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VICTORIA J. TSCHINKEL
SENIOR CONSULTANT
NOT A MEMBER OF THE FLORIDA BAR

May 13, 1997

BY HAND DELIVERY

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: FPSC Docket No. 961477-EQ, In Re: Petition for Expedited Approval of Settlement Agreement Between Florida Power Corporation and Lake Cogen, Ltd.

Dear Ms. Bayo:

Enclosed are copies of letters that GPU, Inc., GPU International, Inc., and New Lake Corp. previously sent to Ms. Lorna Wagner, Esq. of the Commission's Legal Staff, regarding each respective entity's consent to the settlement agreement between Lake Cogen, Ltd. and Florida Power Corporation that is the subject of the above-mentioned docket. Please include these letters in the official docket file for this docket.

Thank you very much for your assistance. If you have any questions, please give me a call.

Cordially yours,

Robert Scheffel Wright
Robert Scheffel Wright

- ACK _____
- AFA 1 _____
- APP _____
- CAF _____
- CMU 1 Enclosure
- CTR _____
- EAG 1 COPY: _____
- LEG 1 _____
- LIN 5 _____

LORNA R. WAGNER, ESQUIRE
DIVISION OF LEGAL SERVICES
FLORIDA PUBLIC SERVICE COMMISSION

JAMES P. FAMA, ESQUIRE
FLORIDA POWER CORPORATION

RECEIVED & FILED
[Signature]
PUBLIC BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
04779 MAY 13 1997
FPSC-RECORDS/REPORTING

New Lake Corp.
c/o Continental Stock Transfer Corporation
2 Broadway
New York, New York 10004

Lorna R. Wagner, Esq.
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Petition for Expedited Approval of
Settlement Agreement between Lake Cogen, Ltd.
and Florida Power Corporation
Docket No. 961477-EO

Dear Ms. Wagner:

We understand that the staff of the Florida Public Service Commission ("FPSC") has requested that we formally advise the staff of our consent to the Settlement Agreement, dated December 6, 1996, between Florida Power Corporation and Lake Cogen, Ltd. ("Settlement Agreement") presently pending before the FPSC in the above-captioned docket.

As we believe the staff is aware, New Lake Corp. has agreed with GPU International, Inc. ("GPU") to acquire and simultaneously exercise GPU's option to purchase a 50% limited partner interest in Lake Cogen, Ltd. GPU has advised us of the pending Settlement Agreement, although under the terms of the Lake Cogen, Ltd. partnership agreement, as a limited partner New Lake Corp. will not have any approval or consent rights regarding the Settlement Agreement or any amendment to the Power Purchase Agreement.

Nevertheless, in order to accommodate the staff's request, this letter shall acknowledge and confirm that (although our approval or consent thereto is not contractually required) New Lake Corp. consents to the Settlement Agreement.

Very truly yours,

NEW LAKE CORP.

By: 

Name: Michael S. Nelson
Title: President

cc: R. Scheffel Wright, Esq.
Douglas E. Davidson, Esq.
Mr. Robert Dolan, Florida Power Corporation



GPU, Inc.
100 Interspace Parkway
Parlissany, NJ 07054-1149
Tel 201-283-8500
Fax 201-283-8822

May 6, 1997

Lorna R. Wagner, Esq.
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: **Petition for Expedited Approval of
Settlement Agreement with Lake Cogen, Ltd.
by Florida Power Corporation
Docket No. 961477-EO**

Dear Ms. Wagner:

We understand that the Staff of the Florida Public Service Commission ("FPSC") has requested that we formally advise the Staff of our consent to the Settlement Agreement, dated December 6, 1996 between Florida Power Corporation and Lake Cogen, Ltd. ("Settlement Agreement") presently pending before the FPSC in the above-captioned docket.

As we believe the Staff is aware, NCP Lake Power Incorporated, the general partner of Lake Cogen, is an indirect wholly-owned subsidiary of GPU International, Inc. which, in turn, is a wholly-owned subsidiary of GPU, Inc.

Consequently, while GPU's approval or consent is not otherwise required, in order to accommodate the Staff's request this letter shall acknowledge and confirm that GPU, Inc. consents to the Settlement Agreement.

Very truly yours,

T. G. Howson
Vice President and Treasurer

cc: R. Scheffel Wright, Esq.
Douglas E. Davidson, Esq.
Robert Dolan, Florida Power Corp.

David C. Brauer
Vice President
Finance and Treasurer



GPU International, Inc
One Upper Pond Road
Parsippany, NJ 07054
Tel 201-263-8270
Fax 201-263-8877

May 6, 1997

Lorna R. Wagner, Esq.
Division of Legal Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Petition for Expedited Approval of
Settlement Agreement with Lake Cogen, Ltd.
by Florida Power Corporation
Docket No. 961477-EQ

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As we believe the Staff is aware, NCP Lake Power Incorporated, the general partner of Lake Cogen, is an indirect wholly-owned subsidiary of GPU International, Inc. which, in turn, is a wholly-owned subsidiary of GPU, Inc.

Consequently, while GPU International's approval or consent is not otherwise required, in order to accommodate the Staff's request this letter shall acknowledge and confirm that GPU International, Inc. consents to the Settlement Agreement.

Very truly yours,

A handwritten signature in black ink, appearing to read "David C. Brauer".

David C. Brauer
Vice President

cc: R. Scheffel Wright, Esq.
Douglas E. Davidson, Esq.
Robert Dolan, Florida Power Corp.