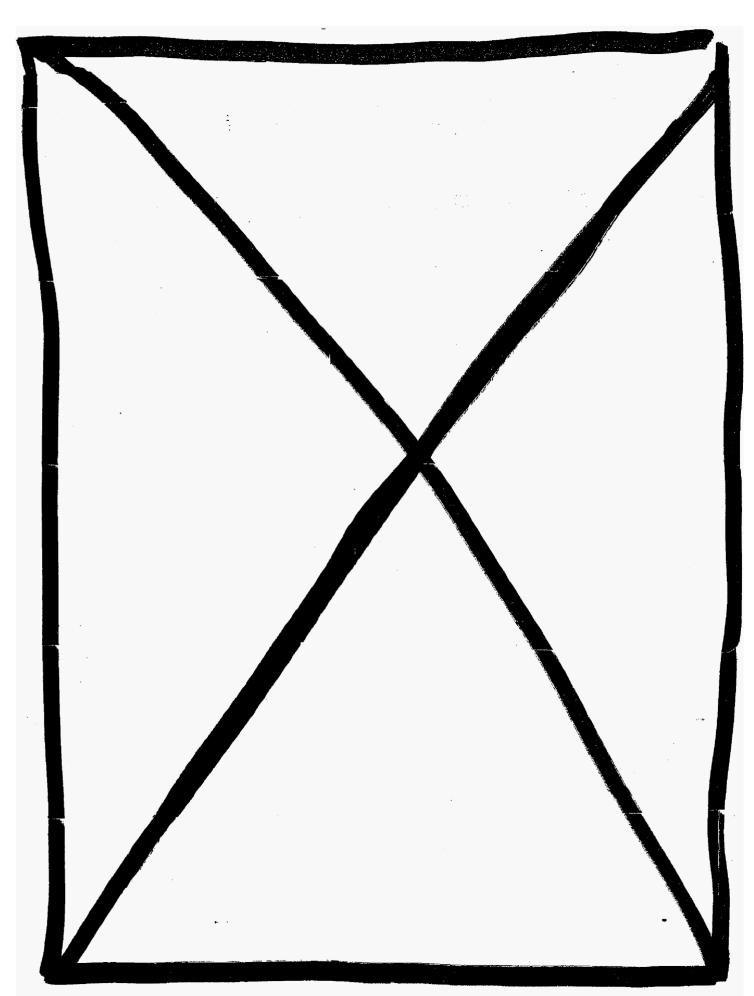




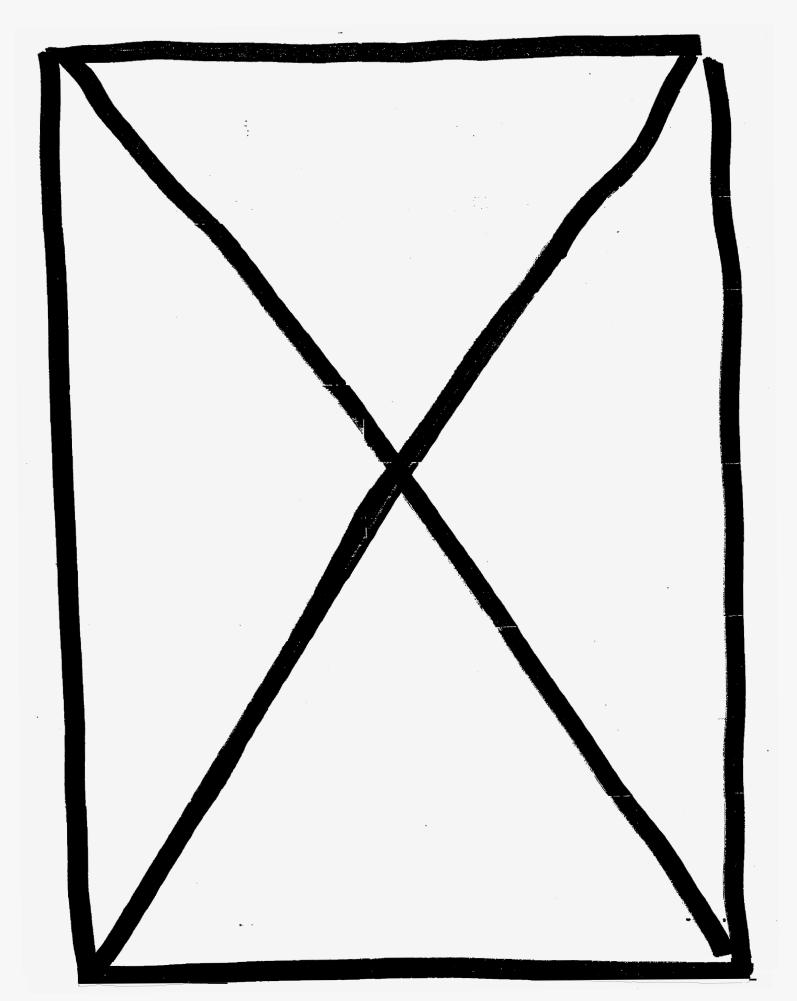


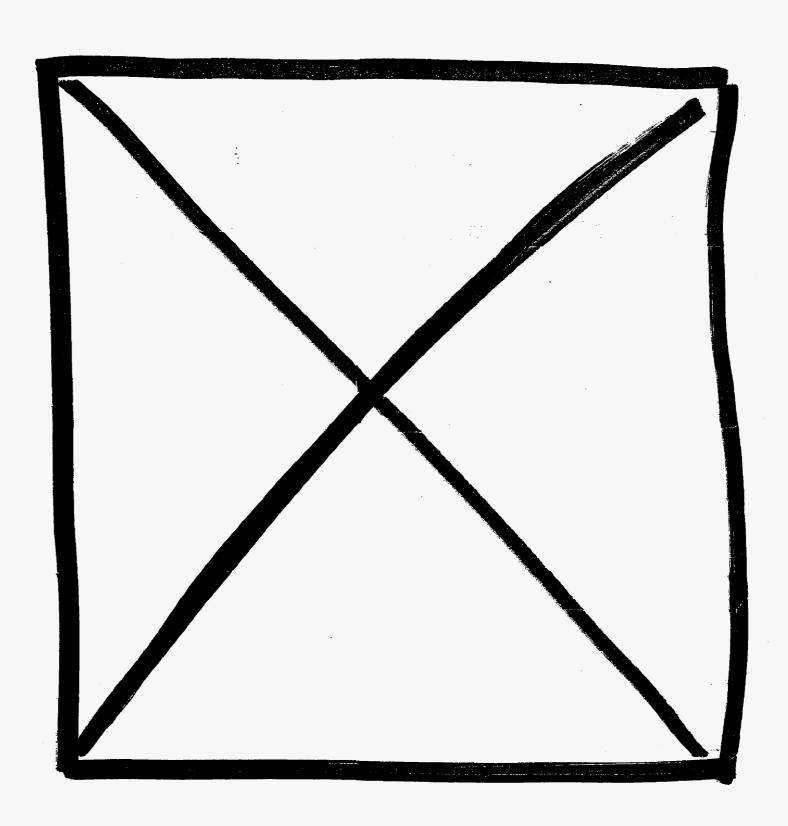


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