

ORIGINAL



March 22, 2000

VIA OVERNIGHT MAIL

Ms. Blanca S. Bayó
Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

CO MAR 23 AM 10:30
MAIL ROOM

Re: Docket No. 981268-EI - Consummation Report.

Dear Ms. Bayó:

Pursuant to the requirements of the Commission's Order No. PSC-98-1611-FOF-EI issued December 3, 1998, I enclose herewith for filing one executed original, one conformed copy and one copy on a diskette, with exhibits, of a Consummation Report dated March 22, 2000 for Florida Power Corporation in the above-referenced docket. The copy on the diskette consists of four files as follows:

ConsumRp.00.doc	Consummation Report in MS Word format
Consumm.xls	Exhibit 1 in Excel format
Pwrcrda.99a.wpd	Exhibit (a)-2 in Word Perfect format
BancOne.doc	Exhibit (a)-5 in MS Word format

Please acknowledge your receipt of the Consummation Reports by date-stamping the enclosed copy of this letter and returning it to me using the enclosed, self-addressed and stamped envelope provided for this purpose.

- AFA 1
- APP _____
- CAF _____
- CMG _____
- OTR _____
- EAG _____
- LEG _____
- MAS _____
- OPC _____
- RRR _____
- SEC gtd
- WAW _____
- OTH _____

Enclosures

cc: Kenneth E. Armstrong
Rodney E. Gaddy
Jack Shreve

Very truly yours,
Douglas E. Wentz
Douglas E. Wentz

RECEIVED & FILED
[Signature]
EPSC-BUREAU OF RECORDS

DOCUMENT NUMBER - DATE
03676 MAR 23 8
EPSC-RECORDS/REPORTING

DOCKET NO. 981268-EI

ORIGINAL

FLORIDA PUBLIC SERVICE COMMISSION

TALLAHASSEE, FLORIDA

CONSUMMATION REPORT

TO

APPLICATION OF

FLORIDA POWER CORPORATION

FOR AUTHORITY TO ISSUE AND SELL

SECURITIES DURING 1999

PURSUANT TO FLORIDA STATUTES, SECTION 366.04

AND RULE 25-8, FLORIDA ADMINISTRATIVE CODE

Address communications in connection with this Consummation Report to:

Kenneth E. Armstrong
Vice President and General Counsel
Florida Power Corporation
One Progress Plaza
St. Petersburg, FL 33701

Dated: March 22, 2000

DOCUMENT NUMBER-DATE

03676 MAR 23 8

FPSC-REG/REG/REPORTING

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**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In Re: APPLICATION OF FLORIDA POWER)
CORPORATION FOR AUTHORITY TO)
ISSUE AND SELL SECURITIES DURING) DOCKET NO. 981268-EI
1999 PURSUANT TO FLORIDA STATUTES)
SECTION 366.04 AND CHAPTER 25-8,)
FLORIDA ADMINISTRATIVE CODE)

The Applicant, Florida Power Corporation (the "Company"), pursuant to Commission Order No. PSC-98-1611-FOF-EI issued December 3, 1998 (the "Order"), hereby files its Consummation Report as required by the terms of such Order and pursuant to Rule 25-8.009, Florida Administrative Code.

(1) The Company did not issue any medium-term notes, first mortgage bonds or other debt or equity securities during calendar year 1999, except for (i) commercial paper and (ii) notes that were delivered to various banks to evidence the extension of the Company's short-term revolving credit agreement (although no funds were actually borrowed by the Company under those notes and that credit agreement).

The Company regularly issues commercial paper for terms up to but not exceeding 270 days from the date of issuance. The commercial paper is issued pursuant to a Commercial Paper Dealer Agreement dated December 22, 1988 with Merrill Lynch Money Markets Inc., as amended by a Letter Agreement dated November 18, 1997 (the "Merrill CP Agreement"), and a Letter Agreement dated November 20, 1992 with Banc One Capital Markets, Inc. (successor to First Chicago Capital Markets, Inc.), as amended by a Letter Agreement dated December 4, 1997 (the "Banc One CP Agreement"). The commercial paper is sold at a discount, including the

underwriting discount of the commercial paper dealer, at a rate comparable to interest rates being paid in the commercial paper market by borrowers of similar creditworthiness. Given the frequency of these sales, it is not practicable to give the details of each issue. However, the Company's 1999 commercial paper activity can be summarized as follows:

1999 Commercial Paper Activity
(\$ in thousands)

Commercial paper issued:	\$4,697,700
Commercial paper matured:	\$4,591,864
Average outstanding:	\$ 193,703
Weighted average yield:	5.174%
Weighted average term:	15 days

As back-up for its commercial paper program, the Company has executed (i) a First Amendment dated November 16, 1999, to a Third Amended and Restated Credit Agreement A with The Chase Manhattan Bank (National Association) ("Chase") as agent for the lenders named therein, dated as of November 17, 1998, providing for short-term loans to the Company in the aggregate principal amount not exceeding \$200,000,000 ("Credit Agreement A"), and (ii) a Third Amended and Restated Credit Agreement B with Chase, as agent for the lenders named therein, dated as of November 17, 1998, providing for long-term loans to the Company in the aggregate principal amount not exceeding \$200,000,000 ("Credit Agreement B"). The terms of Credit Agreements A and B expire on November 14, 2000 and November 30, 2003, respectively. No loans have as yet been made to the Company pursuant to the Credit Agreements. For accounting purposes, the Company classifies monies borrowed under, and commercial paper backed by, Credit Agreement B as long-term debt.

