



ORIGINAL

JAMES A. MCGEE
ASSOCIATE GENERAL COUNSEL
PROGRESS ENERGY SERVICE CO., LLC

March 31, 2003

HAND DELIVERY

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-FPSC
03 MAR 31 PM 4:45
COMMISSION
CLERK

Re: Docket No. 011377-EI

Dear Ms. Bayó:

Pursuant to Order No. PSC-01-2498-FOF-EI issued in the subject docket and Rule 25-8.009, F.A.C., enclosed for filing on behalf of Progress Energy Florida, Inc., formerly Florida Power Corporation, are an original and one copy of its Consumption Report and two copies of the exhibits to the Report, along with an additional copy of the Report and exhibits on diskette. Because of a last minute file conversion problem, Exhibits (a)-1, (b)-3, (b)-4 and (d)-5 are not included with this filing and will be submitted shortly by supplemental filing.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

DOCUMENT NUMBER - DATE
02981 MAR 31 03
FPSC-COMMISSION CLERK

JAM/scc
Enclosure

cc: Office of Public Counsel

- AUS _____
- CAF _____
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- OTH _____

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15

FPSC BUREAU OF RECORDS

DOCKET NO. 011377-EI
FLORIDA PUBLIC SERVICE COMMISSION
TALLAHASSEE, FLORIDA
CONSUMMATION REPORT
TO
APPLICATION OF
PROGRESS ENERGY FLORIDA, INC.
(formerly FLORIDA POWER CORPORATION)
FOR AUTHORITY TO ISSUE AND SELL
SECURITIES DURING 2002
PURSUANT TO FLORIDA STATUTES, SECTION 366.04
AND FLORIDA ADMINISTRATIVE CODE CHAPTER 25-8

Address communications in connection with this Consummation Report to:

James A. McGee
Associate General Counsel
100 Central Avenue
St. Petersburg, Florida 33701

Dated: March 31, 2003

DOCUMENT NO. 011377-EI
02981 MAR 31 03
FPSC-COMMISSION CLERK

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

IN RE: APPLICATION OF FLORIDA POWER)	
CORPORATION FOR AUTHORITY TO)	
ISSUE AND SELL SECURITIES DURING)	DOCKET NO. 011377-EI
2002 PURSUANT TO FLORIDA STATUTES)	
SECTION 366.04 AND CHAPTER 25-8,)	
FLORIDA ADMINISTRATIVE CODE)	

The Applicant, Progress Energy Florida, Inc., formerly Florida Power Corporation, (the "Company"), pursuant to Commission Order No. PSC-01-2498-FOF-EI issued December 21, 2001, (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.

The Company did not issue any medium-term notes or other debt or equity securities during calendar year 2002, except for (i) commercial paper; (ii) notes that were delivered to various banks to evidence the Company's new short-term revolving credit agreement (although no funds were actually borrowed by the Company under those notes and that credit agreement); (iii) \$240,865,000 aggregate principal amount of First Mortgage Bonds, and (iv) a note that was delivered to evidence loans to Florida Power Corporation from the Utility Money Pool established pursuant to a Utility Money Pool Agreement, dated as of December 4, 2000 by and among Progress Energy Inc., a North Carolina Corporation and a registered holding company under the Public Utility Holding Company Act of 1935, as amended, and its utility subsidiaries, including Florida Power Corporation.

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 2002 commercial paper activity can be summarized as follows:

2002 Commercial Paper Activity
(\$ in thousands)

Commercial paper issued:	\$3,760,750,000
Commercial paper matured:	\$3,657,900,000
Average outstanding:	\$ 188,168,699
Weighted average yield:	1.8369%
Weighted average term:	21.3 days

As back-up for its commercial paper program, the Company has executed (i) a First Amendment, effective December 10, 2002 to its 364-Day Credit Agreement dated as of December 18, 2001 with Bank of America, N.A. as agent for the lenders named therein, providing for short-term loans to the Company in an aggregate principal amount not exceeding \$90,500,000 (“the Short-Term Credit Agreement”), and (ii) a First Amendment, dated November 14, 2000, to a Third Amended and Restated Credit Agreement B with The Chase Manhattan Bank, 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 the Short-Term Credit Agreement and Credit Agreement B expire on April 1, 2003 and November 30, 2004, respectively. The Company

is currently negotiating the renewal of the Short-Term Credit Agreement. No loans have as yet been made to the Company pursuant to the Credit Agreements.

