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August 1, 2012

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COMMISSION
CLERK

VIA HAND DELIVERY

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
Betty Easley Conference Center
2540 Shumard Oak Boulevard, Room 110
Tallahassee, FL 32399-0850

claim of confidentiality
 notice of intent
 request for confidentiality
 filed by OPC

For DN 05204-12, which
is in locked storage. You must be
authorized to view this DN.-CLK

Re: Docket No. 120001-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are an original and seven (7) copies of FPL's Request for Confidential Classification of Certain Information on FPL's 2013 Risk Management Plan (Exhibit GJY-2). The original includes Exhibits A through D. The copies include Exhibits C and D only.

Exhibit A contains the confidential information that is the subject of FPL's Request for Confidential Classification. Exhibit A is submitted for filing separately and marked "EXHIBIT A" - CONFIDENTIAL. Exhibit B is an edited version of Exhibit A, in which the information FPL asserts is confidential has been redacted. Exhibit C contains FPL's justification for its Request for Confidential Classification. Exhibit D contains the Affidavit of Gerard Yupp in support of FPL's Request for Confidential Classification. Also included herewith is a compact disc containing FPL's Request for Confidential Classification and Exhibit C, in Microsoft Word format.

Please contact me should you or your Staff have any questions regarding this filing.

Sincerely,

John T. Butler

COM _____
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APA _____
ECO _____
ENG _____
GCL _____
IDM _____
TEL _____
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Enclosures
cc: parties of record, w/o exhibits

DOCUMENT NUMBER: DATE
05203 AUG-1 12
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power)
Cost Recovery Clause with Generating)
Performance Incentive Factor.)
_____)
Docket No. 120001-EI
Filed: August 1, 2012

**FLORIDA POWER AND LIGHT COMPANY'S
REQUEST FOR CONFIDENTIAL CLASSIFICATION
OF CERTAIN INFORMATION ON FPL'S 2013 RISK MANAGEMENT PLAN**

Pursuant to Section 366.093, Florida Statutes (2011), and Rule 25-22.006, Florida Administrative Code (2011), Florida Power & Light Company ("FPL") requests confidential classification of certain information (the "Confidential Information") contained in FPL's 2013 Risk Management Plan ("Hedging Plan"), which is Appendix III to the 2012 estimated/actual true-up petition that is being filed in this docket on August 1, 2012. In support of its Request, FPL states as follows:

1. FPL is filing its 2013 Risk Management Plan, Appendix III to the 2012 estimated/actual true-up petition contemporaneously with this request.
2. The following exhibits are included with and made a part of this request:
 - a. Composite Exhibit A consists of a copy of the Hedging Plan in which all the Confidential Information has been highlighted.
 - b. Composite Exhibit B consists of two copies of the Hedging Plan in which all the Confidential Information has been redacted (for the attachments in the Hedging Plan in which the entire attachment is confidential, FPL has included only identifying cover pages in Exhibit B).
 - c. Exhibit C is a table that identifies the specific line and page references to the confidential information for which FPL seeks confidential treatment. The table also references the specific statutory basis for confidentiality and to the affiant who supports the requested classification.

DOCUMENT NUMBER-DATE

05203 AUG-1 2012

FPSC-COMMISSION CLERK

d. Exhibit D consists of the affidavit of Gerard J. Yupp.

3. FPL submits that the highlighted information in Exhibit A is proprietary confidential business information within the meaning of Section 366.093(3). This information is intended to be and is treated by FPL as private, and its confidentiality has been maintained. Pursuant to Section 366.093, such information is entitled to confidential treatment and is exempt from the disclosure provisions of the public records law. Thus, once the Commission determines that the information in question is proprietary confidential business information, the Commission is not required to engage in any further analysis or review such as weighing the harm of disclosure against the public interest in access to the information.

4. As the affidavit in Exhibit D indicates, certain documents provided by FPL contain information related to the Hedging Plan which comprise of details of FPL's strategy and plans for hedging fuel purchases in 2013 and beyond. This information constitutes trade secrets of FPL, which allow FPL to hedge its fuel purchases on favorable terms for FPL and its customers. The disclosure of this trade-secret information would provide other market participants insight into FPL's marketing and trading practices as well as internal policy and procedures, which would allow them to anticipate FPL's marketing and trading decisions and/or impair FPL's ability to negotiate, to the detriment of FPL and its customers. This information is protected by Section 366.093(3)(a), Fl. Stat.

5. Additionally, the Confidential Information contained in the Hedging Plan includes information that relates to hedging-related bids or other contractual data, the disclosure of which would impair the efforts of FPL to hedge on favorable terms, to the detriment of FPL and its customers. This information is protected by Section 366.093(3)(d), Fla. Stat.

6. Lastly, the Confidential Information also relates to competitive interests, and its disclosure would impair the competitive business of FPL. This information is protected by Section 366.093(3)(e), Fla. Stat.