A statement showing capitalization, pretax interest coverage, and debt interest and preferred stock dividend requirements at December 31, 1999 is attached hereto as Exhibit 1.

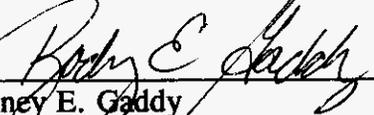
Additional details concerning the foregoing are contained in the following exhibits filed herewith (with the exhibit numbers corresponding to the applicable paragraph number of Chapter 25-8, Rule 25-8.009 of the Florida Administrative Code):

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
(1)	Statement showing actual capitalization and pre-tax interest coverage, together with debt interest and preferred stock dividend requirements as of December 31, 1999.
(a)-1	Third Amended and Restated Credit Agreement A dated as of November 17, 1998, between the Company, the Lenders named therein and Chase, as agent for the Lenders. (Filed as Exhibit (a)-1 to the Company's Consummation Report dated March 30, 1999, as filed with the Commission on March 31, 1999 in Docket No. 971311-EI, and incorporated herein by reference).
(a)-2	First Amendment dated November 16, 1999 to Third Amended and Restated Credit Agreement A dated as of November 17, 1998, between the Company, the Lenders named therein and Chase, as agent for the Lenders.
(a)-3	Third Amended and Restated Credit Agreement B dated as of November 17, 1998, between the Company, the Lenders named therein and Chase, as agent for the Lenders. (Filed as Exhibit (a)-2 to the Company's Consummation Report dated March 30, 1999, as filed with the Commission on March 31, 1999 in Docket No. 971311-EI, and incorporated herein by reference).
(a)-4	Commercial Paper Issuer memorandum dated November 17, 1998 of Merrill Lynch Money Markets Inc. (Filed as Exhibit (a)-3 to the Company's Consummation Report dated March 30, 1999, as filed with the Commission on March 31, 1999 in Docket No. 971311-EI, and incorporated herein by reference).
(a)-5	Commercial Paper Offering Memorandum dated August 11, 1999 of Banc One Capital Markets, Inc. (successor to First Chicago Capital Markets, Inc.).

- (d)-1 Commercial Paper Dealer Agreement dated December 22, 1988 between the Company and Merrill Lynch Money Markets Inc. (Filed as Exhibit (d)-1 to the Company's Consummation Report dated March 26, 1997, as filed with the Commission in Docket No. 951229-EI on March 27, 1997, and incorporated herein by reference.)
- (d)-2 Letter Agreement dated November 18, 1997 from the Company to Merrill Lynch Money Markets, Inc. regarding the increase in the maximum amount of Commercial Paper outstanding from \$400 to \$500 million. (Filed as Exhibit (d)-2 to the Company's Consummation Report dated September 18, 1997 as filed with the Commission on September 22, 1997 in Docket No. 961216-EI and incorporated herein by reference.)
- (d)-3 Letter Agreement dated November 20, 1992 between the Company and Banc One Capital Markets, Inc. (successor to First Chicago Capital Markets, Inc.) relating to the Company's commercial paper. (Filed as Exhibit (d)-2 to the Company's Consummation Report dated March 26, 1997, as filed with the Commission in Docket No. 951229-EI on March 27, 1997, and incorporated herein by reference.)
- (d)-4 Letter dated December 4, 1997 from the Company to Banc One Capital Markets, Inc. (successor to First Chicago Capital Markets, Inc.) regarding increase in maximum amount of Commercial Paper outstanding from \$400 to \$500 million. (Filed as Exhibit (d)-2 to the Company's Consummation Report dated September 18, 1997 as filed with the Commission on September 22, 1997 in Docket No. 961216-EI and incorporated herein by reference.)

Respectively submitted this
22nd day of March, 2000.

