In re: Review of Florida Power Corporation's Earnings, Including Effects of proposed acquisition of Florida Power Corporation by Carolina Power & Light. DOCKET NO. 000824-EI

Submitted for Filing November 30, 2001

## FLORIDA POWER CORPORATION'S OBJECTIONS TO STAFF'S FOURTH REQUEST FOR PRODUCTION OF DOCUMENTS TO FLORIDA POWER CORPORATION

Pursuant to § 350.0611(1), Fla. Stat. (2000), Fla. Admin. Code R. 28-106.206, and Fla. R. Civ. P.1.350, Florida Power Corporation ("FPC") files its objections to the Staff of the Florida Public Service Commission's ("Staff") Fourth Request for Production and states as follows:

## **GENERAL OBJECTIONS**

FPC objects to any request that calls for the production of documents protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law, whether such privilege or protection appears at the time the response is first made to these requests or is later determined to be applicable based on the discovery of documents, investigation or analysis. FPC in no way intends to waive any such privilege or protection.

In certain circumstances, FPC may determine upon investigation and analysis that documents that respond to certain requests to which objections are not otherwise asserted are confidential and proprietary and should be produced only under an appropriate confidentiality agreement and protective order, if at all. By agreeing to produce documents in response to this request, FPC is not waiving its right to insist upon appropriate protection of confidentiality by means of a confidentiality agreement and protective order. FPC hereby asserts its right to require

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such protection of any and all documents that may qualify for protection under the Florida Rules of Civil Procedure and other applicable statutes, rules and legal principles.

FPC further objects to these requests and any definitions or instructions that purport to expand FPC's obligations under applicable law.

FPC objects to any request that requires the production of "all" or "each" as it cannot give assurances, even after a good faith and reasonably diligent attempt, that "all" or "each" responsive document will be found. Indeed, it may well be impossible to assure compliance with the exercise of reasonable diligence.

FPC incorporates by reference all of the foregoing general objections into each of its specific objections set forth below as though pleaded therein.

Moreover, to the extent documents responsive to the requests have been previously produced, FPC will not be reproducing these documents but will attempt to make appropriate cross-references between and amongst the various requests.

## **DOCUMENTS REQUESTED**

- 17. Please provide the supporting documentation for the Sebring depreciation adjustment for the projected test year shown on line 25, MFR Schedule C-31, page 5, and for the prior year ended December 31, 2000, shown on page 8. (Lee)
- 18. Please provide all supporting documentation for the company proposed amortization of the last core of nuclear fuel and the amortization of end of life nuclear materials and supplies for the projected test year on MFR Schedule C-3, page 13, and Schedule B-4, pages 32 and 33. (Lee)

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19. Please provide a copy of the October 25, 2001 letter, and the attached Appendix A, sent to Mr. Robert P. Watson, Chief Financial Analyst, of the Securities and Exchange Commission by Sara Carmichael, Director, Service Company Finance, of Progress Energy Service Company, LLC, (PESCO) regarding the allocation of the service company's expenses to Progress Energy's subsidiaries. If such a document exists concerning the current methodology for the allocation of PESCO expenses, please provide a copy of that as well. (Slemkewicz) Please produce any documents relating to new technologies that would mitigate unburned 20. nuclear fuel at the time of license expiration. (Lee) Please produce any documents relating to any regulatory decisions, state or federal, addressing 21. recovery of the last core of nuclear fuel and end of life nuclear materials and supplies. (Lee) 22. Please produce any documents relating to any research currently being undertaken regarding possible ways to minimize or completely mitigate the last core of nuclear fuel including the use of shorter refueling cycles, an enrichment of the fuel specifically designed for the last cycles that would minimize the amount of unburned fuel remaining at shutdown, and reprocessing to mitigate the last core. (Lee) 23. Please provide all worksheets or other supporting documents used in the development of the composite depreciation rates used in calculating the depreciation expense. (Lee) 24. Please provide all workpapers used in determining the impact of implementing FAS 143, assuming implementation January 1, 2002, and also assuming implementation in 2003. (Lee)

- 25. Please provide all workpapers showing the calculation of the impact of implementing the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants AcSEC Statement of Position issued June 29, 2001, regarding the capitalization and expensing of certain costs. (Lee)
- 26. Provide the workpapers supporting the determination of the company rate base adjustments of \$45.6 million and \$35.6 million, respectively to increase the depreciation reserve to reflect the impact of wholesale depreciation/stratification on rate base for the year ending December 31, 2000, and for the projected test year. (Lee)
- 27. Provide the supporting workpapers showing the development of the company proposed Net Operating Income and rate base adjustments for the last core of nuclear fuel. (Lee)
- 28. Provide the supporting workpapers showing the development of the company proposed Net Operating Income and rate base adjustments for the end of life nuclear materials and supplies inventory. (Lee)
- 29. Provide all correspondence between FPC and the Nuclear Regulatory Commission regarding the license extension of CR3. (Lee)

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## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of foregoing has been furnished via U.S. Mail to

the following this 30th day of November, 2001.

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