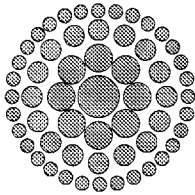


ORIGINAL



**Florida  
Power**  
CORPORATION

**JAMES A. MCGEE**  
SENIOR COUNSEL

June 25, 1999

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

Re: Docket No. 990723-EQ; Petition of Florida Power Corporation for approval of an agreement to restructure existing cogeneration contracts with Polk Power Partners, L.P. and Orange Cogeneration Limited Partnership.

Dear Ms. Bayó:

Enclosed for filing in the subject docket are an original and fifteen copies of revised Exhibit 2 and supplemental Exhibit 3 to above-referenced Petition of Florida Power Corporation. A contemporaneously filed Supplemental Request for Confidential Classification seeks confidential treatment for portions of these exhibits and, accordingly, only redacted copies are included with this filing.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced document in WordPerfect format. Thank you for your assistance in this matter.

Very truly yours,

James A. McGee

JAM/ams  
Enclosure

cc: D. Bruce May, Esquire

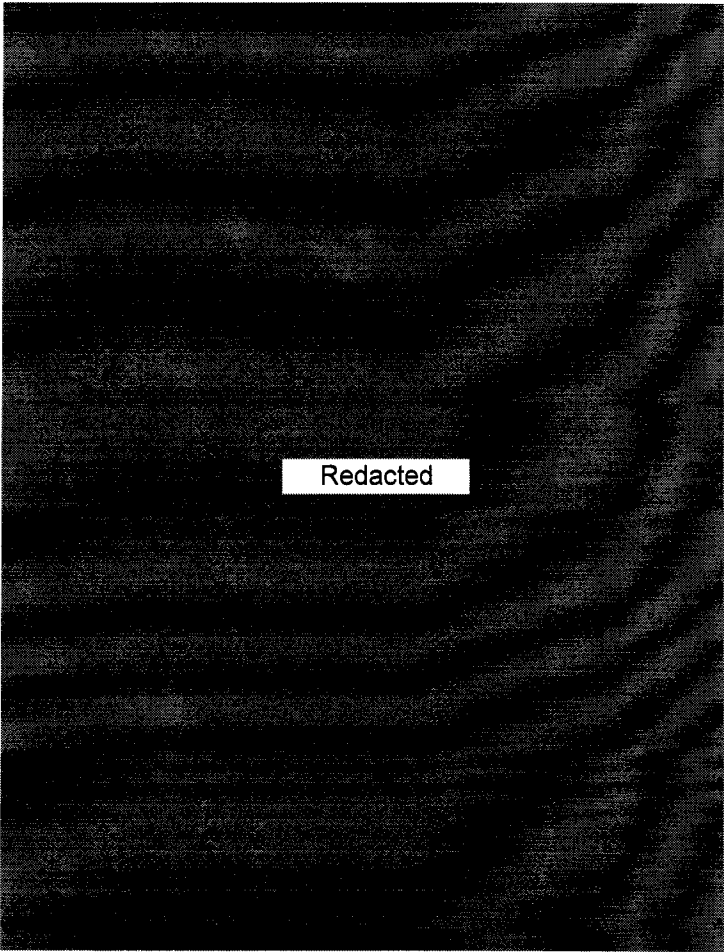
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- MAS \_\_\_\_\_
- OPC \_\_\_\_\_
- RRR \_\_\_\_\_
- SEC \_\_\_\_\_
- WAW \_\_\_\_\_
- OTH \_\_\_\_\_

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DOCUMENT NUMBER - DATE  
**07764 JUN 28 99**  
FPSC-RECORDS/REPORTING