FLORIDA POWER CORPORATION

By: 
Rodney E. Gaddy
Assistant General Counsel

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EXHIBIT 1

**Statement showing capitalization, pre-tax interest coverage, and
debt interest and preferred stock dividend requirements at December 31, 1999.**

EXHIBIT 1

FLORIDA POWER CORPORATION SELECTED FINANCIAL DATA

CAPITALIZATION:

Florida Power's capitalization at December 31, 1999:

Debt:	Interest Rate	Amount Outstanding (in millions)
First mortgage bonds		
Maturing 2003 through 2023	6.94% (a)	\$510.0
Pollution control refunding revenue bonds		
Maturing 2014 through 2027	6.59% (a)	240.9
Medium-term notes		
Maturing 2000 through 2028	6.64% (a)	607.9
Commercial paper, supported by revolver maturing November 30, 2003	5.93% (a)	200.0
Discount being amortized over term of bonds		(3.2)
Total long-term debt		<u>1,555.6</u>
Notes payable		153.1
Total debt		<u>\$1,708.7</u>

Preferred stock:

Without sinking funds, not subject to mandatory redemption:

	Dividend Rate	Current Redemption Price	Shares Outstanding	
	4.00% Series	\$104.25	39,980	\$4.0
	4.40% Series	\$102.00	75,000	7.5
	4.58% Series	\$101.00	99,990	10.0
	4.60% Series	\$103.25	39,997	4.0
	4.75% Series	\$102.00	80,000	8.0
Total preferred stock			<u>334,967</u> (b)	<u>33.5</u>
Common stock equity				<u>1,885.0</u>
Total capitalization				<u>\$3,627.2</u>

(a) Weighted average interest rate at December 31, 1999.

(b) Total authorized shares outstanding at December 31, 1999: 335,000.

EXHIBIT 1

**FLORIDA POWER CORPORATION
SELECTED FINANCIAL DATA**

PRE-TAX INTEREST COVERAGE:

Florida Power's pre-tax interest coverage for 1999 was 4.37.

DEBT INTEREST:

Florida Power's debt interest charges for 1999 were \$124.0 million.

PREFERRED STOCK DIVIDEND REQUIREMENTS:

Florida Power's preferred stock dividend requirements for 1999 were \$1.5 million.

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EXHIBIT (a)-2

**First Amendment dated November 16, 1999 to
Third Amended and Restated Credit Agreement B dated November 17, 1998**

FIRST AMENDMENT
TO
FLORIDA POWER CORPORATION
CREDIT AGREEMENT A

THIS FIRST AMENDMENT dated as of November 16, 1999 (this "Amendment"), to the THIRD AMENDED AND RESTATED CREDIT AGREEMENT A dated as of November 17, 1998 (the "Agreement") is by and between FLORIDA POWER CORPORATION, a corporation duly organized and validly existing under the laws of the State of Florida (the "Company"); each of the lenders that is a signatory to the Agreement or which, pursuant to Section 11.06(b) of the Agreement, shall become a "Lender" thereunder (individually, a "Lender" and, collectively, the "Lenders"); and THE CHASE MANHATTAN BANK, as agent for the Lenders (in such capacity, together with its successors in such capacity, the "Agent").

WHEREAS, the Company entered into the Agreement for the purpose of establishing a \$200,000,000 short-term (364 day) unsecured revolving credit facility, with an initial Commitment Termination Date (as defined in the Agreement) of November 16, 1999;

WHEREAS, pursuant to a letter dated as of August 16, 1999, and the terms in the definition of "Commitment Termination Date" in Section 1.01 of the Agreement, the Company has asked the Lenders to extend the Commitment Termination Date to November 14, 2000;

WHEREAS, the Company and the Lenders now wish to amend the Agreement to, among other things, (i) change the fee structure set forth therein, (ii) extend the Commitment Termination Date for an additional 364 days to November 14, 2000, and (iii) confirm the current Commitments of the Lenders.

NOW THEREFORE, the parties hereto, in consideration of the mutual covenants contained herein, and intending to be legally bound hereby, agree as follows:

1. Change of Fee Structure.

A. The definition of "Applicable Margin" set forth in Section 1.01 of the Agreement is hereby amended and restated to read in its entirety as follows:

"Applicable Margin" shall mean:

- (i) during each Class 1 Rating Period,
 - (A) with respect to Base Rate Loans, zero,
 - (B) with respect to Eurodollar Loans, 0.18%, and
 - (C) with respect to CD Loans, 0.305%;

- (ii) during each Class 2 Rating Period,
 - (A) with respect to Base Rate Loans, zero,
 - (B) with respect to Eurodollar Loans, 0.375%, and
 - (C) with respect to CD Loans, 0.50%; and
- (iii) during each Class 3 Rating Period,
 - (A) with respect to Base Rate Loans, zero,
 - (B) with respect to Eurodollar Loans, 0.55%, and
 - (C) with respect to CD Loans, 0.675%;

provided, however, that the Applicable Margin as determined pursuant to the foregoing shall be increased by 0.125% at any time that greater than 33% of the aggregate Commitments are utilized.

B. The definition of "Applicable Facility Fee Rate" set forth in Section 1.01 of the Agreement is hereby amended and restated to read in its entirety as follows:

"Applicable Facility Fee Rate" shall mean, a rate per annum equal to (a) during each Class 1 Rating Period, 0.07%; (b) during each Class 2 Rating Period, 0.125%; and (c) during each Class 3 Rating Period, 0.20%.

2. **Extension of Commitment Termination Date.** The first clause in the definition of "Commitment Termination Date" set forth in Section 1.01 of the Agreement is hereby amended and restated to read in its entirety as follows:

"Commitment Termination Date" shall mean, with respect to each Lender, November 14, 2000;

with the remainder of the definition of "Commitment Termination Date" remaining unchanged.

