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EXHIBIT B

REDACTED

REDACTED DOCUMENTS

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DOCUMENT NUMBER-DATE

06317 AUG-20

FPSC-COMMISSION CLERK

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2011 Hedging Strategy (TFB-4, Items 2 and 8)

FPL plans to hedge a portion of its projected 2012 residual fuel oil and natural gas requirements during 2011. Absent special circumstances (e.g. a hurricane that FPL concludes will substantially impair market functions), FPL will implement its hedging program within the following parameters:

Natural Gas

- 1) FPL will hedge approximately [REDACTED] of its projected 2012 natural gas requirements within the Hedging Window during 2011. This hedge percentage is consistent with 2011 hedge levels and is within FPL's system base load requirements. FPL will hedge approximately [REDACTED] of each individual month's projected natural gas requirements.
- 2) FPL will utilize [REDACTED] to hedge its projected natural gas requirements.
- 3) FPL will execute its natural gas hedges for 2012 from [REDACTED] through [REDACTED] as shown below:

Hedging Window



During each month of the Hedging Window, FPL will hedge the percentages shown of its projected 2012 natural gas requirements. FPL will have flexibility within any given month to determine the appropriate timing for executing hedges.

- 4) FPL intends to rebalance its natural gas hedge positions during the year based on changes in forecasted market prices, projected unit outage schedules or changes in FPL's load forecast. Once the initial monthly target volumes have been hedged, rebalancing will be executed to maintain the hedge percentages inside approved tolerance bands. The monthly tolerance bands for natural gas are +/- [REDACTED]. Therefore, the minimum and maximum monthly hedge percentages are [REDACTED] and [REDACTED], respectively.

FILE NUMBER-DATE
6317 AUG-20
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Heavy Fuel Oil

- 1) FPL will hedge approximately [REDACTED] of its projected [REDACTED] through [REDACTED] heavy fuel oil requirements. This hedge percentage is consistent with 2011 hedge levels and is within FPL's system base load requirements. FPL will hedge approximately [REDACTED] of each of these individual month's projected heavy fuel oil requirements.
- 2) FPL will utilize [REDACTED] to hedge its projected heavy fuel oil requirements.
- 3) FPL will execute its heavy oil hedges for 2012 from [REDACTED] through [REDACTED] as shown below:

Hedging Window

[REDACTED]

During each month of the Hedging Window, FPL will hedge the percentages shown of its projected [REDACTED] heavy fuel oil requirements. FPL will have flexibility within any given month to determine the appropriate timing for executing hedges.

- 4) FPL intends to rebalance its heavy oil hedge positions during the year based on changes in forecasted market prices, projected unit outage schedules or changes in FPL's load forecast. Once the initial monthly target volumes have been hedged, rebalancing will be executed to maintain the hedge percentages inside approved tolerance bands. The monthly tolerance bands for heavy fuel oil are +/- [REDACTED]. Therefore, the minimum and maximum monthly hedge percentages are [REDACTED] and [REDACTED], respectively.

26 **Reporting System for Fuel Procurement Activities (TFB-4, Items 13 and 14)**

27 FPL's reporting systems comprehensively identify, measure, and monitor all
28 forms of risk associated with fuel procurement activities.

29 FPL's philosophy on reporting is that it should be timely, consistent, flexible, and
30 transparent. Timely and consistent reporting of risk information is critical to the
31 effective management of risk. The utility has sufficient systems capability for
32 identifying, measuring, and monitoring all types of risk associated with fuel
33 procurement activities. These systems include: deal capture, current and
34 historical pricing database, deal information, and valuation models, and a
35 reporting system that utilizes the information in the trade capture system and the
36 database.

37 Specifically, several reports are available at FPL to monitor risk:

Energy Marketing & Trading

A division of Florida Power & Light Company.

Trading and Risk Management

Procedures Manual

Revision: June 2010

Approved By: _____

(If the original signature is needed, please contact Risk Management at 304-6028)

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TRADING AND RISK MANAGEMENT PROCEDURES MANUAL



APPROVED BY THE EMC ON:

December 17, 2009

Updated on July 14, 2010

(See EMC Meeting Minutes dated December 17, 2009. Please contact Risk Management at 304-6028)

**NextEra Energy, Inc.
Energy Trading and Risk Management Policy**



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ENERGY TRADING AND RISK MANAGEMENT POLICY

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PAGES 1-7

PLANNED POSITION STRATEGY

