



**Florida Power**

A Progress Energy Company

**ORIGINAL** JAMES A. MCGEE  
ASSOCIATE GENERAL COUNSEL

June 26, 2002

Ms. Blanca S. Bayó, Director  
Division of the Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

RECEIVED  
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Re: Docket No. 011605-EI; **Request for  
Confidential Classification.**

Dear Ms. Bayó:

Enclosed for filing in the subject docket are an original and fifteen copies of Florida Power Corporation's Request for Confidential Classification regarding the supplement to the Company's proposed Hedging Program, which was attached to its Notice of Intent to Request Confidential Classification filed on June 5, 2002.

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 document in WordPerfect format. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

JAM/scc  
Enclosure

cc: Parties of record

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DOCUMENT NUMBER

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

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Docket No. 011605-EI

Submitted for filing:  
June 26, 2002

**REQUEST FOR CONFIDENTIAL CLASSIFICATION**

Florida Power Corporation (Florida Power or the Company), pursuant to Section 366.093, F.S., and Rule 25-22.006, F.A.C., hereby requests confidential classification of the highlighted information in the supplement to the Company's Hedging Program proposal filed in the subject proceeding on June 5, 2002 (the Supplement). The Supplement, which provides a detailed description and specific examples of the market price methodology for determining the fixed price charged to customers for a portion of the Company's natural gas and residual oil requirements, was attached to Florida Power's Notice of Intent to Request Confidential Classification, also filed on June 5, 2002, with the information for which Florida Power seeks confidential classification highlighted. Two public copies of the Supplement, with the confidential information redacted, were also enclosed with the Notice. In support of its request, Florida Power states as follows:

1. Subsection 366.093(1) provides that any records "found by the commission to be propriety confidential business information shall be kept confidential and shall be exempt from s. 119.07(1) [requiring disclosure under the Public Records Act]." Proprietary confidential business information includes, but is not limited to, "[i]nformation concerning . . . contractual data, the disclosure of which would impair the efforts of the public utility or its affiliates to contract for goods or

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services on favorable terms.” Subsection 366.093(3)(d). Proprietary confidential business information also includes “[i]nformation relating to competitive interests, the disclosure of which would impair the competitive business of the provider of the information.” Section 366.093(3)(e). The designated portions of the Supplement fall within this statutory categories and, thus, constitute propriety confidential business information entitled to protection under Section 366.093 and Rule 25-22.006.

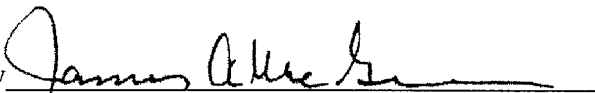
2. In particular, disclosure of the highlighted information in the Supplement would provide highly sensitive information to recipients regarding the manner and timing of Florida Power’s entry into the commodities markets. Knowledge of this information would allow the opportunity for market manipulation through transactions made in anticipation of the Company’s entry into the market. Moreover, in the wrong hands, this information could assist or abet in the perpetration of fraudulent insider trading activities in violation of the Securities and Exchange Act of 1933 and the rules and regulations promulgated thereunder by the Securities and Exchange Commission. In addition, market manipulations of the type that could be made if the highlighted information were to be disclosed would have the effect of increasing the fixed price of fuel paid by customers under Florida Power’s Hedging Program, as well as increasing the price paid by the Company to hedge the customers’ fixed price of natural gas and residual oil. These effects of disclosure would thus both impair the efforts of Florida Power to contract for goods and services on favorable terms for the benefit of its customers, and harm the Company’s competitive business interests in benefiting from the hedging activities contemplated under its Hedging Program.

3. The designated information for which confidential classification is sought is intended to be and is treated by the Company as private and has not been publicly disclosed.

WHEREFORE, Florida Power respectfully requests that the highlighted information in the supplement to its June 5, 2002 Hedging Program proposal be accorded confidential classification for the reasons set forth above.

Respectfully submitted,

FLORIDA POWER CORPORATION

By 

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**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 the 27th day of June, 2002:

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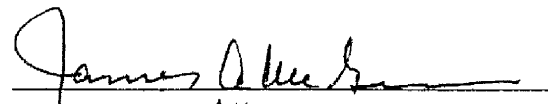
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