On July 16, 2002, the Citrus County, Florida issued \$240,865,000 of Pollution Control Revenue Refunding Bonds (Florida Power Corporation Project), secured by the Company's First Mortgage Bonds. The principal amount of each series of bonds was as follows: \$108,550,000 Series 2002 A due 2027; \$100,115,000 Series 2002B due 2022; and \$32,200,000 Series 2002C due 2018. The bonds of each series initially bore interest at the following auction rates: Series 2002A – 1.35% until August 20, 2002; Series 2002B – 1.40% until July 24, 2002; and Series 2002C – 1.35% until August 13, 2002. Thereafter, the interest rates were and continue to be based on auction rates determined pursuant to certain auction procedures described in Appendix B to the Official Statement dated July 9, 2002, that was distributed in connection with the issuance of the bonds. Each series of bonds will initially be secured by a First Mortgage Bond issued by the Company under, and subject to the provisions of the Fortieth Supplemental Indenture to the Company's Indenture, dated January 1, 1944, to First Chicago Trust Company of New York, as Successor Trustee. When substantially all of the Company's outstanding First Mortgage Bonds are retired, the payment obligations under each Loan Agreement will be evidenced by unsecured promissory notes issued by the Company and will rank on a parity with all other unsecured and unsubordinated indebtedness of the Company. The proceeds of the issuance were used for the purpose of refunding four series of prior bonds that were previously issued in 1991 and in 1992 for the purposes of refinancing such prior series of pollution control, sewage and solid waste disposal facilities owned by the Company and located in Pinellas, Pasco and Citrus Counties, Florida. Expenses of the issuance, including underwriters' fees and insurance premiums, totaled approximately \$4,572,339.

The Utility Money Pool was established to coordinate and provide for certain short-term cash and working capital requirements of the utility subsidiaries of Progress Energy, Inc. Each utility

subsidiary may contribute funds to the Utility Money Pool. No loans through the Utility Money Pool will be made to and no borrowings through the Utility Money Pool will be made by Progress Energy, Inc. The principal amount of each loan from the Utility Money Pool, together with all interest accrued thereon, are to be repaid on demand and in any event within 365 days of the date on which the loan was made. The Company had maximum borrowings of \$234,679,002 from the Utility Money Pool during 2002. As of December 31, 2002, the Company had outstanding borrowings of \$234,679,002 from the Utility Money Pool.

A statement showing capitalization, pretax interest coverage, and debt interest and preferred stock dividend requirements at December 31, 2002 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):

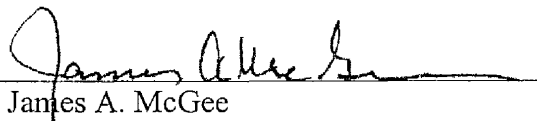
<u>Exhibit No.</u>	<u>Description of Exhibit</u>
(1)	Statement showing actual capitalization and pre-tax interest coverage, together with debt interest and preferred stock dividend requirements as of December 31, 2002.
(a)-1	The Company has entered into a Fortieth Supplemental Indenture, dated as of July 1, 2002, to its Indenture, dated January 1, 1944, as supplemented, (the "Mortgage"), with First Chicago Trust Company of New York, as Successor Trustee, in connection with the issuance of the Company's First Mortgage Bonds, Pollution Control Series 2002A due 2027, Pollution Control Series 2002B due 2022 and Pollution Control Series 2002C due 2018
(a)-2	First Amendment to 364-Day Credit Agreement, dated December 18, 2001, between the Company, the Lenders named therein, and the Bank of America, N.A., as agent for the several Lenders, effective as of December 10, 2002.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
(a)-2	364-Day Credit Agreement dated as of December 18, 2001 between the Company, the Lenders named therein, and Bank of America, N.A., as agent for the Lenders. (Filed as Exhibit (a)-2 to the Company's Consummation Report dated April 1, 2002, as filed with the Commission on April 1, 2002 in Docket No. 001430-EI, and incorporated herein by reference).
(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	First Amendment, dated November 14, 2000, to 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)-3 to the Company's Consummation Report dated April 2, 2001 in Docket No. 991525-EI, and incorporated herein by reference.)
(a)-5	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. 97-1311-EI, and incorporated herein by reference).
(a)-6	Commercial Paper Offering Memorandum dated August 11, 1999 of Banc One Capital Markets, Inc. (successor to First Chicago Capital Markets, Inc.). (Filed as Exhibit (a)-5 to the Company's Consummation Report dated March 22, 2000, as filed with the Commission on March 23, 2000 in Docket No. 981268-EI, and incorporated herein by reference.
(a)-7	Utility Money Pool Agreement dated December 4, 2000 between Progress Energy, Inc., Carolina Power & Light Company, a North Carolina Corporation, North Carolina Natural Gas Corporation, a Delaware Corporation, Florida Power Corporation, and Progress Service Energy Company, LLC (solely as Administrator). (Filed as Exhibit (a)-6 to the Company's Consummation Report dated April 2, 2001, as filed with the Commission on April 2, 2001, Docket No. 991525-EI.)
(b)-1	Opinion of R. Alexander Glenn, Associate General of Progress Energy Service Company, LLC on behalf of the Company, dated July 16, 2002, to J.P. Morgan Securities, Inc., as Representative of the several Underwriters and the Citrus County, Florida Board of County Commissioners, regarding the legality of the issuance of the Company's First Mortgage Bonds, Pollution Control Series 2002A, 2002B and 2002C.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
(b)-2	Opinion of R. Alexander Glenn, Associate General of Progress Energy Service Company, LLC on behalf of the Company, dated July 16, 2002, to JPMorgan Chase Bank, as Trustee, and XL Capital Assurance, Inc., as Bond Insurer, regarding the legality of the issuance of the Company's First Mortgage Bonds, Pollution Control Series 2002A, 2002B and 2002C.
(b)-3	Opinion of Hunton & Williams, Counsel to the Company, dated July 16, 2002, to J.P. Morgan Securities, Inc. as Representative of the Underwriters, regarding the legality of the issuance of the Company's First Mortgage Bonds, Pollution Control Series 2002A, 2002B and 2002C.
(b)-4	Opinion of Hunton & Williams, Counsel to the Company, dated July 16, 2002, to XL Capital Assurance, as Bond Insurer, regarding the legality of the issuance of the Company's First Mortgage Bonds, Pollution Control Series 2002A, 2002B and 2002C.
(d)-1	Commercial Paper Dealer Agreement dated December 22, 1998 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.)

- | <u>Exhibit No.</u> | <u>Description of Exhibit</u> |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (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). |
| (d)-5 | Bond Purchase Agreement, dated July 15, 2002, between Citrus County, Florida and J.P. Morgan Securities, Inc., as Representative of the several Underwriters, in connection with the offering of \$240,865,000 aggregate principal amount of Pollution Control Revenue Refunding Bonds, (Florida Power Corporation Project), Series 2002A, 2002B and 2002C. |
| (e) | Statement as to Underwriter's Fees incurred in connection with the offering of the Company's First Mortgage Bonds, Pollution Control Series 2002A due 2027, Pollution Control Series 2002B due 2022 and Pollution Control Series 2002C due 2018. |

Respectively submitted this
31st day of March, 2003.



James A. McGee
Associate General Counsel
Progress Energy Service Company, LLC
100 Central Avenue
St. Petersburg, FL 33701
727-820-5184

Attorney for
PROGRESS ENERGY FLORIDA, INC.

EXHIBIT 1

FLORIDA POWER CORPORATION
SELECTED FINANCIAL DATA

CAPITALIZATION:

Florida Power's capitalization at December 31, 2002:

Debt:	Interest Rate	Amount Outstanding
		(in millions)
First Mortgage bonds		
Maturing 2003 through 2023	6.83% (a)	\$ 810.0
Pollution control refunding revenue bonds		
Secured by Mortgage, Maturing 2018 through 2027	1.11% (a)	\$ 240.9
Medium-term notes		
Maturing 2003 through 2028	6.74% (a)	\$ 416.9
Discount being amortized over term of bonds		\$ (6.4)
Total long-term debt		<u>\$ 1,461.4</u>
Notes payable		<u>\$ 257.1</u>
Total debt		<u>\$ 1,718.5</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>\$ 2,031.6</u>
Total capitalization				<u>\$ 3,783.6</u>

(a) Weighted average interest rate at December 31, 2002

(b) Total authorized shares outstanding at December 31, 2002: 335,000

EXHIBIT 1

FLORIDA POWER CORPORATION
SELECTED FINANCIAL DATA

PRE-TAX INTEREST COVERAGE:

Florida Power's pre-tax interest coverage for 2002 was 5.5

DEBT INTEREST:

Florida Power's debt interest charges for 2002 were \$ 109.4 million.

PREFERRED STOCK DIVIDEND REQUIREMENTS:

Florida Power's preferred stock dividend requirements for 2002 were \$ 1.5 million

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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) \$ 33.5
Common stock equity				<u>\$ 2,031.6</u>
Total capitalization				<u>\$ 3,783.6</u>

(a) Weighted average interest rate at December 31, 2002

(b) Total authorized shares outstanding at December 31, 2002: 335,000

EXHIBIT 1

FLORIDA POWER CORPORATION
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Florida Power's preferred stock dividend requirements for 2002 were \$ 1.5 million

**FIRST AMENDMENT TO
CREDIT AGREEMENT**

THIS FIRST AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is entered into and effective as of December 10, 2002 among FLORIDA POWER CORPORATION, a Florida corporation (the "Borrower"), the Lenders party hereto and BANK OF AMERICA, N.A., as agent for the Lenders (the "Administrative Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Credit Agreement (as defined below).

RECITALS

WHEREAS, the Borrower, the Lenders party thereto and the Administrative Agent entered into that certain Credit Agreement dated as of December 18, 2001 (the "Credit Agreement");

WHEREAS, on December 9, 2002, Merrill Lynch Bank USA ("Merrill Lynch") (i) assigned \$20,000,000 of its Commitment to The Bank of New York, (ii) assigned \$13,000,000 of its Commitment to Mellon Bank, N.A. and (iii) and Northern Trust Bank ("Northern Trust") entered into that certain letter agreement (the "Letter Agreement") with the Borrower and the Lenders, attached hereto as Annex A, whereby (A) the aggregate Commitment was reduced on a non-pro-rata basis such that each of Merrill Lynch's remaining \$67,000,000 Commitment and Northern Trust's \$12,500,000 Commitment was terminated and (B) each of Merrill Lynch and Northern Trust relinquished all of its respective rights, privileges, powers, obligations, responsibilities and status as a Lender under the Credit Agreement;

WHEREAS, the Borrower has requested that the Lenders agree to extend the Termination Date to April 1, 2003; and

WHEREAS, the Borrower and the Lenders have agreed to certain modifications to the Credit Agreement subject to the terms and conditions set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

SECTION 1. Amendments.

Section 1.1. Termination Date. The definition of "Termination Date" in Section 1.01 of the Credit Agreement is amended and restated in its entirety to read as follows:

"Termination Date" means, with respect to a Lender, the earlier to occur of (i) April 1, 2003 and (ii) the date of termination in whole of the Commitments pursuant to Section 2.04 or 6.01.

Section 1.2. Commitment Schedule. Schedule I to the Credit Agreement is deleted in its entirety and replaced with Schedule I attached hereto. The Commitment of each respective Lender is as set forth on such Schedule I and the aggregate Commitments of the Lenders equals \$90,500,000.

Section 1.3. Lenders. In each of the instances in the Credit Agreement where the terms "Bank" and "Banks" appear, such terms are deleted and replaced with the terms "Lender" and "Lenders", respectively.

SECTION 2. Consent. The Lenders and the Borrower consent to the terms set forth in the Letter Agreement, including the \$79,500,000 non-pro-rata reduction in the aggregate Commitment.

SECTION 3. Conditions Precedent. This Amendment shall not be effective until the following conditions have been satisfied or waived by the Lenders:

(a) Receipt by the Administrative Agent of copies of this Amendment duly executed by the Borrower and the Lenders.

(b) Receipt by the Administrative Agent of a certificate of the corporate secretary of the Borrower certifying as to resolutions of the Board of Directors of the Borrower approving and adopting this Amendment and the transactions contemplated herein and authorizing the execution, delivery and performance hereof.

(c) Receipt by the Administrative Agent of an opinion or opinions from counsel to the Borrower relating to this Amendment and the transactions contemplated herein, in form and substance satisfactory to the Administrative Agent, addressed to the Administrative Agent on behalf of the Lenders and dated as of the date hereof.

(d) The payment by the Borrower of (i) an amendment fee in an amount equal to 0.04% of the aggregate amount of the Commitments of those Lenders who execute and deliver this Amendment on or before 5:00 p.m. (EST) on December 9, 2002, to be shared pro rata among such Lenders in accordance with their respective Commitments and (ii) the reasonable out-of-pocket expenses of the Administrative Agent in connection with the negotiation, preparation, execution and delivery of this Amendment and the other transactions contemplated herein, including, without limitation, reasonable legal fees and expenses.

SECTION 4. Ratification of Credit Agreement. The terms "Agreement" and "Credit Agreement" as used in the Credit Agreement, the promissory notes and the related certificates, agreements and documents issued or delivered in connection with the Credit Agreement shall hereafter mean the Credit Agreement as amended by this Amendment. Except as herein

specifically agreed, the Credit Agreement is hereby ratified and confirmed and shall remain in full force and effect according to its terms.

SECTION 5. Authority/Enforceability. The Borrower represents and warrants as follows:

(a) It has taken all necessary action to authorize the execution, delivery and performance of this Amendment.

(b) This Amendment has been duly executed and delivered by the Borrower and constitutes the Borrower's legal, valid and binding obligations, enforceable in accordance with its terms, except as such enforceability may be subject to (i) bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(c) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or third party is required in connection with the execution, delivery or performance by the Borrower of this Amendment.

SECTION 6. No Default. The Borrower represents and warrants to the Lenders that (a) the representations and warranties of the Borrower set forth in Article IV of the Credit Agreement are true and correct as of the date hereof; (b) no event has occurred and is continuing which constitutes an Event of Default or that would constitute an Event of Default but for the requirement that notice be given or time elapse, or both; and (c) it has no claims, counterclaims, offsets, credits or defenses to its obligations under the Credit Agreement or to the extent it has any they are hereby released in consideration of the Lenders entering into this Amendment.

SECTION 7. No Conflicts. Neither the execution and delivery of this Amendment, nor the consummation of the transactions contemplated herein, nor performance of and compliance with the terms and provisions hereof by the Borrower will (a) violate, contravene or conflict with any provision of its charter, bylaws or other organizational or governing document, (b) violate, contravene or conflict with any law, rule, regulation, order, writ, judgment, injunction, decree or permit applicable to the Borrower, (c) violate, contravene or conflict with any contractual provisions of, or cause an event of default under, any material indenture, loan agreement, mortgage, deed of trust, contract or other agreement or instrument to which the Borrower is a party or by which it or its properties may be bound or (d) result in or require the creation of any mortgage, pledge, hypothecation, assignment, deposit arrangement, security interest, encumbrance, lien (statutory or otherwise), preference, priority or charge of any kind upon or with respect to the Borrower's properties.