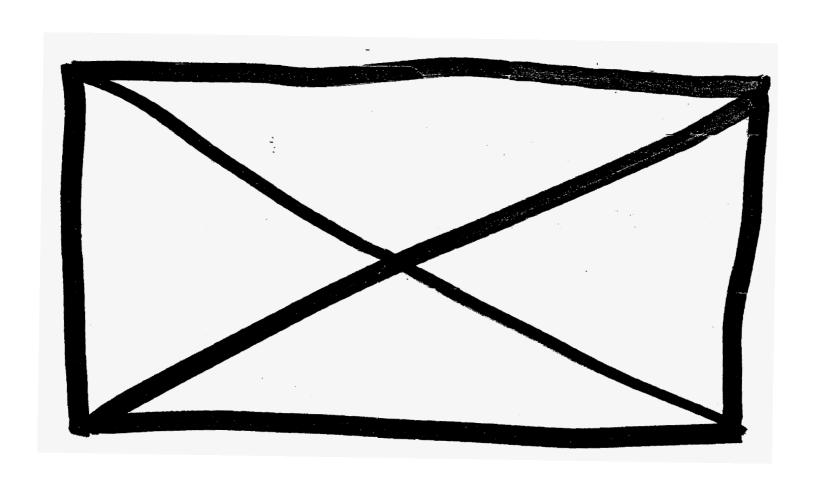


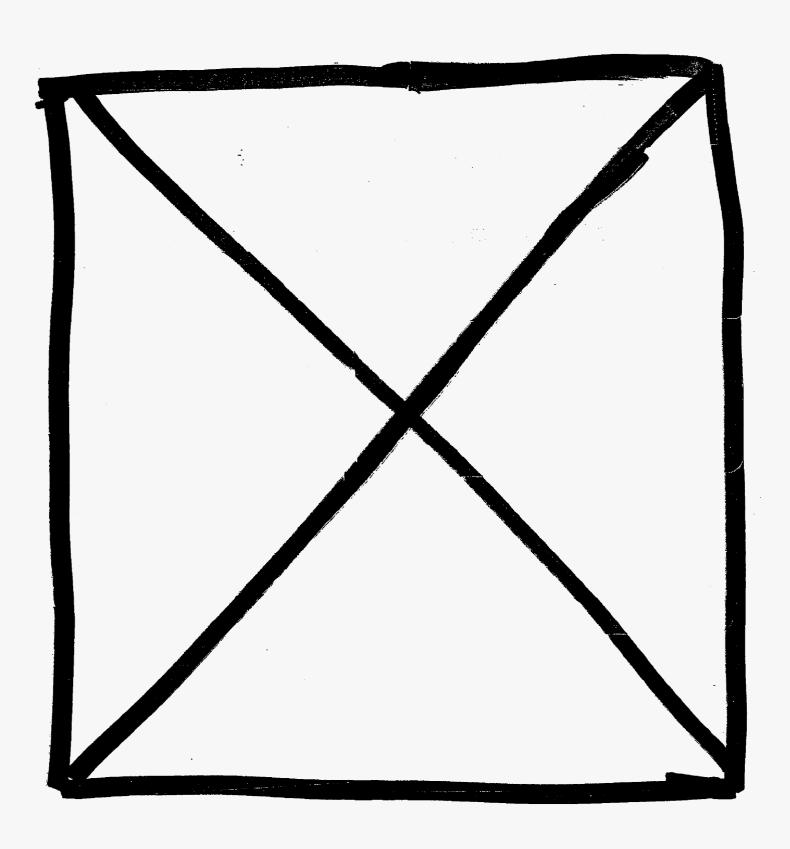
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