

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: August 24, 2018
TO: Nickalus Holmes, Commission Deputy Clerk I, Office of Commission Clerk
FROM: Lynn M. Deamer, Chief of Auditing, Office of Auditing and Performance Analysis
RE: Docket No.: 20180001-EI
Company Name: Florida Power & Light Company
Company Code: EI802
Audit Purpose: A3a: Hedging Activities
Audit Control No.: 2018-058-4-1

Volume 2 of the audit working papers are forwarded for confidential treatment pursuant to Rule 25-22.006, Florida Administrative Code. The audit report, and volume 1 of the work papers are public and held by the Bureau of Auditing. The audit exit conference was held August 24, 2018.

LMD/cmm
Attachments: Confidential Document Index
Confidential Binder(s) Listed Above

cc: Bureau of Auditing (File copy)

RECEIVED-FPSC
2018 AUG 24 AM 9:09
COMMISSION
CLERK

Antonio D. Hovea
Received By

8/24/2018
Date

COMMISSIONERS:
ART GRAHAM, CHAIRMAN
JULIE I. BROWN
DONALD J. POLMANN
GARY F. CLARK
ANDREW GILES FAY

STATE OF FLORIDA



OFFICE OF
AUDITING & PERFORMANCE ANALYSIS
DALE MAILHOT
DIRECTOR
(850) 413-6854

Public Service Commission

August 24, 2018

Ms. Mashinda Kazadi
Regulatory Analyst
Florida Power & Light Company
9250 West Flagler Street
Attn: RAD/GO
Miami, FL 33174

Re: Hedging Activities Audit; Docket 20180001-EI; ACN: 2018-058-4-1; Confidential Documents Returned to Company

Dear Ms. Kazadi:

We have completed our field work in the above referenced audit. Included with this letter are the documents provided by the Utility that we are not retaining as part of our audit work papers. Please sign this letter showing receipt of these materials and fax this sheet to me at (850) 413-6805 as soon as possible.

Thank you for your assistance in this regard, and should you have any questions, please call me at (850) 413-6804.

Sincerely,

A handwritten signature in black ink, appearing to read "Marisa Glover".

Marisa Glover
Regulatory Analyst Supervisor

MG

Received by:

Signature: _____

Date: _____

Title: _____

Enclosures

cc: File//Audit Work papers (1)

List of Items Returned:

Florida Power & Light Company

Hedging Activities Audit

Docket 20180001-EI, Audit Control Number 2018-058-4-1

Item No	Description	Number of Pages	Document Request
1	Monthly FPL Derivative Settlements Reports	CD 3	Hedging 1
2	2017/2018 Risk Management Plan, Current FPL's Energy Marketing and Trading-Trading and Risk Management Procedures manual, Current NextEra-Energy Trading and Risk Management Policy	CD 1	Hedging 3
3	List of all physical hedging transactions, Treatment of transaction costs and brokerage fees, Tolling Agreements, and hedging transactions with affiliate companies.	CD 4	Hedging 6
4	Sarbanes Oxley 404 Compliance - Process Narrative/Planned Position Strategy (PPS) reports, including applicable revisions, Hedging Program Position Schedule, and Rebalancing Activity Schedule.	CD 2	Hedging 8 and Hedging 9
5	Invoices and Deal Tickets	CD 5	Hedging 12
6			
7			

5 CDs 24

COMMISSIONERS:
ART GRAHAM, CHAIRMAN
JULIE I. BROWN
DONALD J. POLMANN
GARY F. CLARK
ANDREW GILES FAY

STATE OF FLORIDA



OFFICE OF
AUDITING & PERFORMANCE ANALYSIS
DALE MAILHOT
DIRECTOR
(850) 413-6854

Public Service Commission

August 24, 2018

Ms. Mashinda Kazadi
Regulatory Analyst
Florida Power & Light Company
9250 West Flagler Street
Attn: RAD/GO
Miami, FL 33174

Re: Hedging Activities Audit; Docket 20180001-EI; ACN: 2018-058-4-1; Courtesy Copy of Confidential Documents Provided to Company

Dear Ms. Kazadi:

We have completed our field work in the above referenced audit. Included with this letter are courtesy copies of the confidential audit work papers, which the Commission is maintaining in a Temporary Confidential Status with an index of the enclosed documents.

Please sign and date page two of this letter indicating that you have received these copies and fax the sheet to me at (850) 413-6805 as soon as possible. The Utility must file a Request for Confidential Classification according to Rule 25-22.006, F.A.C. in order to maintain this confidentiality. This request must be filed with the Commission within twenty-one days from today or these work papers will become public documents.

Thank you for your assistance in this regard, and should you have any questions, please call me at (850) 413-6804.

Sincerely,

A handwritten signature in black ink that reads "Marisa Glover".

Marisa Glover
Regulatory Analyst Supervisor

MG

Received by:

Signature: _____

Date: _____

Title: _____

Enclosures

cc: File//Audit Work papers (1)

INDEX OF CONFIDENTIAL WORKPAPERS

Florida Power & Light Company

Hedging Activities Audit

Docket 20180001-EI, Audit Control Number 2018-058-4-1

Item	Description	Page	Number of Pages
1	List of all physical hedging transactions, Treatment of transaction costs and brokerage fees, Tolling Agreements, and hedging transactions with affiliate companies.	10-6.1, 10-6.2, 10-6.3, 10-6.4	4
2	Invoices and Deal Tickets	48-12 to 48-18.7.9	128
3	Monthly Hedging Reconciliation	48-2, 48-5	2
4	Hedging Limits	48-11	1
5			
6			
7			
8			
9			
10			
11			

Total Pages 135