SECTION 8. Counterparts/Telecopy. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. Delivery of executed counterparts by

teletype shall be effective as an original and shall constitute a representation that an original will be delivered.

SECTION 9. General Release. In consideration of the Lenders entering into this Amendment, the Borrower hereby releases the Administrative Agent, the Lenders and the Administrative Agent's and the Lenders' respective officers, employees, representatives, agents, counsel and directors from any and all actions, causes of action, claims, demands, damages and liabilities of whatever kind or nature, in law or in equity, now known or unknown, suspected or unsuspected to the extent that any of the foregoing arises from any action or failure to act under the Credit Agreement or any related documents on or prior to the date hereof.

SECTION 10. GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[remainder of page intentionally left blank]

FLORIDA POWER CORPORATION
FIRST AMENDMENT TO CREDIT AGREEMENT

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

FLORIDA POWER CORPORATION

By: _____

Name: Thomas R. Sullivan

Title: Treasurer

FLORIDA POWER CORPORATION
FIRST AMENDMENT TO CREDIT AGREEMENT

BANK OF AMERICA, N.A., in its capacity as
Administrative Agent and in its capacity as Lender

By: _____

Name: Gretchen P. Burud

Title: Managing Director

FLORIDA POWER CORPORATION
FIRST AMENDMENT TO CREDIT AGREEMENT

BANK ONE, NA

By: _____

Name: _____

Title: _____

FLORIDA POWER CORPORATION
FIRST AMENDMENT TO CREDIT AGREEMENT

SUNTRUST BANK

By: _____
Name: _____
Title: _____

FLORIDA POWER CORPORATION
FIRST AMENDMENT TO CREDIT AGREEMENT

THE BANK OF NEW YORK

By: _____
Name: _____
Title: _____

FLORIDA POWER CORPORATION
FIRST AMENDMENT TO CREDIT AGREEMENT

MELLON BANK, N.A.

By: _____

Name: _____

Title: _____

SCHEDULE I

FLORIDA POWER CORPORATION

List of Commitments and Applicable Lending Offices

<u>Name of Bank</u>	<u>Credit Contact</u>	<u>Eurodollar Lending Office</u>	<u>Domestic Lending Office</u>	<u>Commitment</u>
Bank of America, N.A.	100 N. Tryon Street 16th Floor Charlotte, NC 28255 Attn: Gretchen Burud Phone: 704/386-8394 Fax: 704/386-1319	Bank of America Plaza 901 Main Street Dallas, TX 75202-3714 Attn: Taelitha Harris Phone: 214/209-3645 Fax: 214/290-9644	Same as Eurodollar Lending Office	\$21,900,000
Bank One, NA	1 Bank One Plaza MC IL1=0363 Chicago, IL 60670 Attn: William Banks Phone: 312/732-9781 Fax: 212/732-3055	1 Bank Plaza Suite 0363 Chicago, IL 606-0363 Attn: Robert G. Brussa	Same as Eurodollar Lending Office	\$17,800,000
SunTrust Bank	MC- FL-Orlando-1044 200 South Orange Avenue Orlando, FL 32801 Attn: William Barr Phone: 407/237-4636 Fax: 407/237-4076	MC- FL-Orlando-1044 200 South Orange Avenue Orlando, FL 32801 Attn: William Barr	Same as Eurodollar Lending Office	\$17,800,000

FLORIDA POWER CORPORATION
FIRST AMENDMENT TO CREDIT AGREEMENT

The Bank of New York	One Wall Street New York, NY 10286 Attn: Jesus Williams Phone: 212/635-7609 Fax: 212/635-7923	One Wall Street New York, NY 10286 Attn: Lisa Williams Phone: 212/635-7535 Fax: 212/635-7552	Same as Eurodollar Lending Office	\$20,000,000
Mellon Bank, N.A.	One Mellon Center (Room 4530) Pittsburgh, PA 15258 Attn: Scott Hennessee Phone: 412/234-4458 Fax: 412/236-1840	525 William Penn Place Room 153-1203 Pittsburgh, PA 15259-0003 Attn: Brenda Leierzapf Phone: 412/234-8161 Fax: 412/209-6146	Same as Eurodollar Lending Office	\$13,000,000

December 9, 2002

Bank of America, N.A., as Administrative
Agent, and the other Lenders party to the
Credit Agreement (defined below)
901 Main Street
Dallas, TX 7502

Florida Power Company
c/o Progress Energy, Inc.
410 S. Wilmington Street
PEB 19A3
Raleigh, NC 27601

Re: Florida Power Corporation Credit Facility

Dear Ladies and Gentlemen:

Reference is hereby made to that certain Credit Agreement, dated as of December 18, 2001 (the "Credit Agreement"), among Florida Power Corporation, as the Borrower, Merrill Lynch Bank USA ("Merrill Lynch"), Northern Trust Bank ("Northern Trust") and the other financial institutions identified therein, as Lenders, and Bank of America, N.A., as Administrative Agent for the Lenders. Capitalized terms used herein without definition shall have the meanings given to them in the Credit Agreement.

Merrill Lynch, Northern Trust, the Borrower, the Administrative Agent and the Lenders hereby acknowledge and agree that, as of December 5, 2002, the aggregate Commitment shall be irrevocably reduced from \$170,000,000 to \$90,500,000 on a non-pro-rata basis and each of Merrill Lynch's \$67,000,000 Commitment and Northern Trust's \$12,500,000 Commitment shall be terminated.

Each of Merrill Lynch and Northern Trust hereby relinquishes all of its rights, privileges, powers, obligations, responsibilities and status as a Lender under the Credit Agreement (except those that by the express terms of the Credit Agreement shall survive termination of the Commitments of Merrill Lynch and Northern Trust).

This letter shall be governed by, and construed in accordance with, the laws of the State of New York. This letter may be executed in any number of counterparts, each of which shall constitute an original and all of which when taken together shall constitute one instrument.

Very truly yours,

MERRILL LYNCH BANK USA	NORTHERN TRUST BANK
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

Accepted and Agreed to as of December 9, 2002:

FLORIDA POWER CORPORATION,
as Borrower

BANK OF AMERICA, N.A.,
as Administrative Agent and as a Lender

By: _____
Name: Thomas R. Sullivan
Title: Treasurer

By: _____
Name: Gretchen P. Burud
Title: Managing Director

SUNTRUST BANK

BANK ONE, NA

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

MELLON BANK, N.A.

THE BANK OF NEW YORK

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Florida Power

A Progress Energy Company

EXHIBIT (b)-1

July 16, 2002

J.P. Morgan Securities Inc
Banc of America Securities LLC
SunTrust Capital Markets, Inc.
Wachovia Bank, National
Association
as Underwriters under the within-mentioned
Bond Purchase Agreement
c/o J.P. Morgan Securities Inc.
270 Park Avenue
New York, New York 10017

Chairman and Members
Board of County
Commissioner Citrus County,
Florida 111 W. Main Street,
3rd Floor Inverness, Florida
34450

Ladies and Gentlemen:

As Associate General Counsel for Progress Energy Service Company, LLC on behalf of Florida Power Corporation, a Florida corporation (the "Company"), I am familiar with the terms and provisions of the Bond Purchase Agreement dated July 15, 2002 (the "Bond Purchase Agreement"), by and among the Company, Citrus County, Florida (the "Issuer"), and J.P. Morgan Securities, Inc. as representative for itself, Banc of America Securities LLC, SunTrust Capital Markets, Inc. and Wachovia Bank, National Association (collectively, the "Underwriters"), providing for the issuance by the Issuer and the purchase by the Underwriters of \$240,865,000 aggregate principal amount of the Issuer's Pollution Control Revenue Refunding Bonds (Florida Power Corporation Project) Series 2002A, 2002B and 2002C (the "Bonds").

This opinion is being furnished to you at the Company's request pursuant to Section 5(c)(vi)(3) of the Bond Purchase Agreement. Except as otherwise indicated herein, capitalized terms used in this opinion are defined as set forth in the Bond Purchase Agreement or, if not defined therein, as set forth in the three Trust Indentures, dated as of July 1, 2002, between the Issuer and JPMorgan Chase Bank, as trustee (the "Trustee") relating to each of the above-referenced series of Bonds (the "Indentures").

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In connection with this opinion, I have examined the following:

(i) the three Loan Agreements between the Issuer and the Company dated as of July 1, 2002 relating to each series of Bonds (the "Loan Agreements");

(ii) the Official Statement of the Issuer dated July 9, 2002;

(iii) the Continuing Disclosure Agreement, dated as of July 16, 2002 (the "Continuing Disclosure Agreement");

(iv) the Indenture of the Company, dated as of January 1, 1944 with First Chicago Bank of New York as successor trustee (the "Mortgage") including the Fortieth Supplemental Indenture thereto (the "Supplemental Indenture") and the forms of First Mortgage Bond (the "Corporation Bonds") issued pursuant thereto and attached to each Loan Agreement; and

(v) the Bond Purchase Agreement;

I have participated in or reviewed all corporate and regulatory proceedings relating to the Company in connection with the issuance and sale of the Bonds, including the corporate proceedings authorizing the Supplemental Indenture and the Corporation Bonds.

I call your attention to the fact that neither the Mortgage nor the three forms of the Corporation Bonds contain a provision specifying the law by which they are to be governed. For purposes of the opinions expressed in paragraphs 7 and 8 below, I have assumed that the Mortgage and the Corporation Bonds will be governed by the laws of the State of Florida.

Based upon the foregoing, my familiarity with the properties and affairs of the Company generally and such other information and documents as I have considered necessary for the purposes hereof, I am of the opinion that:

1. The Company is a duly organized and validly existing corporation and is in good standing under the laws of the State of Florida and is duly qualified to do business as an electrical utility and is doing business in that State.