3. **Representations and warranties; covenants.**

A. All of the dates in the representations and warranties contained in Sections 7.02 and 7.03 of the Agreement shall be increased by one year, so that, among other things, the audited and unaudited consolidated balance sheets of the Company and its Consolidated Subsidiaries referred to in Section 7.02 shall be as of December 31, 1998 and September 30, 1999, respectively, and the Annual Report on Form 10-K and Quarterly Reports on Form 10-Q

referred to in Section 7.03 shall be as of December 31, 1998 and March 31, June 30 and September 30, 1999, respectively.

B. In Section 7 concerning Representations and Warranties in the Agreement, a new Section 7.12 shall be added to read in its entirety as follows:

7.12 Year 2000. Any reprogramming required to permit the proper functioning, in and following the year 2000, of (i) the Company's computer systems and (ii) equipment containing embedded microchips (including systems and equipment supplied by others or with which the Company's systems interface) and the testing of all such systems and equipment, as so reprogrammed, will be completed by December 31, 1999. The cost to the Company of such reprogramming and testing and of the reasonably foreseeable consequences of year 2000 to the Company (including, without limitation, reprogramming errors and the failure of others' systems or equipment) will not result in a Default or an Event of Default or have a material adverse effect on the consolidated financial condition, operations or business of the Company and its consolidated subsidiaries, taken as a whole.

C. In Section 8 concerning Covenants of the Company in the Agreement, a new Section 8.08 shall be added to read in its entirety as follows:

8.08 Year 2000. The Company will, and will cause each of its Consolidated Subsidiaries to, (a) reprogram and test its respective computer systems and equipment containing embedded microchips (including systems and equipment supplied by others or with which the Company's and its Consolidated Subsidiaries' systems interface) and (b) complete by December 31, 1999, any such programming and testing required to permit the proper functioning in all material respects of all such systems and equipment in and following the year 2000.

4. Confirmation of Commitments. Each Lender hereby confirms and agrees that its current Commitment under the Agreement, is the amount set forth opposite such Lender's name on the signature pages hereof under the caption "Commitment" (as the same may be increased or reduced from time to time pursuant to the terms of the Agreement).

5. Conditions of Effectiveness. This Amendment shall be effective as of the date hereof on the date when all of the following conditions shall have been met, and such date shall be the "Effective Date":

A. Counterparts of this Amendment shall have been executed by the Company and each of the Lenders;

B. The Agent shall have received an Assistant Secretary's Certificate (which includes an incumbency certificate), Officer's Certificate, and Opinion of Company Counsel, each

dated the date of this Amendment, in substantially the same form as required pursuant to Sections 6.01(a)-(b), (c) and (e) of the Agreement; and

C. The Company shall pay to the Agent, on behalf of each Lender, an up front fee of 0.03% on such Lender's Commitment.

6. **Notices.** Each party to this Amendment hereby confirms and agrees that its current address to which all notices and other communications shall be given or made under the Agreement is the "Address for Notices" specified below its name on the signature pages hereof, as such address may be changed from time to time pursuant to the terms of Section 11.02 of the Agreement.

7. **No further changes.** Except as set forth in this Amendment, the Agreement shall not be modified or amended hereby, and shall remain in full force and effect. On and after the date hereof, each reference in the Agreement or any Note to "this Agreement," "hereunder" or words of like import referring to the Agreement shall mean and be a reference to the Agreement, as amended hereby.

8. **Capitalized terms.** All capitalized terms contained in this Amendment and not otherwise defined herein shall have the meanings set forth in the Agreement.

9. **Counterparts.** This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Amendment by signing any such counterpart.

10. **Governing law.** This Amendment shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflicts of laws provisions thereof.

[This space intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the day and year first above written.

FLORIDA POWER CORPORATION

By Pamela A. Saari
Print Name: Pamela A. Saari
Print Title: Treasurer

Address for Notices:

One Progress Plaza, 11th Floor
St. Petersburg, Florida 33701

Telecopier No.: 727-820-5918

Telephone No.: 727-820-5874

Attention: Mr. Joseph E. Orfano

Sworn to and subscribed before me on this 9th day of November, 1999, in the State of New York, County of New York.

Mary Vorderer
Notary Public

MARY VORDERER
Notary Public, State of New York
No. 02VO5082185
Qualified in New York County
Commission Expires July 21, 2001

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Commitment
\$33,750,000

THE CHASE MANHATTAN BANK

By 

Print Name: **PAUL V. FARRELL**
Print Title: **VICE PRESIDENT**

Lending Office for all Loans
(other than Eurodollar Loans):

The Chase Manhattan Bank
270 Park Avenue
New York, New York 10017-2070

Lending Office for Eurodollar Loans:

The Chase Manhattan Bank
Cayman Islands,
British West Indies Branch
c/o The Chase Manhattan Bank
One Chase Manhattan Plaza
New York, New York 10081

Address for Notices:

The Chase Manhattan Bank
Global Power & Utilities
270 Park Avenue
New York, New York 10017-2070

Telecopier No.: 212/270-3089

Telephone No.: 212/270-7653

Attention: Mr. Paul V. Farrell

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Commitment
\$25,000,000

BANK OF AMERICA, N.A.
(Formerly known as NationsBank, N.A.)