GENERAL OFFICE

**Capacity Payment Comparison**  
**Orange/Mulberry/Royster Restructuring**  
 (Based on 184 MW, Revised)

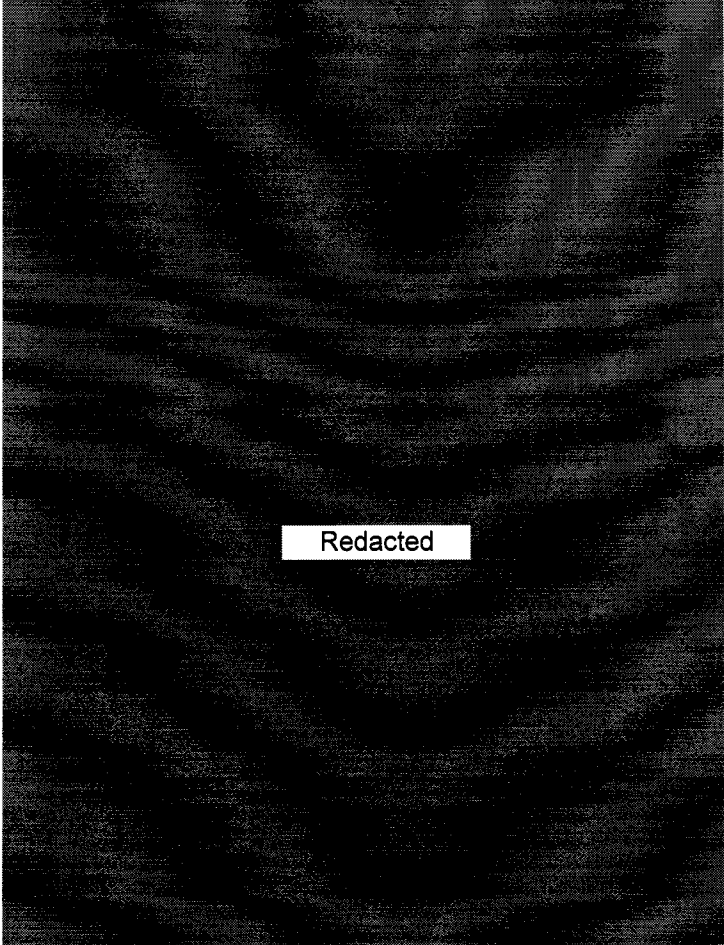
Year	Existing Contract Capacity Payments	Restructured Contract Capacity Payments	Ratepayer Savings	Composite Reduction
1999 Sept-Dec	17,751,952			
2000	55,689,611			
2001	58,170,782			
2002	60,845,370			
2003	63,634,196			
2004	66,557,000			
2005	69,780,623			
2006	73,313,420			
2007	77,022,183			
2008	80,922,096			
2009	80,111,495			
2010	73,850,660			
2011	77,573,433			
2012	78,654,157			
2013	82,668,837			
2014	86,881,805			
2015	91,313,672			
2016	95,982,442			
2017	100,870,111			
2018	106,024,729			
2019	111,408,553			
2020	117,098,810			
2021	123,075,759			
2022	129,342,008			
2023	135,953,304			
2024	115,703,929			
2025	64,440,748			

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

**Capacity Payment Comparison**  
**Orange/Mulberry/Royster Restructuring**  
 (Based on 160 MW)

Year	Existing Contract Capacity Payments	Restructured Contract Capacity Payments	Ratepayer Savings	Composite Reduction
1999 Sept-Dec	15,642,293			
2000	49,048,470			
2001	51,223,597			
2002	53,552,356			
2003	55,980,051			
2004	58,523,361			
2005	61,343,008			
2006	64,453,464			
2007	67,721,525			
2008	71,156,252			
2009	69,855,982			
2010	63,077,933			
2011	66,265,131			
2012	67,703,925			
2013	71,158,546			
2014	74,783,910			
2015	78,600,630			
2016	95,982,442			
2017	100,870,111			
2018	106,024,729			
2019	111,408,553			
2020	117,098,810			
2021	123,075,759			
2022	129,342,008			
2023	135,953,304			
2024	115,703,929			
2025	64,440,748			

## Estimated Savings Impact Of Orange/ Mulberry/ Royster Restructuring with El Paso Power Services

With TECO Restructuring (184 MW)

	Capacity Savings	Replacement Energy	Make Whole Credit	Net Energy Savings (Cost)	Total Customer Savings
1999 Sep-Dec				\$579,288	
2000				\$1,704,892	
2001				\$1,604,074	
2002				(\$263,124)	
2003				\$1,140,882	
2004				(\$53,969)	
2005				\$730,809	
2006				\$978,910	
2007				\$1,223,870	
2008				\$1,465,689	
2009		Redacted		\$1,580,036	Redacted
2010				\$1,527,510	
2011				\$1,721,031	
2012				\$1,911,937	
2013				\$2,100,227	
2014				\$2,285,903	
2015				\$2,468,964	
2016				\$2,649,409	
2017				\$2,827,240	
2018				\$3,002,455	
2019				\$3,175,055	
2020				\$3,345,041	
2021				\$3,512,411	
2022				\$3,677,166	
2023				\$3,839,306	
2024				\$3,220,622	
2025				\$1,740,127	
NPV (8.58%)				\$15,124,809	

# Estimated Savings Impact Of Orange/ Mulberry/ Royster Restructuring with El Paso Power Services

Without TECO Restructuring (160 MW)

	Capacity Savings	Replacement Energy	Make Whole Credit	Net Energy Savings (Cost)	Total Customer Savings
1999 Sep-Dec				\$540,218	
2000				\$1,586,752	
2001				\$1,493,851	
2002				(\$127,247)	
2003				\$1,093,169	
2004				\$54,533	
2005				\$736,765	
2006				\$952,458	
2007				\$1,165,419	
2008				\$1,375,650	
2009			Redacted	\$1,458,818	Redacted
2010				\$1,375,523	
2011				\$1,538,684	
2012				\$1,699,640	
2013				\$1,858,390	
2014				\$2,014,935	
2015				\$2,169,275	
2016				\$2,649,409	
2017				\$2,827,240	
2018				\$3,002,455	
2019				\$3,175,055	
2020				\$3,345,041	
2021				\$3,512,411	
2022				\$3,677,166	
2023				\$3,839,306	
2024				\$3,220,622	
2025				\$1,740,127	
NPV (8.58%)				\$14,505,025	