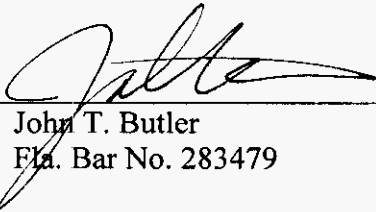
7. Upon a finding by the Commission that the Confidential Information highlighted in Exhibit A and referenced in Exhibit C is proprietary confidential business information, the information should not be declassified for at least eighteen (18) months and should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business. *See* §366.093(4), Fla. Stat. (2011).

WHEREFORE, for the above and foregoing reasons, as more fully set forth in the supporting materials and affidavits included herewith, Florida Power & Light Company respectfully requests that its Request for Confidential Classification be granted.

Respectfully submitted,

R. Wade Litchfield, Esq.
Vice President and General Counsel
John T. Butler, Esq.
Assistant General Counsel – Regulatory
Florida Power & Light Company
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Telephone: (561) 304-5639
Facsimile: (561) 691-7135

By: _____


John T. Butler
Fla. Bar No. 283479

CERTIFICATE OF SERVICE

Docket No. 120001-EI

I HEREBY CERTIFY that a true and correct copy of the foregoing Request for Confidential Classification(*) has been furnished by hand delivery (**) or United States Mail this 1st day of August 2012, to the following:

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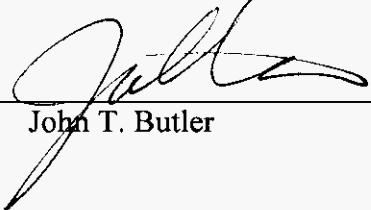
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John T. Butler

*Exhibits to this Request are not included with the service copies, but a redacted version of Exhibit B is included with the testimony of Mr. Keith that is being served on all parties, and copies of Exhibits C and D are available upon request.

1 will substantially impair market functions); FPL will implement its hedging
2 program within the following parameters:

3 **Natural Gas**

- 4 1) FPL will hedge approximately [REDACTED] of its projected 2014 natural gas
5 requirements within the Hedging Window during 2013. This hedge
6 percentage is consistent with 2013 hedge levels and is within FPL's
7 system base load requirements. FPL will hedge approximately [REDACTED]
8 of each individual month's projected natural gas requirements.
- 9 2) FPL will utilize [REDACTED] to
10 hedge its projected natural gas requirements.
- 11 3) FPL will execute its natural gas hedges for 2014 from [REDACTED]
12 through [REDACTED] as shown below:

13 **Hedging Window**

14 [REDACTED]
15 [REDACTED]

16 During each month of the Hedging Window, FPL will hedge the
17 percentages shown of its projected 2014 natural gas requirements. FPL
18 will have flexibility within any given month to determine the appropriate
19 timing for executing hedges.

- 20 4) FPL intends to rebalance its natural gas hedge positions during the year
21 based on changes in forecasted market prices, projected unit outage
22 schedules or changes in FPL's load forecast. Once the initial monthly
23 target volumes have been hedged, rebalancing will be executed to
24 maintain the hedge percentages inside approved tolerance bands. The
25 monthly tolerance bands for natural gas are [REDACTED]. Therefore, the
26 minimum and maximum monthly hedge percentages are [REDACTED] and [REDACTED]
27 respectively.

Heavy Fuel Oil

As explained below, FPL does not intend to hedge heavy fuel oil for 2014.

A number of factors have led to a large drop in FPL's heavy oil burn projections for 2014. Projections can vary drastically from actuals due to operational constraints, unit outages or unexpected weather conditions. However, with the modernized Cape Canaveral gas unit coming on line in 2013 and the modernized Riviera gas unit coming on line in 2014; it is reasonable to expect lower heavy oil consumption. FPL is currently estimating approximately 120,000 barrels of heavy oil consumption from May 2014 through October 2014. It is worth noting that 120,000 barrels of heavy oil consumption is equivalent to approximately 0.77 Bcf of natural gas consumption or, less than 1/2 day of typical gas usage in the summer period.

- COM _____
- ~~AED~~ _____
- APA _____
- ECO _____
- ENG _____
- GCL _____
- IDM _____
- TEL _____
- CLK _____

- / FPL currently hedges █████ of heavy oil burns and is required to keep hedges within a certain percentage band. However, the projected heavy oil burns are so low that small changes in projected fuel burns often require FPL to rebalance insignificant volumes because total hedges fall outside of the required band. Rebalancing such small volumes of heavy oil thus adds unnecessary transaction activity and costs, while doing little for providing fuel price certainty.

Reporting System for Fuel Procurement Activities (TFB-4, Items 13 and 14)

FPL reporting systems comprehensively identify, measure, and monitor all forms of risk associated with fuel procurement activities.