By *Gretchen P. Burud*
Print Name: GRETCHEN P BURUD
Print Title: PRINCIPAL

Lending Office for all Loans:

Bank of America, N.A.
901 Main Street, 14th Floor
Dallas, TX 75202
Attn: Darren Boyer

Address for Notices:

Bank of America, N.A.
Corporate Center
NC1-007-16-13
100 North Tryon Street
Charlotte, NC 28255

Telecopier No.: 704-386-1319

Telephone No.: 704-386-8394

Attention: Ms. Gretchen P. Burud

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Commitment
\$25,000,000

FIRST UNION NATIONAL BANK

By 

Print Name: MICHAEL J. KOLOSOWSKY
Print Title: VICE PRESIDENT

Lending Office for all Loans

First Union National Bank
One First Union Center
301 South College Street
Charlotte, North Carolina 28288-0735

Address for Notices:

First Union National Bank
One First Union Center - NC0735
301 South College Street
Charlotte, North Carolina 28288-0735

Telecopier No.: 704-383-6670

Telephone No.: 704/383-8225

Attention: Mr. Michael J. Kolosowsky

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Commitment
\$23,750,000

SUNTRUST BANK, TAMPA BAY

By SM1, LR

Print Name: **FRANK A. COE**
Print Title: **Vice President**

Lending Office for all Loans:

SunTrust Bank
303 Peachtree St. N.E.
3rd Floor MAC 1930
Atlanta, GA 30308

Address for Notices:

SunTrust Bank
303 Peachtree St. N.E.
3rd Floor MAC 1930
Atlanta, GA 30308

Telecopier No.: 404/588-8505

Telephone No.: 404/658-4910

Attention: Mr. Frank A. Coe

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Commitment
\$23,750,000

BANK ONE, N.A.
(Formerly known as
The First National Bank of Chicago)

By 

Print Name: MADELEINE N. PEMBER
Print Title: Assistant Vice President

Lending Office for all Loans:

Bank One Capital Markets, Inc.
1 Bank One Plaza
Mail Code IL1-0363
Chicago, Illinois 60670

Address for Notices:

Bank One Capital Markets, Inc.
1 Bank One Plaza
Mail Code IL1-0363
Chicago, Illinois 60670

Telecopier No.: 312/732-3055

Telephone No.: 312/732-9781

Attention: Mr. William N. Banks

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Commitment
\$18,750,000

REVOLVING COMMITMENT
VEHICLE CORPORATION

By David Weintrob
Print Name: David P. Weintrob
Print Title: Vice President

Lending Office for all Loans::

Revolving Commitment Vehicle Corporation
500 Stanton Christiana Road
Newark, Delaware 19713

Address for Notices:

Morgan Guaranty Trust Company
of New York
60 Wall Street
New York, New York 10260-0060

Telecopier No.: 212/648-5014

Telephone No.: 212/648-9036

Attention: Ms. Kathryn Sayko-Yanes

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Commitment
\$18,750,000

PNC BANK, NATIONAL ASSOCIATION

By 
Print Name: **Brian M Begg**
Print Title: **Assistant Vice President**

Lending Office for all Loans:

PNC Bank, National Association
One PNC Plaza
3rd Floor
249 - 5th Avenue
Pittsburgh, PA 15222-2707

Address for Notices:

PNC Bank, National Association
One PNC Plaza
3rd Floor
249 - 5th Avenue
Pittsburgh, PA 15222-2707

Telecopier No.: 412/762-2571

Telephone No.: 412/762-2540

Attention: Mr. Christopher N. Moravec

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Commitment
\$18,750,000

WACHOVIA BANK, N.A.

By William R. McCamey
Print Name: William R. McCamey
Print Title: Vice President

Lending Office for all Loans:

Wachovia Bank, N.A.
191 Peachtree Street, N.E.
Atlanta, GA 30303-1757

Address for Notices:

Wachovia Bank, N.A.
191 Peachtree Street, N.E.
Atlanta, GA 30303-1757

Telecopier No.: 404-332-5016

Telephone No.: 404-332-6830

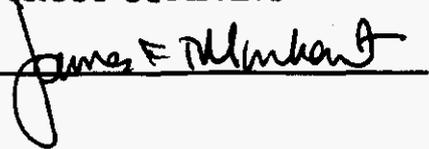
Attention: Mr. William R. McCamey

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Commitment
\$12,500,000

THE NORTHERN TRUST COMPANY

By _____
Print Name:
Print Title:



JAMES F. MONHART
SENIOR VICE PRESIDENT

Lending Office for all Loans:

The Northern Trust Company
50 South LaSalle Street, 9th Floor
Chicago, IL 60675

Address for Notices:

The Northern Trust Company
50 South LaSalle Street, 9th Floor
Chicago, IL 60675

Telecopier No.: 312-630-6062

Telephone No.: 312-444-3455

Attention: Ms. Christina L. Jakuc

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THE CHASE MANHATTAN BANK
as Agent

By



Print Name: **PAUL V. FARRELL**
Print Title: **VICE PRESIDENT**

Address for Notices to Chase as
Agent:

The Chase Manhattan Bank
1 Chase Manhattan Plaza - 8th Floor
New York, New York 10081

Telecopier No.: 212/552-7490

Telephone No.: 212/552-7943

Attention: Mr. Muniram Appanna

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EXHIBIT (a)-5

Banc One Commercial Paper Offering Memorandum dated August 11, 1999

August 11, 1999

**\$400,000,000
FLORIDA POWER CORPORATION
3(a)(3) Commercial Paper Program**

DEBT RATINGS¹

	<u>Commercial Paper</u>	<u>Long-Term</u>
Standard & Poor's	A-1+	AA-
Moody's	P-1	Aa3
Duff & Phelps	D-1+	AA-

NS20657 3/99

¹ Such ratings are only accurate as of the date hereof, as they have been obtained with the understanding that Standard & Poor's Ratings Group, Moody's Investors Service, Inc., and Duff & Phelps Credit Rating Co. would continue to monitor the credit of the Company and make future adjustments to such ratings to the extent warranted. The ratings may be changed, superseded or withdrawn, and therefore, a prospective purchaser should check the current ratings before purchasing the Notes.

TERMS OF COMMERCIAL PAPER NOTES

- Issuer:** Florida Power Corporation
- Incorporated in:** Florida
- Securities:** \$500,000,000 of unsecured notes (the "Notes"), ranking pari passu with the Company's other unsubordinated and unsecured indebtedness.
- Exemption:** The Notes are exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)(3), and cannot be resold unless registered or an exemption from registration is available.
- Offering Price:** Par less a discount representing an interest factor or, if interest bearing, at par.
- Denominations:** \$100,000 minimum principal amount.
- Maturities:** Up to 270 days from date of issue.
- Redemption:** The Notes will not be redeemable prior to maturity or be subject to voluntary prepayment.
- Form:** Each Note will be evidenced by (i) a note certificate issued in bearer form or (ii) one of two master notes (interest bearing or discount) registered in the name of the nominee of The Depository Trust Company ("DTC"). Each master note (the "Book-Entry Notes") will be deposited with the Issuing and Paying Agent as subcustodian for DTC or its successor. DTC will record, by appropriate entries on its book-entry registration and transfer system, the respective amounts payable in respect of Book-Entry Notes. Payments by DTC participants to purchasers for whom a DTC participant is acting as agent in respect of Book-Entry Notes will be governed by the standing instructions and customary practices under which securities are held at DTC through DTC participants.
- Settlement:** Unless otherwise agreed to, same day basis, in immediately available funds.
- Issuing & Paying Agent:** Chase Manhattan Bank

BUSINESS

Florida Power Corporation (the "Company") is an operating public utility engaged in the generation, purchase transmission, distribution and sale of electricity. The Company became a wholly owned subsidiary of Florida Progress Corporation in March 1982, as a result of a corporate restructuring.

Florida Power has a system generating capacity of 7,727 megawatts ("MW"). In 1998, the Company accounted for 73% of Florida Progress' consolidated revenues, 80% of its assets and 89% of its net income. The Company provided electric service during 1998 to an average of 1.3 million customers in west central Florida. The service area covers approximately 20,000 square miles and includes the densely populated areas around Orlando, as well as the cities of St. Petersburg and Clearwater.

Of Florida Power's 1998 electric revenues billed, approximately 55% were derived from residential sales, 23% from commercial sales, 8% from industrial sales, 8% from wholesale sales and 6% from other retail sales. Important industries in the territory include phosphate and rock mining and processing, and electronics design and manufacturing, and citrus and other food processing. Other important commercial activities are tourism, health care, construction and agriculture.

USE OF PROCEEDS

Proceeds from the sale of the Notes will be used to fund Florida Power's interim financing needs.

LIQUIDITY

The utility has a \$200 million 364-day revolving bank credit facility and a \$200 million five-year facility, which are used to back up commercial paper.

ADDITIONAL INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934 as amended, and, in accordance therewith files reports and other information with the Securities and Exchange Commission (the "Commission"). Such reports and other information may be inspected without charge at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and at the Regional Offices of the Commission. Copies thereof may be obtained from the Commission upon payment of the prescribed fees. If available, such reports and other information may also be accessed through the Commission's electronic data gathering, analysis and retrieval system ("EDGAR") via electronic means, including the Commission's web site on the Internet (<http://www.sec.gov>).

The Company will provide without charge to each purchaser of the Notes, upon oral or written request, a copy of any and all documents filed with the Commission and any and all publicly available financial information. Requests should be directed to: Investor Services, Florida Progress Corporation, P.O. Box 14042 (BT11B), St. Petersburg, FL 33733, Telephone (800) 937-2640, or visit their web site at www.fpc.com. For further information contact: Banc One

Capital Markets, Inc., One First National Plaza, Suite IL1-0033, Chicago, Illinois 60670, Attention: Edward G. Austin, telephone (312) 732-7324.

GENERAL

This Offering Memorandum includes the following documents which are incorporated herein by reference: (i) the latest annual report on Form 10-K of Florida Power Corporation as filed with the Securities and Exchange Commission, and (ii) every subsequent report of Florida Power Corporation on Form 10-Q or on Form 8-K as so filed. Copies of the foregoing documents are available from Banc One Capital Markets, Inc., One First National Plaza, Suite IL1-0033, Chicago, Illinois 60670, Attention: Edward G. Austin, telephone (312) 732-7324.

The attached Offering Memorandum was prepared from information provided by Florida Power Corporation. Banc One Capital Markets, Inc. (BOCM) makes no representation or warranty, express or implied, as to the accuracy or completeness of any of the information contained in this Offering Memorandum or in any document for the time being incorporated herein by reference and BOCM accepts no responsibility for the accuracy or completeness thereof. This Offering Memorandum is not intended to provide the sole basis of any credit or other evaluation. A potential purchaser of the Notes should determine for itself the relevance of the information contained in the Offering Memorandum and its decision whether or not to purchase Notes should be based on such investigation as it deems necessary.

This Offering Memorandum is for information purposes only and does not constitute an offer or invitation by or on behalf of Florida Power Corporation, BOCM or any other person to tender for or subscribe or purchase any Notes. No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum and, if given or made, any such information or representation must not be relied upon as having been authorized.

FLORIDA POWER CORPORATION

Statements of Income

For the years ended December 31, 1998, 1997 and 1996

(In millions)

	1998	1997	1996
OPERATING REVENUES:	<u>\$2,648.2</u>	<u>\$2,448.4</u>	<u>\$2,393.6</u>
OPERATING EXPENSES:			
Operation:			
Fuel used in generation	595.7	458.1	409.7
Purchased power	433.8	490.6	531.6
Energy Conservation Cost Recovery	79.6	67.0	62.6
Operations and maintenance	471.6	422.3	413.4
Extended nuclear outage - O&M and replacement fuel costs	5.1	173.3	-
Depreciation	347.1	325.9	324.2
Taxes other than income taxes	203.6	193.6	183.6
Income taxes	140.3	69.9	135.8
	<u>2,276.8</u>	<u>2,200.7</u>	<u>2,060.9</u>
OPERATING INCOME	<u>371.4</u>	<u>247.7</u>	<u>332.7</u>
OTHER INCOME AND DEDUCTIONS:			
Allowance for equity funds used			
During construction	7.5	5.4	4.6
Miscellaneous other expense, net	(1.7)	(4.2)	(3.4)
	<u>5.8</u>	<u>1.2</u>	<u>1.2</u>
INTEREST CHARGES			
Interest on long-term debt	115.6	102.4	86.6
Other interest expense	20.9	14.9	11.8
	<u>136.5</u>	<u>117.3</u>	<u>98.4</u>
Allowance for borrowed funds used during construction	(9.4)	(4.3)	(2.9)
	<u>127.1</u>	<u>113.0</u>	<u>95.5</u>
NET INCOME	<u>250.1</u>	<u>135.9</u>	<u>238.4</u>
DIVIDENDS ON PREFERRED STOCK	<u>1.5</u>	<u>1.5</u>	<u>5.8</u>
NET INCOME AFTER DIVIDENDS ON PREFERRED STOCK	<u>\$248.6</u>	<u>\$134.4</u>	<u>\$232.6</u>

FLORIDA POWER CORPORATION

Balance Sheets

For the years ended December 31, 1998, and 1997

(Dollars in millions)

	1998	1997
	-----	-----
ASSETS		
PROPERTY, PLANT AND EQUIPMENT:		
Electric utility plant in service and held for future use	\$6,307.8	\$6,166.8
Less - Accumulated depreciation	2,716.0	2,511.0
Accumulated decommissioning for nuclear plant	254.8	223.7
Accumulated dismantlement for fossil plants	130.7	128.5
	-----	-----
Construction work in progress	3,206.3	3,303.6
Nuclear fuel, net of amortization of \$377.2 in 1998 and \$356.7 in 1997	378.3	279.4
	45.9	66.5
	-----	-----
	3,630.5	3,649.5
	-----	-----
Other property, net	11.5	33.2
	-----	-----
	3,642.0	3,682.7
	-----	-----
CURRENT ASSETS:		
Accounts receivable, less reserve of \$3.8 in 1998 and \$3.2 in 1997	206.0	243.9
Inventories at average cost:		
Fuel	48.4	44.0
Materials and supplies	83.3	91.9
Underrecovered utility fuel cost	-	34.5
Income tax receivable	16.0	13.5
Deferred income taxes	56.0	5.8
Prepaid and other	53.5	32.2
	-----	-----
	463.2	465.8
	-----	-----
DEFERRED CHARGES AND OTHER ASSETS:		
Costs deferred pursuant to regulation:		
Deferred purchased power contract termination costs	321.0	348.2
Other	113.6	126.4
Nuclear plant decommissioning fund	332.1	266.7
Other	56.2	11.0
	-----	-----
	822.9	752.3
	-----	-----
	\$4,928.1	\$4,900.8
	=====	=====

FLORIDA POWER CORPORATION

Balance Sheets

For the years ended December 31, 1998, and 1997

(Dollars in millions)

	1998	1997
	-----	-----
CAPITALIZATION AND LIABILITIES		
CAPITALIZATION:		
Common stock	\$1,004.4	\$1,004.4
Retained earnings	815.7	763.1
	-----	-----
	1,820.1	1,767.5
CUMULATIVE PREFERRED STOCK:		
Without sinking funds	33.5	33.5
LONG-TERM DEBT		
	1,555.1	1,745.4
	-----	-----
TOTAL CAPITAL	3,408.7	3,546.4
	-----	-----
CURRENT LIABILITIES:		
Accounts payable	173.0	161.9
Accounts payable to associated companies	27.2	26.5
Customers' deposits	104.1	97.1
Accrued other taxes	6.3	7.9
Accrued interest	55.8	45.7
Overrecovered utility fuel cost	22.2	-
Other	51.8	59.2
	-----	-----
	440.4	398.3
Notes payable	47.3	179.8
Current portion of long-term debt	91.6	1.5
	-----	-----
	579.3	579.6
	-----	-----
DEFERRED CREDITS AND OTHER LIABILITIES:		
Deferred income taxes	563.2	451.3
Unamortized investment tax credits	77.2	85.1
Other postretirement benefit costs	112.9	104.7
Other	186.8	133.7
	-----	-----
	940.1	774.8
	-----	-----
	\$4,928.1	\$4,900.8
	=====	=====

FLORIDA POWER CORPORATION
 Statements of Cash Flows
 For the years ended December 31, 1998, 1997 and 1996
 (In millions)

	1998	1997	1996
	-----	-----	-----
OPERATING ACTIVITIES:			
Net income after dividends on preferred stock	\$ 248.6	\$ 134.4	\$ 232.6
Adjustments for noncash items:			
Depreciation and amortization	382.7	333.8	341.1
Extended nuclear outage - Replacement power costs	-	73.3	-
Deferred income taxes and investment tax credits, net	36.5	(15.2)	(32.8)
Increase in accrued other postretirement benefit costs	8.2	8.3	14.9
Allowance for equity funds used during construction	(7.5)	(5.4)	(4.6)
Changes in working capital:			
Accounts receivable	37.9	(69.2)	16.2
Inventories	4.2	6.7	(.5)
Overrecovery (underrecovery) of fuel cost	51.7	(33.1)	(82.3)
Accounts payable	11.1	46.4	25.7
Accounts payable to associated companies	.7	5.3	(3.5)
Taxes payable	(4.2)	(26.0)	(.8)
Other	(11.6)	12.3	(12.1)
Other operating activities	20.7	(38.8)	3.8
	-----	-----	-----
	779.0	432.8	497.7
	-----	-----	-----
INVESTING ACTIVITIES:			
Construction expenditures	(310.2)	(387.2)	(217.3)
Allowance for borrowed funds used during construction	(9.4)	(4.3)	(2.9)
Additions to non-utility property	(6.4)	(3.5)	(2.7)
Acquisition cogeneration facility and Payment of contract termination costs	-	(445.0)	-
Proceeds from sale of properties	12.2	19.7	5.5
Other investing activities	(62.6)	(22.2)	(27.6)
	-----	-----	-----
	(376.4)	(842.5)	(245.0)
	-----	-----	-----
FINANCING ACTIVITIES:			
Issuance of long-term debt	144.1	447.7	-
Repayment of long-term debt	(259.3)	(21.3)	(47.3)
Increase in commercial paper with Long term support	-	-	54.8
Redemption of preferred stock	-	-	(106.3)
Dividends paid on common stock	(154.9)	(192.4)	(171.3)
Equity contributions from parent	-	-	12.5
Increase (decrease) in short-term debt	(132.5)	175.7	4.1
	-----	-----	-----
	(402.6)	409.7	(253.5)
	-----	-----	-----
NET INCREASE IN CASH AND EQUIVALENTS	-	-	(.8)
Beginning cash and equivalents	-	-	.8
	-----	-----	-----
ENDING CASH AND EQUIVALENTS	\$ -	\$ -	\$ -
	=====	=====	=====
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid during the period for:			
Interest (net of amount capitalized)	\$ 112.6	\$ 98.9	\$ 90.7
Income taxes (net of refunds)	107.3	108.4	166.9
Non-Cash Investing Activities:			
Property Dividend to Parent	\$ 41.1	\$ -	\$ -