



Florida Power

A Progress Energy Company

ASSOCIATE GENERAL COUNSEL

ORIGINAL

JAMES A. MCGEE

June 4, 2002

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

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02 JUN -5 PM 3:16
COMMISSION
CLERK

Re: Docket No. 011605-EI; **Notice of Intent
to Request Confidential Classification.**

Dear Ms. Bayó:

Enclosed for filing in the subject docket is Florida Power Corporation's Notice of Intent to Request Confidential Classification, accompanied by a sealed envelope containing the document subject to the Notice, with the confidential information highlighted. Also enclosed are two copies of the documents with the confidential information redacted. **The highlighted portions of the unredacted version should be held as Confidential Information in accordance with Rule 25-22.006, F.A.C.**

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced Notice in WordPerfect format. Thank you for your assistance in this matter.

This docketed notice of intent was filed with Confidential Document No. ~~05903-02~~. The document has been placed in confidential storage pending timely receipt of a request for confidentiality.

Very truly yours,

James A. McGee (42)

James A. McGee

JAM/scc
Enclosure

cc: Parties of record

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RAM
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DOCUMENT NUMBER-DATE
05902 JUN -5 02
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 011605-EI

Submitted for filing:
June 5, 2002

**NOTICE OF INTENT TO REQUEST
CONFIDENTIAL CLASSIFICATION**

Florida Power Corporation (Florida Power), pursuant to Rule 25-22.006, Florida Administrative Code, hereby files this notice of its intent to request Confidential Classification of the highlighted portions of the enclosed Phased Fixed Price Methodology document supporting Florida Power's risk management incentive plan filed this date pursuant to Order No. PSC-02-0428-PCO-EI. Accordingly, Florida Power hereby submits the following:

1. A separate, sealed envelope containing one copy of the above described document, with the information for which Florida Power intends to request confidential classification highlighted. **This information should be accorded confidential treatment pending the filing of Florida Power's request and a decision thereon by the Commission.**

2. Two copies of this document, with the information for which Florida Power intends to request confidential classification redacted.

Respectfully submitted,

FLORIDA POWER CORPORATION

By James A. McGee (42)
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DOCUMENT NUMBER - DATE
05902 JUN-5 02

**Florida Power's Hedging Program
Phased Fixed Price Methodology**

Natural Gas

Fixed natural gas prices would be established using the following methodology:

[REDACTED]

[REDACTED]

[REDACTED]

Residual (No. 6) Oil

[REDACTED]

Delivery costs and applicable taxes for residual oil would be added to recoverable fuel costs.

Example Calculations

The following tables illustrate a detailed calculation of the fixed price of natural gas and residual oil using actual data from 2001.

Risk Premium _____
Cost Recovery Fixed Price _____

Cost Recovery Fixed Price

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished to the following individuals by regular U.S. Mail this 5th day of June, 2002:

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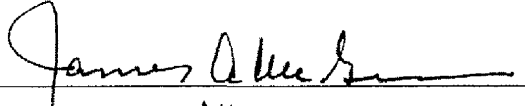
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