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December 18, 2001

VIA HAND DELIVERY

Blanca S. Bayo, Director  
Division of Records and Reporting  
Betty Easley Conference Center  
4075 Esplanade Way  
Tallahassee, Florida 32399-0870

Re: Docket No.: 011605-EI

Dear Ms. Bayo:

On behalf of Florida Industrial Power Users Group (FIPUG), enclosed for filing and distribution are the original and 15 copies of the following:

- ▶ The Florida Industrial Power Users Group's Petition to Intervene.

Please acknowledge receipt of the above on the extra copy of each and return the stamped copies to me. Thank you for your assistance.

Sincerely,

*Vicki Gordon Kaufman*  
Vicki Gordon Kaufman

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MCWHIRTER, REEVES, MCGLOTHLIN, DAVIDSON, DECKER, KAUFMAN, ARNOLD & STEEN, P.A.

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COMMISSION  
CLERK

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FPSC-COMMISSION CLERK

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: review of investor-owned electric utilities' risk management policies and procedures.

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Docket Number: 011605-EI  
Filed: December 18, 2001

**The Florida Industrial Power Users Group's Petition to Intervene**

The Florida Industrial Power Users Group (FIPUG), pursuant to rules 25-22.039 and 28-106.205, Florida Administrative Code, hereby files its Petition to Intervene in this docket. As grounds therefore, FIPUG states:

1. The name, address and telephone number of Petitioner is:

Florida Industrial Power Users Group  
c/o John W. McWhirter, Jr.  
McWhirter, Reeves, McGlothlin, Davidson, Decker  
Kaufman, Arnold & Steen, P.A.  
400 North Tampa Street, Suite 2450  
Tampa, Florida 33601-3350  
813 224-0866

2. The name, address and telephone number of Petitioner's representatives for purposes of service during the course of the proceeding is:

John W. McWhirter, Jr.  
McWhirter, Reeves, McGlothlin, Davidson, Decker  
Kaufman, Arnold & Steen, P.A.  
400 North Tampa Street, Suite 2450  
Tampa, Florida 33601-3350  
813 224-0866

Vicki Gordon Kaufman  
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FPSC-COMMISSION CLERK

3. FIPUG is a group of industrial customers who take service from Florida's investor-owned utilities. Electricity represents one of FIPUG's members' largest variable costs. Therefore, FIPUG will be substantially affected by any action the Commission takes in this docket.

4. The affected agency is the Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.

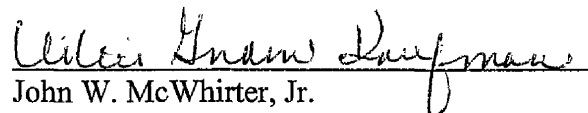
5. In this docket, the Commission will review the investor-owned utilities' risk management policies and procedures.

6. Disputed issues of material fact include, but are not limited to, the following:

- a. Has each investor-owned electric utility taken reasonable steps to manage the risks associated with its fuel transactions through the use of physical and financial hedging practices?
- b. What is the appropriate regulatory treatment for gains and losses from hedging and investor-owned electric utility's fuel transactions through futures contracts?
- c. What is the appropriate regulatory treatment for the premiums received and paid for hedging and investor-owned electric utility's fuel transactions through options contracts?
- d. What is the appropriate regulatory treatment for the transaction costs associated with an investor-owned electric utility hedging its fuel transactions?
- e. For the period March 1999 to March 2001, did FPL take reasonable steps to manage the risk associated with changes in natural gas prices?
- f. What is the appropriate regulatory treatment for sales of natural gas and transportation capacity made by FPL to an unaffiliated company?
- g. Has each investor-owned utility taken reasonable steps to manage the risks associated with wholesale power purchases?

7. Ultimate facts include, but are not limited to, the following:
  - a. Whether the utilities are appropriately managing risk as it relates to fuel purchases;
  - b. Whether utilities are appropriately managing risk as it relates to wholesale power purchases.

**WHEREFORE**, FIPUG requests that the Commission grant its Petition to Intervene and that it be accorded full party status in this docket.

  
John W. McWhirter, Jr.  
McWhirter, Reeves, McGlothlin, Davidson,  
Decker, Kaufman, Arnold & Steen, P.A.  
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Attorneys for the Florida Industrial Power  
Users Group

**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing The Florida Industrial Power Users Group's Petition to Intervene has been furnished by U.S. Mail on this 18th day of December, 2001.

(\*) Wm. Cochran Keating  
Division of Legal Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399

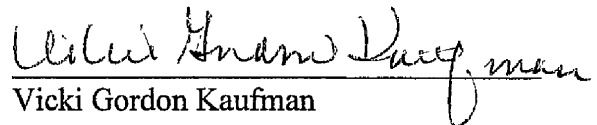
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