2. The Company is duly authorized by its Articles of Incorporation to conduct the business which it is now conducting as set forth in the Official Statement.

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2002 Page 3

3. The Company has valid and subsisting franchises, licenses and permits adequate for the conduct of its business, except where the failure to hold such franchises, licenses and permits would not have a material adverse effect on the condition, financial or otherwise, earnings, property or business affairs of the Company and its subsidiaries considered as a whole.

4. The execution, delivery and performance by the Company of the Company Documents have been duly authorized by all necessary corporate action on the part of the Company.

5. The Bond Purchase Agreement has been duly authorized, executed and delivered by the Company.

6. The Loan Agreements and the Continuing Disclosure Agreement have been duly authorized, executed and delivered by the Company and constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except as may be limited by (i) any bankruptcy, insolvency, fraudulent conveyance, fraudulent transfer, reorganization, moratorium or other similar laws or judicial decisions affecting the rights of creditors generally or general equitable principles relating thereto (regardless of whether enforceability is considered or applied in a proceeding in equity or at law) and (ii) the qualification that the rights of indemnity under the Loan Agreements may be limited by principles of public policy.

7. The Mortgage has been duly and validly authorized by all necessary corporate action, has been duly and validly executed and delivered by the Company, and is a valid and binding mortgage of the Company enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws affecting mortgagees' and other creditors' rights and general equitable principles and any implied covenant of good faith and fair dealing; provided, however, that certain remedies, waivers and other provisions of the Mortgage may not be enforceable, but such unenforceability will not render the Mortgage invalid as a whole or affect the judicial enforcement of (i) the obligation of the Company to repay the principal, together with the interest thereon as provided in the Corporation Bonds or (ii) the right of the Mortgage Trustee to exercise its right to foreclose under the Mortgage.

8. Assuming authentication by the Mortgage Trustee in accordance with the Mortgage and delivery to and payment for the Bonds by the Underwriters, as provided in the Bond Purchase Agreement, the Corporation Bonds have been duly and validly authorized, executed and delivered, and are legal, valid and binding obligations of the Company enforceable in accordance with their terms, except as limited by bankruptcy, insolvency or other laws affecting mortgagees' and other creditors' rights and general equitable principles, are entitled to the benefits of the security afforded by the Mortgage and are secured equally and ratably with all

other bonds outstanding under the Mortgage except insofar as any sinking or other fund may afford additional security for the bonds of any particular series.

9. The Company has good and marketable title, with minor exceptions, restrictions and reservations in conveyances, and defects, which are of the nature ordinarily found in properties of similar character and magnitude, and which, in my opinion, will not in any substantial way impair the security afforded by the Mortgage, to all the properties described in the granting clauses of the Mortgage and upon which the Mortgage purports to create a lien. The description in the Mortgage of the above-mentioned properties is legally sufficient to constitute the Mortgage a lien upon said properties, including without limitation properties hereafter acquired by the Company (other than those expressly excepted and reserved therefrom). Said properties constitute substantially all the permanent physical properties (other than those expressly excepted and reserved from the lien of the Mortgage) of the Company and are held by the Company free and clear of all liens and encumbrances except the lien of the Mortgage and excepted encumbrances, as defined in the Mortgage. The properties of the Company are subject to liens for current taxes, which it is the practice of the Company to pay regularly as and when due. The Company has easements for rights-of-way adequate for the operations and maintenance of its transmission and distribution lines that are not constructed upon public highways. The Company has followed the practice generally of acquiring (i) certain rights-of-way and easements and certain small parcels of fee property appurtenant thereto and for use in conjunction therewith, and (ii) certain properties of small or inconsequential value, without an examination of title and, as to the title to lands affected by said rights-of-way and easements, of not examining the title of the lessor or grantor whenever the lands affected by such rights-of-way and easements are not of such substantial value as in the opinion of the Company to justify the expense attendant upon examination of titles in connection therewith. In my opinion, such practice of the Company is consistent with sound economic practice and with the method followed by other companies engaged in the same business and is reasonably adequate to assure the Company of good and marketable title to all such property acquired by it. It is my opinion that any such conditions or defects as may be covered by the above recited exceptions are not substantial and would not materially interfere with the Company's use of such properties or with its business operations. The Company has the right of eminent domain in the State of Florida under which it may, if necessary, perfect or obtain title to privately owned land or acquire easements or rights-of-way required for use or used by the Company in its public utility operations.

10. The Mortgage has been recorded and filed in such manner and in such places as may be required by law in order fully to preserve and protect, in all material respects, the security of the bondholders and all rights of the Trustee thereunder; and the Supplemental Indenture relating to the Bonds is in proper form for filing for record both as a real estate mortgage and as a security interest in all counties in the State of Florida in which any of the

July 16, 2002

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property (except as any therein or in the Mortgage are expressly excepted) described therein or in the Mortgage as subject to the lien of the Mortgage is located and, upon such recording, the Supplemental Indenture will constitute adequate record notice to perfect the lien of the Mortgage, and preserve and protect, in all material respects, the security of the bondholders and all rights of the Trustee, as to all mortgaged and pledged property acquired by the Company subsequent to the recording of the Thirty-ninth Supplemental Indenture and prior to the recording of the Supplemental Indenture.

11. The Mortgage constitutes a valid, direct and first mortgage lien of record upon all properties now owned by the Company (other than those expressly excepted therefrom and other than those properties which are not, individually or in the aggregate, material to the Company or the security afforded by the Mortgage) situated in the State of Florida, as described or referred to in the granting clauses of the Mortgage, except as limited by bankruptcy, insolvency and other laws stated in paragraph 1 above.

12. The issuance and delivery of the Corporation Bonds have been duly authorized by all necessary corporate action on the part of the Company.

13. An order has been entered by the Florida Public Service Commission authorizing the issuance and delivery of the Corporation Bonds; to the best of my knowledge, said order is still in force and effect; and no further filing with, approval, authorization, consent or other order of, any public board or body (except as may be required under the state securities or Blue Sky laws of any jurisdiction or pursuant to the Internal Revenue Code of 1986, as amended) is legally required for the consummation of the transactions contemplated in the Company Documents.

14. Except as described in or contemplated by the Official Statement, there are no pending actions, suits or proceedings (regulatory or otherwise) against the Company or any of its subsidiaries or properties that are likely, in the aggregate, to result in any material adverse change in the condition, financial or otherwise, earnings, property or business affairs of the Company and its subsidiaries considered as a whole or that are likely, in the aggregate, to materially and adversely affect the consummation of the transactions contemplated by the Company Documents.

15. The consummation of the transactions contemplated by the Company Documents and the fulfillment of the terms of the Bond Purchase Agreement will not (i) result in a breach of any of the terms or provisions of, or constitute a default under, the Articles of Incorporation or the Company's by-laws or (ii) result in a material breach of any terms or provisions of, or constitute a default under, any applicable law, indenture, mortgage, deed of trust or other agreement or instrument to which the Company is now a party or any judgment, order, writ or decree of any government or governmental authority or agency or court having jurisdiction over the Company or any of its subsidiaries or any of their assets, properties or operations.

July 16, 2002


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While I have examined the Official Statement, I necessarily assume the accuracy, completeness and fairness of the statements made or included therein (including the statements in documents incorporated by reference therein) and have made no independent check or verification thereof. Nothing has come to my attention that would lead me to believe that Appendix A to the Official Statement (except as to the financial statements and schedules and exhibits and other financial, statistical or tabular data included or incorporated by reference therein or omitted therefrom, as to which I express no belief), on the date the Official Statement was issued or at the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances in which they were made, not misleading.

I express no opinion as to the enforceability of any waiver provisions (in so far as they may purport to be contrary to the public policy of the State of Florida).

This opinion may be relied on by you, by Hunton & Williams, and by Pillsbury Winthrop LLP, as counsel for the Underwriters.

Respectfully submitted,



R. Alexander Glenn
Associate General Counsel

Florida Power

A Progress Energy Company

July 16, 2002

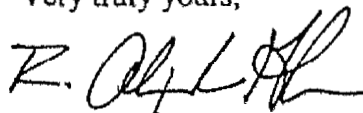
JPMorgan Chase Bank, as Trustee
under the Trust Indentures dated
as of July 1, 2002 of Citrus County,
Florida (the "Issuer")
New York, New York
Attention: Corporation Trust Department
Bond Administration

XL Capital Assurance Inc., as Bond
Insurer New York, New York

Ladies and Gentlemen:

I have heretofore provided to you an executed copy of my opinion, dated July 16, 2002, delivered by me as Associate General Counsel for Progress Energy Service Company, LLC on behalf of Florida Power Corporation to J.P. Morgan Securities Inc., as representative for the underwriters of \$240,865,000 aggregate principal amount of the Citrus County Florida's Pollution Control Revenue Refunding Bonds (Florida Power Corporation Project), Series 2002A, Series 2002B and Series 2002C. You are hereby authorized to rely upon such opinion as though it were addressed to you.

Very truly yours,



R. Alexander Glenn

Exhibit e

Underwriter	Address	Amount Underwritten	Underwriter Fees	Affiliation w/ Florida Power Co.
JPMorgan	270 Park Avenue; New York, NY	\$ 108,389,250	\$ 406,460	None
Banc of America Securities LLC	100 North Tryon St.; Charlotte, NC	\$ 60,216,250	\$ 225,811	None
SunTrust Equitable Securities Corp	PO Box 4418; Atlanta, GA	\$ 36,129,750	\$ 135,487	None
Wachovia Securities, Inc.	100 North Main St.; Winston-Salem, NC	\$ 36,129,750	\$ 135,487	None
		\$ 240,865,000	\$ 903,244	