FPL's philosophy on reporting is that it should be timely, consistent, flexible, and transparent. Timely and consistent reporting of risk information is critical to the effective management of risk. The utility has sufficient systems capability for identifying, measuring, and monitoring all types of risk associated with fuel procurement activities. These systems include: deal capture, current and historical pricing database, deal information, and valuation models, and a reporting system that utilizes the information in the trade capture system and the database.

Specifically, several reports are available at FPL to monitor risk:

Daily Management Report

For each business day there should be a formal report produced in hard copy or electronically, for distribution to business and desk heads and members of the EMC. This report should detail the current energy, spot and forward, unrealized profit and loss, VaR, and position amounts. This report should be published only after proper and thorough discussion between Risk Management and desk heads, if necessary for clarification, and resolution of any issues raised.

Credit Exposure Reporting

For each business day there should be a formal report produced in hard copy or electronically, for distribution to business and desk heads and members of the EMC. This report should detail:

- Allowable deal types by counterparty
- Restrictions on counterparties

**REDACTED VERSION OF CONFIDENTIAL DOCUMENTS
PAGES 9 THROUGH 64**

TRADING AND RISK MANAGEMENT PROCEDURES MANUAL

**REDACTED VERSION OF CONFIDENTIAL DOCUMENTS
PAGES 66 THROUGH 90**

ENERGY TRADING AND RISK MANAGEMENT POLICY

**REDACTED VERSION OF CONFIDENTIAL DOCUMENTS
PAGES 91 THROUGH 99**

PLANNED POSITION STRATEGY

EXHIBIT C

COMPANY: Florida Power & Light Company
TITLE: List of Confidential Exhibits
DOCKET NO.: 120001-EI
DOCKET TITLE: Levelized Fuel Cost Recovery and Capacity Cost Recovery
SUBJECT: FPL's 2013 Risk Management Plan
DATE: August 1, 2012

Description	Page No.	Conf. Y/N	Line Nos.	Florida Statute 366.093(3) Subsection	Affiant
FPL 2013 Risk Management Plan	5	Yes	Lines 4, 7, 9, 11, 12, 14, 15, 25 and 26	(a),(d),(e)	G. Yupp
FPL 2013 Risk Management Plan	6	Yes	Line 1	(a),(d),(e)	G. Yupp
Trading and Risk Management Procedures Manual	9 through 64	Yes	All	(a),(d),(e)	G. Yupp
Energy Trading and Risk Management Policy	66 through 90	Yes	All	(a),(d),(e)	G. Yupp
Planned Position Strategy	91 through 99	Yes	All	(a),(d),(e)	G. Yupp

EXHIBIT D

**BEFORE THE FLORIDA
PUBLIC SERVICE COMMISSION**

In re: Fuel and Purchased Power Cost)
Recovery Clause with Generating)
Performance Incentive Factor)

Docket No. 120001-EI

STATE OF FLORIDA)
)
COUNTY OF PALM BEACH)

AFFIDAVIT OF GERARD J. YUPP

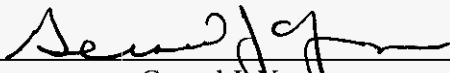
BEFORE ME, the undersigned authority, personally appeared Gerard J. Yupp who, being first duly sworn, deposes and says:

1. My name is Gerard J. Yupp. I am currently employed by Florida Power & Light Company ("FPL") as Senior Director of Wholesale Operations in the Energy Marketing and Trading Division. I have personal knowledge of the matters stated in this affidavit.


2. I have reviewed the documents and information included in Exhibit A to FPL's Request for Confidential Classification of its 2013 Risk Management Plan. The documents and material in Exhibit A which are asserted by FPL to be proprietary confidential business information are comprised of the details of FPL's strategy and plans for hedging fuel purchases in 2013 and beyond. This information constitutes trade secrets of FPL, which allow FPL to hedge its fuel purchases on favorable terms for FPL and its customers. The disclosure of this trade-secret information would provide other market participants insight into FPL's marketing and trading practices as well as internal policy and procedures, which would allow them to anticipate FPL's marketing and trading decisions and/or impair FPL's ability to negotiate, to the detriment of FPL and its customers. Additionally, the confidential information contained in the 2013 Risk Management Plan relates to competitive interests and hedging-related bids or other contractual data, the disclosure of which would impair the competitive business as well as the efforts of FPL to contract for goods and services on favorable terms. To the best of my knowledge, FPL has maintained the confidentiality of these documents and materials.

3. Consistent with the provisions of the Florida Administrative Code, such materials should remain confidential for a period of eighteen (18) months. In addition, they should be returned to FPL as soon as the information is no longer necessary for the Commission to conduct its business so that FPL can continue to maintain the confidentiality of these documents

4. Affiant says nothing further.


Gerard J. Yupp

SWORN TO AND SUBSCRIBED before me this 30th day of July 2012, by Gerard J. Yupp, who is personally known to me or who has produced FL Driver's License type of identification) as identification and who did take an oath.


Notary Public, State of Florida

My Commission Expires:

