

State of Florida



Public Service Commission

MEMORANDUM

DATE: October 7, 1997

TO: James McGee, Esquire - Florida Power Corporation
John Roger Howe, Esquire - Office of Public Counsel
Matthew Childs, Esquire - Orlando Cogen Limited, Air Products & Chemicals, Inc.

FROM: Cochran Keating, Staff Attorney, Division of Legal Services CK

RE: Docket No. 961184-BQ - Petition for approval of early termination amendment to negotiated qualifying facility contract with Orlando Cogen Limited by Florida Power Corporation.

Via Facsimile

Pursuant to Rule 25-22.033, F.A.C., the Staff of the Florida Public Service Commission (Staff) provides this notice of communications between Staff and Florida Power Corporation (FPC) concerning the above docket. While this communication might not fall squarely within the Rule, this notice is provided in accord with SOP 1613.

On October 6, 1997, FPC contacted Staff, through its attorney, to point out what FPC believed was an error in the testimony of Staff witness Paul W. Stallcup. FPC stated that it believed Mr. Stallcup may have erred in calculating the risk adjusted discount rates used in his testimony. Mr. Stallcup stated that he would review that portion of his testimony.

Mr. Stallcup has reviewed his testimony and affirms that the risk adjusted discount rates are calculated as he intended. However, Mr. Stallcup has found an unrelated, minor error in the file provided on diskette in response to FPC's First Request for Production of Documents to Staff (No. 1). The code used in cell M21 to set "Fixed Capacity Cost" in the year 2014 is incorrect. The spreadsheet provided with the diskette was not affected by this error. Mr. Stallcup has corrected the error, and Staff will provide all parties a copy of the updated diskette by mail.

- ACK
AFA
APP
CAF
CMU
CTR
EAC
LEG
LRY

19971007.msk

cc: Division of Records & Reporting (Bay6)
Division of Electric & Gas (Harlow, Ballinger, Colson, Draper, Dudley, Tew, Wheeler)
Division of Auditing and Financial Analysis (Noriega, McNulty, Maurey, Stallcup)

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING