STEEL HECTOR DAVIS REGISTERED LIMITED LIABILITY PARTNERSHIP

ORIGINAL

Steel Hector & Davis LLP 215 South Monroe, Suite 601 Tallahassee, Florida 32301-1804 850.222.2300 850.222.8410 Fax www.steelhector.com

Charles A. Guyton 850 222 3423

August 27, 2002

VIA HAND DELIVERY

Blanca S. Bayó, Director Division of the Commission Clerk & Administrative Services Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

> Re: Docket Nos. 020262-EI and 020263-EI

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are the original and seven (7) copies of FPL's Motion to Compel Production of Documents and Answers to Interrogatories to CPV Gulfcoast, Ltd., together with a diskette containing the electronic version of same. The enclosed diskette is HD density, the operating system is Windows 2000, and the word processing software in which the document appears is Word 2000.

If there are any questions regarding this transmittal, please contact me at 222-2300.

Very truly yours,

Charles A. Guyton

AUS CAG:gc CAF Enclosure CMP Copy to: COM 5 CTR

ECR GCL

OTH

Counsel for All Parties of Record

TAL 1998 43526v1

OPC MMS

FPSC-BUREAU OF RECORDS

RECEIVED & FIL

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Determination of Need for Proposed Electrical Power Plant in)	DOCKET NO. 020262-EI
Martin County of Florida Power and)	
Light Company)	
	_)	
In re: Petition for Determination of Need)	DOCKET NO. 020263-EI
For Proposed Electrical Power Plant in)	
Manatee County of Florida Power and)	
Light Company)	
)	Filed: August 27, 2002

FLORIDA POWER & LIGHT COMPANY'S MOTION TO COMPEL PRODUCTION OF DOCUMENTS AND ANSWERS TO INTERROGATORIES TO CPV GULFCOAST, LTD.

Florida Power & Light Company ("FPL"), pursuant to Rules 28-106.206 and 28-106.303 of the Florida Administrative Code and Florida Rules of Civil Procedure 1.280, 1.340, 1.350, and 1.380, moves to compel CPV Gulfcoast, Ltd. ("CPV") to respond to: 1) FPL's First Request for Production of Documents (Nos.1-26) ("FPL's First Request for Production") a copy of which is attached as Exhibit A; 2) FPL's First Set of Interrogatories (Nos. 1-34) ("FPL's First Set of Interrogatories") a copy of which is attached as Exhibit B; 3) FPL's Second Request for Production of Documents (Nos. 27-43) ("FPL's Second Request for Production") a copy of which is attached as Exhibit C; and 4) FPL's Second Set of Interrogatories (Nos. 35-45) ("FPL's Second Set of Interrogatories") a copy of which is attached as Exhibit D. The grounds for this motion are as follows:

FPL's First Request for Production and First Set of Interrogatories were filed on July 26, 2002. FPL's Second Request for Production and Second Set of Interrogatories were filed on July 31, 2002. The purpose of this discovery was: 1) to obtain documents from CPV that support

DOCUMENT NUMPER-DATE

09055 AUG 27 B

FPSC-COMMISSION CLERK

FPL's ultimate determination on CPV's bid proposal; 2) to identify CVP's positions regarding the issues in this case; 3) to determine which witnesses CPV intends to have testify at the hearing before the PSC; and 4) to identify the evidence CPV intends to rely upon in support of its position.

CPV has responded to FPL's discovery requests with numerous objections, asserting general objections to all of FPL's requests and specific objections to 32 of FPL's 43 document requests and 37 of 45 interrogatories. See CPV Gulfcoast, Ltd.'s Objections to Florida Power & Light Company's First Request for Production of Documents (Nos. 1-26) ("CPV's First Objections to Requests") attached hereto as Exhibit E; CPV Gulfcoast's Objections to Florida Power & Light Company's Second Request for Production of Documents (Nos. 27-43) ("CPV's Second Objections to Requests") attached hereto as Exhibit F, (collectively "CPV's Objections to Requests"); CPV Gulfcoast, Ltd.'s Objections to Florida Power & Light Company's First Set of Interrogatories (Nos. 1-34) ("CPV's First Objections to Interrogatories") attached hereto as Exhibit G; CPV Gulfcoast, Ltd.'s Objections to Florida Power & Light Company's Second Set of Interrogatories (Nos. 35-45) ("CPV's Second Objections to Interrogatories") attached hereto as Exhibit H, (collectively "CPV's Objections to Interrogatories"); CPV Gulfcoast, Ltd.'s Responses to Florida Power & Light Company's First Request for Production of Documents (Nos. 1-26) and First Set of Interrogatories (Nos. 1-34) ("CPV's First Set of Responses") attached hereto as Exhibit I; and CPV Gulfcoast Ltd.'s Responses to Florida Power & Light Company's Second Request for Production of Documents (Nos. 27-43) and Second Set of Interrogatories (Nos. 35-45) ("CPV's Second Set of Responses") attached hereto as Exhibit J, (collectively "the CPV Responses"). Instead of making any meaningful objections to FPL's discovery, CPV makes numerous one word "specific" objections, with no explanation or

rationale.¹ Such unsubstantiated, boilerplate objections are inadequate on their face and grounds to grant FPL's Motion to Compel. Nonetheless, in addition to the facial inadequacy of CPV's Objections to Requests, Objections to Interrogatories, and the CPV Responses, FPL submits the following arguments in support of its Motion to Compel.

Argument

FPL's discovery requests are proper under Rules 1.340, 1.350 and Rule 1.280(b)(1). These rules make clear that the concept of relevancy is broader in the discovery context than in the trial context, and therefore, a party may be permitted to discover relevant evidence that would be inadmissible at trial, so long as it may lead to the discovery of admissible evidence. See Amente v. Newman, 653 So. 2d 1030, 1032 (Fla. 1995). As previously stated, CPV has asserted "general objections" to every single category of documents requested and to every single interrogatory. Moreover, CPV has asserted "specific objections" to 32 of FPL's 43 requests for production and 37 of 45 interrogatories. Neither CPV's general objections nor its specific objections have any basis in the law. Each of FPL's interrogatories and requests seek

¹ CPV Gulfcoast apparently made great use of the copy and paste function on its word processing program. CPV asserted the same string of one word objections in response to virtually all of FPL's discovery, without regard to any rational basis for identical objections. Moreover, CPV then copied FPL's discovery requests to CPV and sent identical requests back to FPL. Here, it is CPV that has challenged the validity of FPL's April 2002 Supplemental RFP. CPV cannot maintain that its discovery directed to FPL is somehow tied to the issues before the Public Service Commission. CPV disingenuously objects to all of FPL's requests as "unduly burdensome and oppressive." *See* CPV's First and Second Objections to Requests and CPV's First and Second Objections to Interrogatories, General Objection 1. If any discovery is designed to be oppressive, it is CPV's discovery, not FPL's. Nonetheless, because it falls within the permissible scope of discovery, FPL has answered many of these same discovery requests posed by CPV. For example, FPL posed interrogatory 16 to CPV which CPV sent verbatim back to FPL as interrogatory 43. FPL answered, but CPV did not. There are numerous other examples of CPV's failure to answer a request identical to a request which it required FPL to answer.

² It appears that CPV has merely recopied the same nine General Objections in both its First and Second set of Objections to Requests and Interrogatories.

only information calculated to lead to the discovery of admissible evidence. CPV's objections, simply put, are without merit.

CPV's General Objections

In its general objections, CPV asserts nine objections to each of FPL's discovery requests. Most of these general objections are without merit.³

First, CPV objects to each request to the extent that it requires CPV "to respond on behalf of subsidiaries, parent entities, affiliates, or other persons that are not parties to this case on the grounds that such requests are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules." See CPV's Objections to Requests and CPV's Objections to Interrogatories, General Objection 1. CPV is mistaken as to the scope of discoverable information under Florida law. Rule 1.350 provides that FPL may seek discovery of documents that are in CPV's "possession, custody or control. . . ." Further, a subsidiary may be in "control" of documents in the possession of a parent. See In Re: Petition by Gulf Power Company for Approval of Purchased Power Arrangement Regarding Smith Unit 3 for Cost Recovery Through Recovery Clauses Dealing with Purchased Capacity and Purchased Energy, Order No. PSC-01-1725-PCO-EI. Three factors are considered in determining if discovery is proper from a corporate parent:⁴

- 1) the corporate structure;
- 2) the non-party is connected to the transaction at issue; and

³ In General Objection 2, CPV asserts a general work product and attorney-client objection. FPL agrees that these privileges may apply, however, CPV's responses should include a privilege log as required in Florida Rule of Civil Procedure 1.280(b)(5). CPV has failed to comply with this requirement and should be compelled to do so.

⁴ Of course, all discovery must be "reasonably calculated to lead to the discovery of admissible evidence." See Rule 1.280(b)(1). Although FPL's discovery is directed to the validity of its April 2002 Supplemental RFP, CPV has directed many of the same requests back to FPL. CPV's requests are improper because FPL's parent entities have no stake in this litigation, and FPL is not relying on its parent or affiliates for any reason, unlike CPV.

3) the degree to which the non-party will benefit from an outcome favorable to the corporate party to the litigation

See id. (citing Afros S.P.A. v. Krauss-Maffei Corp., 113 F.R.D. 127, 130 (D. Del. 1986)). Further, "[w]ith respect to the first factor, '[w]hether a subsidiary is wholly or partially owned by the parent, the overlap of directors, officers, and employees, or the financial relationship between the corporations all aid in the analysis of control." *Id.* (quoting Afros, at 131). As to the second factor, "courts focus on the degree to which the non-party participated in the transaction at issue, and how relevant the requested documents are to the litigation." *Id.* (citing Afros, at 131-32). Finally, as to the third factor, if the non-party will receive any benefit from the litigation, that fact must be weighed along with others in determining control." *Id.* (citing Afros, at 132).

Here, CPV Gulfcoast, Ltd. is controlled by Competitive Power Ventures, Inc. Competitive Power Ventures, Inc. develops large power projects through its subsidiaries throughout the United States. Competitive Power Ventures, Inc. has approximately 12 projects under development in the United States and Canada, including the CPV Gulfcoast Project. Competitive Power Ventures, Inc. is intimately connected with CPV Gulfcoast and has a stake in the outcome of this litigation. Further, by referencing Competitive Power Ventures, Inc. in its bid proposal, CPV brought its parent into the present action. As such, FPL should be allowed discovery of documents held by both Competitive Power Ventures, Inc. and CPV.

CPV's third objection states that CPV "objects to each and every request insofar as the request is vague, ambiguous, overly broad, imprecise or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these requests." *See* CPV's Objections to Requests and CPV's Objections to Interrogatories, General Objection 3. In

General Objection 7, CPV similarly objects to each request as "unduly burdensome, expensive, oppressive or excessively time consuming as written." *See* CPV's Objections to Requests and CPV's Objections to Interrogatories, General Objection 7. However, CPV has failed to state, in either its general objections or specific objections, why the requests or interrogatories are vague, ambiguous, overly broad, imprecise, unduly burdensome, expensive, oppressive or time consuming. Without any legal analysis, CPV's objections are meaningless, and should be overruled. *See, e.g., First Healthcare Corp. v. Hamilton*, 740 So. 2d 1189, 1193 (Fla. 4th DCA 1999) (stating that mere boilerplate objections are an abuse of discovery); *Topp Telecom, Inc. V. Atkins*, 763 So. 2d 1197, 1199 (Fla. 4th DCA 2000) (stating that objections based on undue burden must be supported by record evidence such as affidavits).

In CPV's fourth general objection, CPV objects to each of FPL's requests to the extent that the request or interrogatory "is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the subject matter of this action." See CPV's Objections to Requests and CPV's Objections to Interrogatories, General Objection 4. This general objection should be overruled. Each of FPL's requests and interrogatories are narrowly tailored to seek evidence that is calculated to lead to the discovery of admissible evidence. In its requests, FPL has asked CPV for three basic categories of information: 1) information relating to CPV's participation in FPL's April 2002 Supplemental RFP; 2) information relating to CPV's corporate integrity, stability, and financial health; and 3) the witnesses and evidence CPV intends to rely on at trial. These three general categories are tailored to the issues in the present case. CPV asserted that FPL's April 2002 Supplemental RFP was flawed. See CPV Gulfcoast Ltd.'s Request for Leave to Amend Petition to Intervene and Amended Petition To Intervene Into Need Determination Proceeding, Docket No. 020263-EI. CPV is now challenging the validity of

FPL's decision. See id. at 8-9. CPV has raised these issues in its Petition to Intervene and placed them in the "fair realm of inquiry." Id. As a party to the proceeding, CPV must now submit to FPL's reasonable discovery requests. See In Re: Petition by Gulf Power Company for Approval of Purchased Power Arrangement Regarding Smith Unit 3 for Cost Recovery Through Recovery Clauses Dealing with Purchased Capacity and Purchased Energy, Order No. PSC-01-1725-PCO-EI. It is certainly permissible for FPL to bolster its position by discovering the information underlying CPV's participation in, and response to FPL's April 2002 Supplemental RFP, which is now being challenged as unfair. These issues are at the heart of FPL's April 2002 Supplemental RFP. Finally, discovery of the witnesses and documents upon which CPV intends to rely is a fundamental purpose underlying Florida's discovery rules. As such, CPV should not be allowed to thwart the orderly process of discovery by merely asserting general untailored objections to FPL's discovery requests.

CPV's sixth objection states that CPV objects to "providing information to the extent that such information is already in the public record before the Commission, or elsewhere." See CPV's Objections to Requests and CPV's Objections to Interrogatories, General Objection 6. In its objections and subsequent responses, CPV has not fully satisfied its obligation. To the extent that any documents requested are publicly available, CPV should be required "to identify the specific documents or types of documents that are publicly available, and the public entity that has custody of each such document." See In Re: Petition by Gulf Power Company for Approval of Purchased Power Arrangement Regarding Smith Unit 3 for Cost Recovery Through Recovery Clauses Dealing with Purchased Capacity and Purchased Energy, Order No. PSC-01-1725-PCO-EI.

In General Objection 8, CPV objects to each and every request "to the extent that the requests or interrogatories call for trade secrets privileged under Section 90.506, Florida Statutes." CPV goes on to object, however, to proprietary confidential business information which is not subject to the "trade secrets" privilege. CPV agreed to produce documents subject to a Protective Agreement. Here, there is a confidentiality agreement in place, and FPL has produced many otherwise confidential documents to CPV and other parties, withholding only a very few as too sensitive to provide even under the Confidentiality Agreement. CPV has produced none.⁵

In General Objection 9, CPV objects to the information sought by FPL because "FPL has the affirmative burden of proving that its proposed projects will satisfy the statutory need criteria set forth in Section 403.519, Florida Statutes." CPV goes on to object that CPV must only "show that it was a participant in FPL's selection process[]" and, as such, FPL is not entitled to seek any discovery from CPV. This is a constrained and inaccurate reading of the scope of permissible discovery.

CPV has challenged the integrity of FPL's RFP process. In its petition to intervene, CPV asserted that "[t]he proposals that CPV Gulfcoast submitted to FPL in response to its Supplemental RFP constitute the most cost-effective means of a [sic] providing a portion of the

⁵ In fact, CPV incorporates an additional confidentiality objection into many of its specific objections to interrogatories (12, 13, 14, 16, 17, 19, 22, 23, 24, 25, 26, 27, and 28) and several of its specific objections to requests to produce (5, 6, 9, 10, 11, 21, 22, 23, and 24). CPV objects that the information sought "is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information." Where CPV differs from FPL is CPV has not produced any documents under this wide confidentiality objection. CPV's blanket confidentiality objection is not well-founded and should be overruled.

projected additional capacity need at the Manatee facility, to ensure reliability and adequate electricity at reasonable cost to FPL's retail ratepayers." See CPV Gulfcoast Ltd.'s Request for Leave to Amend Petition to Intervene and Amended Petition To Intervene Into Need Determination Proceeding, Docket No. 020263-EI. Of course, since making this totally unsupported and inaccurate assertion in its petition to intervene, CPV Gulfcoast now knows one of its proposals was dead last in FPL's economic analysis and none of its proposals were economically competitive. Further, CPV has questioned if "FPL compl[ied] with the terms of its Supplemental RFP?" Id. CPV has challenged the validity of FPL's Supplemental RFP, FPL's analysis of the information provided by bid participants, and the conclusions that FPL reached. As such, FPL must be allowed to conduct discovery pertaining to CPV's participation in the April 2002 Supplemental RFP, and CPV's corporate and financial viability to bolster its conclusions. By raising these issues, CPV put them in issue, and FPL should be entitled to related discovery. Finally, FPL must be allowed to determine what information CPV intends to rely on in this proceeding. Each of these types of documents requested are proper subjects of FPL's discovery.

CPV's Specific Objections

FPL seeks documents pursuant to the following requests for which no documents have been offered: 2, 4-6, 9-11, 14-15, 21-24, and 26-43. FPL seeks answers to interrogatories pursuant to the following interrogatories which CPV has not answered: 11-14, 16-17, 19, 22-24, 26-28, and 35-45. As previously stated, FPL's discovery may be segregated into three general categories: 1) the evidence CPV intends to rely on at the hearing before the Public Service Commission; 2) CPV's stability and financial health; and 3) CPV's participation in the Supplemental RFP. CPV has asserted numerous one word objections to FPL's requests and

9

interrogatories. CPV then mechanically asserts the same one word objections over and over, throughout both its Objections to Requests and Objections to Interrogatories. As such, for judicial economy, FPL will only address the objections to each general category of documents.

CPV's Participation in the Present Hearing

FPL's requests for documents 14, 15, 42 and 43 directly relate to evidence that CPV intends to use in this proceeding. For example, request 14 requires that CPV produce "all documents reviewed or utilized by each of CPV's witnesses in preparation of his or her testimony." CPV has objected to this request stating that it is "over broad, not limited in scope, burdensome; some witnesses CPV may call are adverse, thus making it impractical to respond to this discovery request." Pursuant to these objections, CPV has refused to produce any documents.

As is obvious from the request, FPL has inquired into the documents reviewed or relied upon by each of CPV's witnesses in preparation for his or her testimony. Obviously, this request pertains to the instant action, and as such, it is not "over broad" and it is limited in scope. As to CPV's objection that "some witnesses CPV may call are adverse, thus making it impractical to respond to this discovery request . . .", CPV would not be privy to any documents relied upon to prepare adverse witnesses. As such, CPV's objection is inappropriate, at best.

Similarly, in discovery request 15, FPL requests "all documents supporting the testimony of each of CPV's witnesses in this proceeding." CPV objected, stating that the request is "irrelevant, immaterial, overly broad, and burdensome. This request impinges on the work product privilege." Again, pursuant to these objections, CPV has refused to produce any documents under this request.

In request 15, FPL has inquired into the documents supporting the testimony of CPV's witnesses in this proceeding. This request pertains to the instant action, is not "over broad," is limited in scope, and the documents supporting the testimony are certainly relevant and material. Documents which support a witness's testimony are not likely an attorney's work product, but if any documents responsive to this request are protected work product, then they should be identified on a privilege log. This is not a ground to ignore completely a legitimate discovery request. CPV's objections should be overruled.

CPV's Stability and Financial Viability

FPL's interrogatories 12, 13, 14, 16, 17, 19, 22, 23, and 35-45 and production requests 5, 6, 9, 10, 11, 21, 22, 23, 24, and 27-41 all pertain to CPV's stability and financial viability. For example, document request number 6 asks for "CPV's financial statements, tax returns, and balance sheets for the last three years." CPV is defined as CPV Gulfcoast, Ltd. and its parent. In response to this and similar requests and interrogatories, CPV has mechanically stated that these requests are "[c]ompound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence " CPV goes on to object that the information is "highly confidential business information" that should not be produced to FPL, a competitor of CPV. See CPV's Objections to Requests, Specific Objection 6. CPV, at certain times, states that FPL's requests are also ambiguous. See, e.g., CPV's Objections to Requests, Specific Objection 17.

As for this general category of interrogatories and documents, CPV has raised, in its pleadings and testimony, the validity of FPL's determination under the April 2002 Supplemental

⁶ This Specific Objection was addressed *supra* at note 5.

⁷ Ambiguity cannot be addressed unless the objection states what CPV considers ambiguous or does not understand. CPV failed to state this.

RFP. See CPV Gulfcoast Ltd.'s Request for Leave to Amend Petition to Intervene and Amended Petition To Intervene Into Need Determination Proceeding, Docket No. 020263-EI. A necessary component of the RFP process was an analysis of bidders' stability and financial viability. By challenging FPL's Supplemental RFP, and the analysis FPL performed, CPV has opened the door to scrutiny. By calling into question the Supplemental RFP, CPV has raised all issues contained in FPL's Supplemental RFP, of the Supplemental RFP bids and FPL's evaluation of those bids, including its assessment of each bidder's financial viability. To the extent any information is reasonably related to or underlies information sought in the Supplemental RFP, it is now at issue in the present case and is discoverable. As such, FPL should be entitled to inquire as to CPV's stability and financial viability.

Further, in his testimony, the President and Chief Executive Officer of Competitive Power Ventures testified that the terms of FPL's Supplemental bid proposal may make projects "unfinancable." *See Direct Testimony of Douglas F. Egan on Behalf of CPV Cana, Ltd. and CPV Gulfcoast, Ltd.*, Docket No. 020262, at 6, excerpt attached hereto as Exhibit K. Specifically, Mr. Egan stated that "FPL imposed certain regulatory provisions that unreasonably shifted risk to bidders. . . . [These provisions would] likely render the deal unfinancable." *Id.* Nevertheless, CPV responded to the April 2002 Supplemental RFP. It is possible that CPV's bid proposal was not made in good faith because CPV knew that it could not obtain financing. As such, FPL must be entitled to discovery on CPV's financial information to determine if the bid was made in good faith.

CPV's Participation in the April 2002 Supplemental RFP

FPL's interrogatories 26, 27, and 28 as well as document requests 2 and 4 all pertain to CPV's participation in the April 2002 Supplemental RFP. For example, in document request 2,

FPL has requested "all documents regarding CPV's participation in FPL's August 2001 RFP and FPL's April 2002 Supplemental RFP." *See* FPL's First Request for Production, Request 2. In response, CPV stated that this request is "[o]verly broad, burdensome, privileged, and ambiguous." *See* CPV's Objections to Requests, Specific Objection 2. It is unfathomable how documents regarding CPV's participation in FPL's RFPs would be overly broad. Further, there is no ambiguity in the request. This request seeks all documents connected to CPV's participation in the RFP proceedings. In fact, this request is narrowly tailored to include only documents generated in connection with CPV's participation in FPL's RFPs. As such, CPV's objections that the request is overly broad or somehow ambiguous should be overruled and answers should be compelled.⁸

Finally, FPL has requested "all documents, analyses and reports supporting or otherwise addressing the firmness of CPV's proposal submitted to FPL's Supplemental RFP." See FPL's First Request for Production, Request 4. CPV has objected that the request is "[a]mbiguous and unclear regarding 'firmness." By "firmness" FPL is simply asking for all documents relating to how firm or fixed CPV's proposals were. If there are documents showing that CPV's proposal were less than "firm" and subject to negotiation, modification or otherwise contingent, then such documents are responsive and should be produced.

As to the interrogatories, in Interrogatory 26, FPL has requested that CPV "set forth by year the projected capital expenditure requirements for the CPV Gulfcoast project assuming the in service dates included in CPV's proposals submitted in response to FPL's Supplemental RFP." CPV has objected as "[c]ompound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence."

⁸ Additionally, of course, any perceived ambiguity could have been and should have been resolved in a simple phone call to counsel.

This interrogatory directly relates to the calculations underlying CPV's bid proposal. It relates to the projected capital expenditures if CPV had been chosen in the April 2002 Supplemental RFP. Therefore these documents are relevant and material. The interrogatory is limited in scope as it relates only to CPV's bid. There is nothing compound in this request. It is limited in scope and it is not burdensome for CPV to support a bid that it wants FPL to rely upon to provide service to hundreds of thousands of FPL customers. CPV's objections should be overruled.

In Interrogatory 27, FPL asks CPV to set forth, "[f]or each year 2002-2005 . . . the forecasted uses and sources of funding for the capital expenditure requirements for the CPV Gulfcoast project assuming the in service dates included in CPV's proposals submitted in response to FPL's Supplemental RFP." Again CPV has objected as "[c]ompound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence."

This interrogatory directly relates to the calculations and financial support underlying CPV's bid. It relates to the sources of funding required to meet CPV's expected capital expenditures incurred as a result of the Gulfstream project. This interrogatory is relevant and material. There is nothing compound in the request. The interrogatory is limited in scope as it relates only to CPV's projected sources of funding for its capital expenditures in performing it obligations under the bid proposal. CPV's objections should be overruled and CPV should be ordered to answer.

In interrogatory 28, FPL asks CPV to "[p]lease state the projected return on equity CPV forecasted it would earn on the CPV Gulfcoast project under CPV's proposals submitted in response to FPL's Supplemental RFP." CPV has objected as "[c]ompound, irrelevant,

immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence." And again, this interrogatory is tailored to the financial analyses underlying CPV's bid proposal. This interrogatory is relevant and material. The interrogatory is limited in scope as it relates only to CPV's forecasts underlying CPV's participation in FPL's April 2002 Supplemental RFP.

Conclusion

There is simply no legal basis for CPV's failure to comply with the discovery rules. CPV's tactics, including the robotic use of its word processing software, are obviously calculated to frustrate FPL's participation in this proceeding and to increase FPL's cost of litigation in order to punish FPL for not choosing CPV. Accordingly, FPL requests an order compelling CPV to produce the documents requested in FPL's First and Second Requests for Production and answer FPL's First and Set of Interrogatories.

Certificate of Counsel

Counsel for FPL (through William K. Hill, P.A.) certifies that it has consulted with Counsel for CPV in an attempt to resolve the issues raised in this Motion, but that counsel were unable to agree.

Respectfully submitted,

R. Wade Litchfield, Esq. Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420 Telephone: 561-691-7101 STEEL HECTOR & DAVIS LLP
Attorneys for Florida Power & Light
Company
215 South Monroe Street
Suite 601
Tallahassee, Florida 32301
Telephone: 850-222-2300

Charles A. Guyton William K. Hill, P.A.

CERTIFICATE OF SERVICE Docket Nos. 020262-EI and 020263-EI

I HEREBY CERTIFY, that on this 27 day of August, 2002, a copy or courtesy copy (*) of Florida Power & Light Company's Motion to Compel Production of Documents and Answers to Interrogatories to CPV Gulfcoast, Ltd. was served electronically (**) and by hand delivery or United States Mail to the following:

Martha Carter Brown, Esq.**
Legal Division
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850
mbrown@psc.state.fl.us

D. Bruce May, Jr., Esq.**
Karen D. Walker, Esq.
Holland & Knight LLP
315 S Calhoun Street, Ste. 600
Tallahassee, Florida 32301
dbmay@hklaw.com

Michael B. Twomey, Esq.**
Post Office Box 5256
Tallahassee, Florida 32314-5256
miketwomey@talstar.com

John W. McWhirter**
McWhirter, Reeves, McGlothlin, Davidson,
Decker, Kaufman & Arnold, P.A.
400 North Tampa Street, Suite 3350
Tampa, Florida 33602
jmcwhirter@mac-law.com

Joseph A. McGlothlin, Esq.* **
McWhirter, Reeves, McGlothlin, Davidson,
Decker, Kaufman & Arnold, P.A.
117 South Gadsden Street
Tallahassee, Florida 32301
jmcglothlin@mac-law.com

Jon C. Moyle, Jr., Esq.**
Cathy M. Sellers, Esq.
Moyle Flanigan Katz Raymond &
Sheehan, P.A.
118 North Gadsden Street
Tallahassee, Florida 32301
jmoylejr@moylelaw.com

R.L. Wolfinger South Pond Energy Park, LLC c/o Constellation Power Source 111 Market Place, Suite 500 Baltimore, Maryland 21202-7110

Ernie Bach, Executive Director**
Florida Action Coalition Team
P.O. Box 100
Largo, Florida 33779-0100
ernieb@gte.net

Vicki Gordon Kaufman, Esq.**
Timothy J. Perry, Esq.
McWhirter, Reeves, McGlothlin, Davidson,
Decker, Kaufman & Arnold, P.A.
117 South Gadsden Street
Tallahassee, Florida 32301
vkaufman@mac-law.com

Michael Green* **
1049 Edmiston Place
Longwood, Florida 32779
mgreenconsulting@earthlink.net

Charles A. Guyton

EXHIBIT A

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Determination of Need for Proposed Electrical Power Plant in Martin County of Florida Power and)	DOCKET NO. 020262-EI
Light Company)	Filed: July 26, 2002
In re: Petition for Determination of Need		DOCKET NO. 020263-EI
For Proposed Electrical Power Plant in Manatee County of Florida Power and))	
Light Company)	Filed: July 26, 2002

FLORIDA POWER & LIGHT COMPANY'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS TO CPV GULFCOAST, LTD. (NOS. 1-26)

Pursuant to Rule 28-106.206, Florida Administrative Code and Rule 1.350, Florida Rules of Civil Procedure, Florida Power & Light Company ("FPL"), hereby serves the following request for production of documents upon CPV Gulfcoast, Ltd., and requests that responsive documents be produced within twenty (20) days, pursuant to the timeframes provided for in these proceedings.

DEFINITIONS

- 1. "You," "yours" and/or "yourselves" means CPV Gulfcoast, Ltd., and its parent Competitive Power Ventures, and any attorney, employee, agent, representative or other person acting or purporting to act on the behalf of CPV Gulfcoast, Ltd., and its parent, including all persons who will offer testimony on your behalf in this proceeding.
- 2. "Person" or "persons" means all natural persons and entities, including but not limited to: corporations, companies, partnerships, limited partnerships, joint ventures, trusts, estates, associations, public agencies, departments, bureaus or boards.

- 3. "Document or documents" means "documents" as defined in Rule 1.350 of the Florida Rules of Civil Procedure. In addition, the words "document" or "documents" shall mean any writing, recording, computer-stored information, or photograph in your possession, custody, care or control, which pertain directly or indirectly, in whole or in part, to any of the subjects listed below, or which are themselves listed below as specific documents, including, but not limited to: correspondence, memoranda, notes, messages, e-mails, diaries, minutes, books, reports, charts, ledgers, invoices, computer printouts, computer discs, microfilms, video tapes or tape recordings.
 - 4. "FPL" means Florida Power & Light Company.
 - 5. "CPV" means CPV Gulfcoast, Ltd., its parent, Competitive Power Ventures.
- 6. "Identify" shall mean: (1) when used with respect to a person, to state the person's full name, present or last known business address; and present or last known employer and position; (2) when used in respect to a document, to describe the document by character (e.g., letter, report, memorandum, etc.), author, date, and to state its present location and custodian; (3) when used with respect to an oral communication, to identify the persons making and receiving the communication, the approximate date of and time of the communication, and a summary of its content or substance; and (4) when used with respect to a power generation project, to state the name of the project, its megawatt size, its location, its fuel type and the generating technology it employs.
- 7. "Witness" means any person, including but not limited to expert witnesses, whom you intend to call to testify in this proceeding.
 - 8. "Relate to" shall mean contain, discuss, describe or address.
 - 9. "All" means all or any.

10. The singular of any word contained herein shall include the plural and vice versa; the terms "and" and "or" shall be both conjunctive and disjunctive; and the term "including" means "including without limitation."

INSTRUCTIONS

- 11. <u>Scope of Production</u>. In responding to this request to produce, produce all responsive documents, including any and all non-identical copies of each such document.
- 12. <u>Manner of Objections and Inability to Respond</u>. If you object to a part of a request and refuse to respond to that part, state your objection and answer the remaining portion of that request. If you object to the scope of a request and refuse to produce documents for that scope, state your objection and produce documents for the scope you believe is appropriate.
- 13. If any of the requests cannot be responded to in full after exercising due diligence to secure the requested documents, please so state and respond and produce documents to the extent possible, specifying your inability to respond further. If your response or production is qualified or limited in any particular way, please set forth the details and specifics of such qualification or limitation.
- 14. Privileged Information or Documents. In the event you wish to assert attorney/client privilege or the work product doctrine, or both, or any other claim of privilege, then as to such documents allegedly subject to such asserted privileges, you are requested to supply an identification of such documents, in writing, with sufficient specificity to permit the Prehearing Officer or Commission to reach a determination in the event of a motion to compel as to the applicability of the asserted objection, together with an indication of the basis for the assertion of the claim of attorney/client privilege or the work product doctrine, or any other claim of privilege. The identification called for by this instruction shall include the nature of the

document (e.g., interoffice memoranda, correspondence, report, etc.), the sender or author, the recipient of each copy, the date, the name of each person to whom the original or any copy was circulated, the names appearing on any circulation list associated with such document, and a summary statement of the subject matter of the document in sufficient detail to permit the Court to reach a determination in the event of a motion to compel.

- 15. <u>Computer-Generated Documents</u>. If a requested document is on computer or word processing disc or tape, produce an electronic copy of the document and a printout of the document.
- 16. Organization of Documents. With respect to the documents produced, you shall produce them as they are kept in the usual course of business, labeling them to correspond with each numbered paragraph of this Request in response to which such documents are produced. All pages now stapled or fastened together and all documents that cannot be copied legibly should be produced in their original form.

DOCUMENTS REQUESTED

- 1. Please provide all documents, including but not limited to correspondence, discussing, evaluating, analyzing or commenting on CPV's inability, or previous inability, to provide service pursuant to any purchased power contracts within the last three years or with respect to any future period.
- Please provide copies of all documents regarding CPV's participation in FPL's
 August 2001 RFP and FPL's April 2002 Supplemental RFP.
- 3. Please provide all purchased power contracts CPV has entered into in the last three years.
- 4. Please provide copies of all documents, analyses and reports supporting or otherwise addressing the firmness of CPV's proposal submitted to FPL's Supplemental RFP.
- 5. Please provide all documents that relate to CPV's Articles of Incorporation, Board of Directors Meeting Minutes, Minutes of any Committee Meetings, Shareholder Agreements, and Corporate Resolutions for the last three years.
- 6. Please provide CPV's financial statements, tax returns, and balance sheets for the last three years.
- 7. Please provide all documents that relate to any state or federal administrative or criminal inquiry or investigation of CPV initiated in the last three years or which CPV has been notified of an intent to initiate such inquiry or investigation.
- 8. Please provide all charts, tables and/or graphs that describe or depict CPV's business or corporate structure, or affiliations during the last three years, including but not limited to, organizational charts and tables showing the relationship among CPV's affiliates and subsidiaries.

- 9. Please provide all documents that relate to any promissory notes or any other documents evidencing or reflecting CPV's debt.
- 10. Please provide all documents that relate to CPV's plans for meeting debt service requirements, including but not limited to all documents related to CPV's contingency plan for meeting debt service.
- 11. Please provide all documents that relate to CPV's contingency plans for meeting debt service requirements if any or all of CPV's construction projects are materially delayed.
- 12. Please provide all versions and revisions of the construction schedules associated with CPV's current construction projects or CPV's projects that have come into service within the last year.
- 13. Please provide resumes and qualifications of any witnesses CPV plans on calling to testify in these proceedings.
- 14. Please provide all documents reviewed or utilized by each of CPV's witnesses in preparation of his or her testimony.
- 15. Please provide all documents supporting the testimony of each of CPV's witnesses in this proceeding.
- 16. Please provide, if not otherwise included in your witness' testimony and exhibits, any reports relating to the subject matter of this proceeding prepared by any expert witnesses you anticipate calling to testify at hearing in this proceeding.
- 17. Please provide copies of any documents (complaints, orders, petitions, etc.) initiating administrative or civil proceedings against CPV in the last three years.
- 18. Please provide all notices of default, demands for compliance, performance or other correspondence or documents related to any failure or alleged failure by CPV to perform

under a purchased power contract or a contract relating to the development or construction of a power project in the last three years.

- 19. Please provide all criminal indictments, informations or subpoenas naming as defendants you, or any of your officers or directors (in relation to their official activities and duties), in the last three years.
- 20. Please provide all pro forma analyses performed regarding the CPV Gulfcoast project, assuming the Supplemental RFP proposals submitted by CPV.
- 21. Please provide all reports or submissions to financial analysts or rating agencies regarding CPV in the last two years.
- 22. Please provide the most recently compiled financial statements for the entity that would construct, operate, and/or own the CPV Gulfcoast project if it were constructed.
- 23. Please provide the most recently compiled financial statements for the entity that would raise the capital necessary to finance and construct the CPV Gulfcoast project.
- 24. Please provide all documents that related to CPV's ability or plans to finance the construction of the CPV Gulfcoast project.
- 25. Please provide the documents that evidence CPV's ownership, lease or control of the site for the CPV Gulfcoast project.
- 26. Please provide the documents identified, referenced, or relied upon in answering each interrogatory included in FPL's First Set of Interrogatories to CPV.

Respectfully submitted this 26 day of July, 2002.

R. Wade Litchfield, Esq. Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420 Telephone: 561-691-7101 Steel Hector & Davis LLP
Attorneys for Florida Power & Light
Company
200 South Biscayne Boulevard
Suite 4000
Miami, Florida 33131-2398
Telephone: 305-577-2872

Facsimile: /305-577-7001

Duca

Monica Ferradaz Florida Bar No. 0523844

CERTIFICATE OF SERVICE Docket Nos. 020262-EI and 020263-EI

I HEREBY CERTIFY, that on this 26 day of July, 2002, a copy or courtesy copy (*) of Florida Power & Light Company's First Request for Production of Documents to CPV Gulfcoast, Ltd. was served electronically (**) and by U.S. Mail to the following:

Martha Carter Brown, Esq.**
Legal Division
Florida Public Service Commission
2540 Shumard Oak Boulevard
Suite 600
Tallahassee, Florida 32399-0850
mbrown@psc.state.fl.us

Robert Scheffel Wright, Esq.**
Diane K. Kiesling, Esq.
John T. LaVia, III, Esq.
Landers & Parsons, P.A.
310 W. College Avenue
Tallahassee, Florida 32301
schef@landersandparsons.com

Joseph A. Regnery, Esq. Timothy R. Eves Calpine Eastern Corporation 2701 North Rocky Point Drive Suite 1200 Tampa, Florida 33607

Jon C. Moyle, Jr., Esq.**
Cathy M. Sellers, Esq.
Moyle Flanigan Katz
Raymond & Sheehan, P.A.
118 North Gadsden Street
Tallahassee, Florida 32301
jmoylejr@moylelaw.com

D. Bruce May, Jr., Esq.**
Karen D. Walker
Holland & Knight LLP
315 S Calhoun Street
Room 370
Tallahassee, Florida 32301
dbmay@hklaw.com

R. L. Wolfinger South Pond Energy Park, LLC c/o Constellation Power Source 111 Market Place, Suite 500 Baltimore, MD 21202-7110

Michael B. Twomey, Esq.**
P.O. Box 5256
Tallahassee, Florida 32314-5256
miketwomey@talstar.com

Ernie Bach, Executive Director**
Florida Action Coalition Team
P.O. Box 100
Largo, Florida 33779-0100
ernieb@gte.net

John W. McWhriter*
McWhirter Reeves, McGlothlin,
Davidson, Decker, Kaufman, & Arnold, P.A.
400 North Tampa Street, Suite 3350

Tampa, Florida 33602 Telephone: (813) 224-0866 Facsimile: (813) 221-1854 Vicki Gordon Kaufman* Timothy J. Perry McWhirter Reeves, McGlothlin, Davidson, Decker, Kaufman, & Arnold, P.A. 117 South Gadsden Street

Tallahassee, Florida 32301 Telephone: (850) 222-2525 Facsimile: (850) 222-5606)

(

Monica Ferradaz, Esq.

MIA2001 122707v3 4006.1312

EXHIBIT B

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Determination of Need for Proposed Electrical Power Plant in Martin County of Florida Power and)	DOCKET NO. 020262-EI
Light Company)	F" 1 1 1 0 6 0000
	_)	, Filed: July 26, 2002
In re: Petition for Determination of Need)	DOCKET NO. 020263-EI
For Proposed Electrical Power Plant in)	
Manatee County of Florida Power and)	
Light Company)	
		Filed: July 26, 2002

FLORIDA POWER & LIGHT COMPANY'S FIRST SET OF INTERROGATORIES TO CPV GULFCOAST, LTD. (NOS. 1-34)

Florida Power & Light Company ("FPL") hereby propounds the following interrogatories on CPV Gulfcoast, Ltd. and requests that they be answered separately, fully and under oath within twenty (20) days, pursuant to the timeframes provided for in these proceedings.

DEFINITIONS

- 1. "You," "yours" and/or "yourselves" means CPV Gulfcoast, Ltd, and its parent, Competitive Power Ventures, and any attorney, employee, agent, representative or other person acting or purporting to act on the behalf of CPV Gulfcoast, Ltd, and its parent, including all persons who will offer testimony on your behalf in this proceeding.
- 2. "Person" or "persons" means all natural persons and entities, including but not limited to: corporations, companies, partnerships, limited partnerships, joint ventures, trusts, estates, associations, public agencies, departments, bureaus or boards.
- 3. "Document or documents" means "documents" as defined in Rule 1.350 of the Florida Rules of Civil Procedure. In addition, the words "document" or

"documents" shall mean any writing, recording, computer-stored information, or photograph in your possession, custody, care or control, which pertain directly or indirectly, in whole or in part, to any of the subjects listed below, or which are themselves listed below as specific documents, including, but not limited to: correspondence, memoranda, notes, messages, e-mails, diaries, minutes, books, reports, charts, ledgers, invoices, computer printouts, computer discs, microfilms, video tapes or tape recordings.

4. "FPL" means Florida Power & Light Company.

1

- 5. "CPV" means CPV Gulfcoast, Ltd., its parent, Competitive Power Ventures.
- 6. "Identify" shall mean: (1) when used with respect to a person, to state the person's full name, present or last known business address; and present or last known employer and position; (2) when used in respect to a document, to describe the document by character (e.g., letter, report, memorandum, etc.), author, date, and to state its present location and custodian; (3) when used with respect to an oral communication, to identify the persons making and receiving the communication, the approximate date of and time of the communication, and a summary of its content or substance; and (4) when used with respect to a power generation project, to state the name of the project, its megawatt size, its location, its fuel type and the generating technology it employs.
- 7. "Witness" means any person, including but not limited to expert witnesses, whom you intend to call to testify in this proceeding.
 - 8. "Relate to" shall mean contain, discuss, describe or address.
 - 9. "All" means all or any.

INSTRUCTIONS

- 10. If any of the following interrogatories cannot be answered in full after exercising due diligence to secure the information, please so state and answer to the extent possible, specifying your inability to answer the remainder, and state whatever information you have concerning the unanswered portion. If your answer is qualified or limited in any respect, please set forth the details of such qualifications and/or limitations.
- 11. If you object to fully identifying a document or oral communication because of a privilege, you must nevertheless provide the following information, unless divulging the information would disclose the privileged information:
 - a. the nature of the privilege claimed (including work product);
 - b. the date of the document or oral communication;
 - c. if a document; its type (correspondence, memorandum, facsimile etc.), custodian, location, and such other information sufficient to identify the document for a subpoena duces tecum or a document request, including where appropriate the author, the addressee, and, if not apparent, the relationship between the author and addressee;
 - d. if an oral communication; the place where it was made, the names of the persons present while it was made, and, if not apparent, the relationship of the persons present to the declarant; and
 - e. the general subject matter of the document or the oral communication.
- 12. If you object to all or part of any interrogatory and refuse to answer that part, state your objection, identify the part to which you are objecting, and answer the remaining portion of the interrogatory.
- 13. Whenever an interrogatory calls for information which is not available to you in the form requested, but is available in another form, or can be obtained at least in part from other data in your possession, so state and either supply the information requested in the form in which it is available, or supply the data from which the information requested can be obtained.

- 14. The singular shall include the plural and vice versa; the terms "and" and "or" shall be both conjunctive and disjunctive; and the term "including" means "including without limitation."
- 15. If any interrogatory fails to specify a time period from which items should be listed, identified or described, your answer shall include information from the previous three years.
- 16. These interrogatories shall be answered under oath by you or through your agent who is qualified to answer and who shall be fully identified, with said answers being served as provided pursuant to the Florida Rules of Civil Procedure or order of the Commission.

INTERROGATORIES

 Identify all fact witnesses you anticipate calling in this proceeding, and for each witness, provide a description of the facts and conclusions to which each witness will testify. 2. Identify all expert witnesses you expect to call at the hearing in this matter, and for each expert witness, provide the witness' qualifications, a detailed summary of the witness' expected testimony, and a listing (name, docket number, jurisdiction, date) of all prior proceedings in which the witness has testified.

3. Please list all civil litigation, including the court and case number, with an amount in controversy of over \$150,000 in which CPV participated in any capacity during the last three years. Please describe CPV's role in any civil litigation listed (e.g., plaintiff, defendant, third party defendant, etc.).

4. Please list all administrative proceedings and government investigations, civil or criminal, involving CPV occurring during the last three years. Please describe the nature of such proceedings or investigations, CPV's involvement, any allegations or questions raised, if any, concerning CPV, and describe CPV's liability, if any, including any fines, penalties or sanctions, resulting from any such government investigation.

5. Please identify any purchased power contract, in the last three years, that CPV has been accused of not completing, has been unable to complete, or has otherwise failed to perform or has been accused of failing to perform.

6. Please list any and all litigation, including the court and case number, that ensued as a result of any item identified in your response to Interrogatory 5, and state the present status or resolution of the litigation and whether any judgment or settlement resulted.

in which CPV has participated for the last three years.		
	Page 11 of 41	

Please list all judgments or settlements reached in relation to any litigation

7.

8. Please identify any power project CPV is currently constructing, including the CPV manager or coordinator of any such project, the project's projected date of completion (original and current), whether such project is on schedule, and if not on schedule, the total number of days such project is delayed.

9. Please identify every Invitation to Bid (ITB) or Request for Proposal (RFP) for electrical energy and/or capacity to which CPV has responded in the past three years. For each such ITB or RFP indicate (i) whether CPV was the winning bidder or proposer and (ii) whether the ITB or RFP resulted in the execution of a purchased power contract.

10. Please indicate whether CPV or any of its officers or directors, in connection with any activity related to their duties, have been indicted for or convicted of any crime during the last five years. Please identify each such indictment or conviction, and list any fines, penalties, sanctions or liabilities resulting from such conviction or accusation.

11. Please describe CPV's business development, including the year in which same was organized, the state or country in which CPV was organized, the nature and results of any bankruptcy, receivership or similar proceedings, the nature and results of any other reclassification, merger or consolidation; the acquisition or disposition of any significant amount of assets other than in the ordinary course of business; and any significant changes in the mode of conducting the business.

12.	Please provide CPV's annual gross revenue and annual net income for the
past three ye	ars.

13. Please identify and list all of CPV's outstanding debt, including the amount, to whom it is owed, the interest rate and the maturity date of such debt, whether on or off the balance sheet.

14.	Please identify the percentage of interest of CPV any of CPV's directors		
or officers owns.			

15. Please identify each loan made by CPV to any of its officers or directors during the last three years, and in your identification list for each loan the director or officer, the amount of the loan, the interest rate on the loan, and the maturity date of the loan.

16. Please identify for the remainder of 2002 and each year 2003 and 2004 any anticipated acquisition or construction of power plants by CPV and the capacity of each.

17. For each project identified in response to Interrogatory 16, explain how CPV proposes to finance such acquisitions, including the anticipated ratio of equity and debt as well as the plan for raising the financing.

18. Please identify any customers, the loss of any one or more of which would have significant adverse effect on CPV's operations, financial position or ability to meet project demands or financial obligations.

19. Please identify by project and by year any capital expenditure in excess of \$100,000 CPV anticipates in the next three years, including but not limited to any expenditure anticipated to comply with any government regulation.

	20.	Please identify and describe any foreign operation of CPV during the last
three	years an	nd for each list any risks associated with such operation.

21. Describe the location and general character of CPV's principal plants, mines, wells, pipelines and other important physical properties. For each property, identify whether it is subject to any encumbrance.

22. Describe CPV's financial condition, and list any changes in CPV's financial condition, its liquidity, and its capital resources over the past three years and any existing conditions likely to result in a significant change in CPV's financial condition, liquidity, or capital resources over the next three years.

23. Please provide CPV's plans to remedy any existing or future deficiency in liquidity. If CPV does not view it has a deficiency in liquidity, explain how it plans to preserve its liquidity over the next three years. In answering this Interrogatory, identify all sources of liquidity and any unused sources of liquid assets.

24. Please list CPV's commitments for capital expenditure, including the purpose of any such commitments and the anticipated source of funds to satisfy such commitments.

25. Please list all of CPV's directors and all persons nominated or chosen to become directors; indicate all positions and offices held by each such person, and state his term of office as director and any periods during which he has served as a director.

26. Please set forth by year the projected capital expenditure requirements for the CPV Gulfcoast project assuming the in service dates included in CPV's proposals submitted in response to FPL's Supplemental RFP.

27. For each year 2002-2005, please set forth the forecasted uses and sources of funding for the capital expenditure requirements for the CVP Gulfcoast project assuming the in service dates included in CPV's proposals submitted in response to FPL's Supplemental RFP.

28. Please state the projected return on equity CPV forecasted it would earn on the CPV Gulfcoast project under CPV's proposals submitted in response to FPL's Supplemental RFP.

25	9.	Please indicate the extent to which CPV owns or controls the site for the
CPV Gul	lfcoas	t project.

30. If CPV were willing to make price concessions if it had been selected for FPL's short list for negotiations, explain any such price concessions it would have been prepared to offer and why CPV did not offer such concessions in its Supplemental RFP bids.

31. State the amount and types of monetary or in kind support CPV has directly or indirectly (including contributions through an entity of which CPV is a member) provided for the Florida Action Coalition Team ("FACT").

32. Please explain in detail each and every way that CPV believes that FPL's economic analysis of the Supplemental RFP proposals was flawed or unfair to the bidders, generally as well as specifically to CPV.

33. Please explain in detail each and every way that you believe FPL's Supplemental RFP was flawed or unfair to bidders or potential bidders, generally as well as specifically to CPV.

34.	Identify each and every aspect of how CPV believes FPL understated the
cost for Man	atee Unit 3 or Martin Unit 8.

Respectfully submitted this 26 day of July, 2002.

R. Wade Litchfield, Esq. Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420 Telephone: 561-691-7101 Steel Hector & Davis LLP
Attorneys for Florida Power & Light
Company
200 South Biscayne Boulevard
Suite 4000

Miami, Florida 33131-2398 Telephone: 305-577-7000 Facsimile: 305-577-7001

Bv:

Monica Ferradaz Florida Bar No. 0323844

CERTIFICATE OF SERVICE Docket Nos. 020262-EI and 020263-EI

I HEREBY CERTIFY, that on this 26 day of July, 2002, a copy or courtesy copy (*) of Florida Power & Light Company's First Set of Interrogatories to CPV Gulfcoast, Ltd. was served electronically (**) and by U.S. Mail to the following:

Martha Carter Brown, Esq.**
Legal Division
Florida Public Service Commission
2540 Shumard Oak Boulevard
Suite 600
Tallahassee, Florida 32399-0850
mbrown@psc.state.fl.us

Robert Scheffel Wright, Esq.**
Diane K. Kiesling, Esq.
John T. LaVia, III, Esq.
Landers & Parsons, P.A.
310 W. College Avenue
Tallahassee, Florida 32301
schef@landersandparsons.com

Joseph A. Regnery, Esq. Timothy R. Eves Calpine Eastern Corporation 2701 North Rocky Point Drive Suite 1200 Tampa, Florida 33607

Jon C. Moyle, Jr., Esq.**
Cathy M. Sellers, Esq.
Moyle Flanigan Katz
Raymond & Sheehan, P.A.
118 North Gadsden Street
Tallahassee, Florida 32301
jmoylejr@moylelaw.com

D. Bruce May, Jr., Esq.**
Karen D. Walker
Holland & Knight LLP
315 S Calhoun Street
Room 370
Tallahassee, Florida 32301
dbmay@hklaw.com

R. L. Wolfinger South Pond Energy Park, LLC c/o Constellation Power Source 111 Market Place, Suite 500 Baltimore, MD 21202-7110

Michael B. Twomey, Esq.**
P.O. Box 5256
Tallahassee, Florida 32314-5256
miketwomey@talstar.com

Ernie Bach, Executive Director**
Florida Action Coalition Team
P.O. Box 100
Largo, Florida 33779-0100
ernieb@gte.net

John W. McWhriter*
McWhirter Reeves, McGlothlin,
Davidson, Decker, Kaufman, & Arnold, P.A.
400 North Tampa Street, Suite 3350
Tampa, Florida 33602

Telephone: (813) 224-0866 Facsimile: (813) 221-1854 Vicki Gordon Kaufman* Timothy J. Perry McWhirter Reeves, McGlothlin, Davidson, Decker, Kaufman, & Arnold, P.A.

117 South Gadsden Street Tallahassee, Florida 32301 Telephone: (850) 222-2525 Facsimile: (850) 222-5606

Monica Ferradaz, Es

MIA2001 122642v2 4006.1312

EXHIBIT C

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Determination of Need for Proposed Electrical Power Plant in Martin County of Florida Power and)	DOCKET NO. 020262-EI
Light Company	_)	Filed: July 31, 2002
In re: Petition for Determination of Need)	DOCKET NO. 020263-EI
For Proposed Electrical Power Plant in)	DOCKET NO. 020203-EF
Manatee County of Florida Power and)	
Light Company)	
)	Filed: July 31, 2002

FLORIDA POWER & LIGHT COMPANY'S SECOND REQUEST FOR PRODUCTION OF DOCUMENTS TO CPV GULFCOAST, LTD. (NOS. 27-43)

Pursuant to Rule 28-106.206, Florida Administrative Code and Rule 1.350, Florida Rules of Civil Procedure, Florida Power & Light Company ("FPL"), hereby serves the following request for production of documents upon CPV Gulfcoast, Ltd., and requests that responsive documents be produced within twenty (20) days, pursuant to the timeframes provided for in these proceedings.

DEFINITIONS

- 1. "You," "yours" and/or "yourselves" means CPV Gulfcoast, Ltd., and its parent Competitive Power Ventures, and any attorney, employee, agent, representative or other person acting or purporting to act on the behalf of CPV Gulfcoast, Ltd., and its parent, including all persons who will offer testimony on your behalf in this proceeding.
- 2. "Person" or "persons" means all natural persons and entities, including but not limited to: corporations, companies, partnerships, limited partnerships, joint ventures, trusts, estates, associations, public agencies, departments, bureaus or boards.

- 3. "Document or documents" means "documents" as defined in Rule 1.350 of the Florida Rules of Civil Procedure. In addition, the words "document" or "documents" shall mean any writing, recording, computer-stored information, or photograph in your possession, custody, care or control, which pertain directly or indirectly, in whole or in part, to any of the subjects listed below, or which are themselves listed below as specific documents, including, but not limited to: correspondence, memoranda, notes, messages, e-mails, diaries, minutes, books, reports, charts, ledgers, invoices, computer printouts, computer discs, microfilms, video tapes or tape recordings.
 - 4. "FPL" means Florida Power & Light Company.
 - 5. "CPV" means CPV Gulfcoast, Ltd., its parent, Competitive Power Ventures.
- 6. "Identify" shall mean: (1) when used with respect to a person, to state the person's full name, present or last known business address; and present or last known employer and position; (2) when used in respect to a document, to describe the document by character (e.g., letter, report, memorandum, etc.), author, date, and to state its present location and custodian; (3) when used with respect to an oral communication, to identify the persons making and receiving the communication, the approximate date of and time of the communication, and a summary of its content or substance; and (4) when used with respect to a power generation project, to state the name of the project, its megawatt size, its location, its fuel type and the generating technology it employs.
- 7. "Witness" means any person, including but not limited to expert witnesses, whom you intend to call to testify in this proceeding.
 - 8. "Relate to" shall mean contain, discuss, describe or address.
 - 9. "All" means all or any.

10. The singular of any word contained herein shall include the plural and vice versa; the terms "and" and "or" shall be both conjunctive and disjunctive; and the term "including" means "including without limitation."

INSTRUCTIONS

- 11. <u>Scope of Production</u>. In responding to this request to produce, produce all responsive documents, including any and all non-identical copies of each such document.
- 12. <u>Manner of Objections and Inability to Respond</u>. If you object to a part of a request and refuse to respond to that part, state your objection and answer the remaining portion of that request. If you object to the scope of a request and refuse to produce documents for that scope, state your objection and produce documents for the scope you believe is appropriate.
- 13. If any of the requests cannot be responded to in full after exercising due diligence to secure the requested documents, please so state and respond and produce documents to the extent possible, specifying your inability to respond further. If your response or production is qualified or limited in any particular way, please set forth the details and specifics of such qualification or limitation.
- 14. Privileged Information or Documents. In the event you wish to assert attorney/client privilege or the work product doctrine, or both, or any other claim of privilege, then as to such documents allegedly subject to such asserted privileges, you are requested to supply an identification of such documents, in writing, with sufficient specificity to permit the Prehearing Officer or Commission to reach a determination in the event of a motion to compel as to the applicability of the asserted objection, together with an indication of the basis for the assertion of the claim of attorney/client privilege or the work product doctrine, or any other claim of privilege. The identification called for by this instruction shall include the nature of the

document (e.g., interoffice memoranda, correspondence, report, etc.), the sender or author, the recipient of each copy, the date, the name of each person to whom the original or any copy was circulated, the names appearing on any circulation list associated with such document, and a summary statement of the subject matter of the document in sufficient detail to permit the Court to reach a determination in the event of a motion to compel.

- 15. <u>Computer-Generated Documents</u>. If a requested document is on computer or word processing disc or tape, produce an electronic copy of the document and a printout of the document.
- 16. Organization of Documents. With respect to the documents produced, you shall produce them as they are kept in the usual course of business, labeling them to correspond with each numbered paragraph of this Request in response to which such documents are produced. All pages now stapled or fastened together and all documents that cannot be copied legibly should be produced in their original form.

DOCUMENTS REQUESTED

- Please provide a copy of CPV's Annual Reports for the years 1999, 2000, and
 2001.
- 28. Please provide all capital expenditure forecasts prepared by CPV within the last three years.
- 29. Please provide each document in your possession, custody, or control showing, analyzing, discussing, or evaluating operating, capital, or financial plans prepared since January 1, 2000.
- 30. Please provide all management audits, outside audit reports, and any other type of transactional reviews (whether internal or external) prepared since January 1, 2000.
- 31. Please provide all documents prepared since January 1, 2001 containing, describing, or discussing CPV's financial operating plans and/or the corporate goals and objectives of CPV.
- 32. Please provide copies of Board of Director presentations made since January 1, 2000 which discuss, contain or address operating, capital budget, or financing plans for CPV.
- 33. Please provide copies of all information and documents provided to investment bankers or brokerage institutions since January 1, 2000 including, but not limited to, news releases, financial presentations, interviews, correspondence, and data responses.
- 34. Please provide all documents prepared in 2001 or 2002, that relate to the sale or potential sale of assets greater than \$10 million.
- 35. Please provide all documents that relate to the cancellation by CPV or a counter party to CPV of significant purchase commitments or construction projects (over \$10 million).

- 36. Please provide copies of all agreements involving CPV for all current revolving credit arrangements.
- 37. Please provide copies of all operating leases that contain restrictions on CPV's dividends, additional debt issuance, or overall debt levels.
- 38. Please provide all documents that relate to borrowings, financing arrangements, whether secured or unsecured, providing a guarantee or other credit support with respect to the indebtedness provided for all construction projects, including but not limited to, loan and credit agreements, promissory notes, indentures, sale and lease-back arrangements and installment purchases, and any guarantees of any of the foregoing.
- 39. Please provide all documents that relate to any defaults on any payment of interest on or principle of any indebtedness for construction projects during the past three years.
- 40. Please provide all documents that relate to the pledge, hypothecation or giving of any security interest in CPV's assets, property or equipment for debt acquired for any of CPV's construction projects in the last three years.
- 41. Please provide copies of any agreements involving CPV that contain ratings triggers.
- 42. For each Witness you identified in your answers to FPL's First Set of Interrogatories:
 - a. Please produce all direct, rebuttal and/or sur-rebutal testimony filed with any Public Utility Commission or Public Service Commission, or the Federal Energy Regulatory Commission in the last five years relating to the same and/or similar topic on which the witness is filing testimony in this proceeding.

- b. Please produce all articles published or submitted for publication by the witness in the last five years on the same topic and/or a topic similar to the one that the witness is filing testimony on in this proceeding.
- 43. Please provide all documents identified, referenced or relied upon in answering each interrogatory included in FPL's Second Set of Interrogatories to CPV.

Respectfully submitted this 31 day of July, 2002.

R. Wade Litchfield, Esq. Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420 Telephone: 561-691-7101 Steel Hector & Davis LLP
Attorneys for Florida Power & Light
Company
200 South Biscayne Boulevard
Suite 4000
Miami, Florida 33131-2398
Telephone: 305-577-2872

By:

Facsimile:

Monica Ferradaz Florida Bar No. 0523844

CERTIFICATE OF SERVICE Docket Nos. 020262-EI and 020263-EI

I HEREBY CERTIFY, that on this 31 day of July, 2002, a copy or courtesy copy (*) of Florida Power & Light Company's Second Request for Production of Documents to CPV Gulfcoast, Ltd. was served electronically (**) and by U.S. Mail to the following:

Martha Carter Brown, Esq.**
Legal Division
Florida Public Service Commission
2540 Shumard Oak Boulevard
Suite 370
Tallahassee, Florida 32399-0850
mbrown@psc.state.fl.us

Robert Scheffel Wright, Esq.**
Diane K. Kiesling, Esq.
John T. LaVia, III, Esq.
Landers & Parsons, P.A.
310 W. College Avenue
Tallahassee, Florida 32301
schef@landersandparsons.com

Joseph A. Regnery, Esq. Timothy R. Eves Calpine Eastern Corporation 2701 North Rocky Point Drive Suite 1200 Tampa, Florida 33607

Jon C. Moyle, Jr., Esq.**
Cathy M. Sellers, Esq.
Moyle Flanigan Katz
Raymond & Sheehan, P.A.
118 North Gadsden Street
Tallahassee, Florida 32301
jmoylejr@moylelaw.com

D. Bruce May, Jr., Esq.**
Karen D. Walker
Holland & Knight LLP
315 S Calhoun Street
Room 600
Tallahassee, Florida 32301
dbmay@hklaw.com

R. L. Wolfinger South Pond Energy Park, LLC c/o Constellation Power Source 111 Market Place, Suite 500 Baltimore, MD 21202-7110

Michael B. Twomey, Esq.**
P.O. Box 5256
Tallahassee, Florida 32314-5256
miketwomey@talstar.com

Ernie Bach, Executive Director**
Florida Action Coalition Team
P.O. Box 100
Largo, Florida 33779-0100
ernieb@gte.net

John W. McWhirter*
McWhirter Reeves, McGlothlin,
Davidson, Decker, Kaufman, & Arnold, P.A.
400 North Tampa Street, Suite 3350
Tampa, Florida 33602

Vicki Gordon Kaufman*
Timothy J. Perry
McWhirter Reeves, McGlothlin,
Davidson, Decker, Kaufman, &
Arnold, P.A.
117 South Gadsden Street
Tallahassee, Florida 32301

MIA2001 137264v2 4006.1312



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Determination of Need for Proposed Electrical Power Plant in Martin County of Florida Power and))	DOCKET NO. 020262-EI
Light Company	j	
	_)	Filed: July 31, 2002
In re: Petition for Determination of Need)	DOCKET NO. 020263-EI
For Proposed Electrical Power Plant in)	
Manatee County of Florida Power and)	
Light Company)	
	_)	Filed: July 31, 2002

FLORIDA POWER & LIGHT COMPANY'S SECOND SET OF INTERROGATORIES TO CPV GULFCOAST, LTD. (NOS. 35-45)

Florida Power & Light Company ("FPL") hereby propounds the following interrogatories on CPV Gulfcoast, Ltd. and requests that they be answered separately, fully and under oath within twenty (20) days, pursuant to the timeframes provided for in these proceedings.

DEFINITIONS

- 1. "You," "yours" and/or "yourselves" means CPV Gulfcoast, Ltd, and its parent, Competitive Power Ventures, and any attorney, employee, agent, representative or other person acting or purporting to act on the behalf of CPV Gulfcoast, Ltd, and its parent, including all persons who will offer testimony on your behalf in this proceeding.
- 2. "Person" or "persons" means all natural persons and entities, including but not limited to: corporations, companies, partnerships, limited partnerships, joint ventures, trusts, estates, associations, public agencies, departments, bureaus or boards.
- 3. "Document or documents" means "documents" as defined in Rule 1.350 of the Florida Rules of Civil Procedure. In addition, the words "document" or

"documents" shall mean any writing, recording, computer-stored information, or photograph in your possession, custody, care or control, which pertain directly or indirectly, in whole or in part, to any of the subjects listed below, or which are themselves listed below as specific documents, including, but not limited to: correspondence, memoranda, notes, messages, e-mails, diaries, minutes, books, reports, charts, ledgers, invoices, computer printouts, computer discs, microfilms, video tapes or tape recordings.

- 4. "FPL" means Florida Power & Light Company.
- 5. "CPV" means CPV Gulfcoast, Ltd., its parent, Competitive Power Ventures.
- 6. "Identify" shall mean: (1) when used with respect to a person, to state the person's full name, present or last known business address; and present or last known employer and position; (2) when used in respect to a document, to describe the document by character (e.g., letter, report, memorandum, etc.), author, date, and to state its present location and custodian; (3) when used with respect to an oral communication, to identify the persons making and receiving the communication, the approximate date of and time of the communication, and a summary of its content or substance; and (4) when used with respect to a power generation project, to state the name of the project, its megawatt size, its location, its fuel type and the generating technology it employs.
- 7. "Witness" means any person, including but not limited to expert witnesses, whom you intend to call to testify in this proceeding.
 - 8. "Relate to" shall mean contain, discuss, describe or address.
 - 9. "All" means all or any.

INSTRUCTIONS

- 10. If any of the following interrogatories cannot be answered in full after exercising due diligence to secure the information, please so state and answer to the extent possible, specifying your inability to answer the remainder, and state whatever information you have concerning the unanswered portion. If your answer is qualified or limited in any respect, please set forth the details of such qualifications and/or limitations.
- 11. If you object to fully identifying a document or oral communication because of a privilege, you must nevertheless provide the following information, unless divulging the information would disclose the privileged information:
 - a. the nature of the privilege claimed (including work product);
 - b. the date of the document or oral communication;
 - c. if a document; its type (correspondence, memorandum, facsimile etc.), custodian, location, and such other information sufficient to identify the document for a subpoena duces tecum or a document request, including where appropriate the author, the addressee, and, if not apparent, the relationship between the author and addressee;
 - d. if an oral communication; the place where it was made, the names of the persons present while it was made, and, if not apparent, the relationship of the persons present to the declarant; and
 - e. the general subject matter of the document or the oral communication.
- 12. If you object to all or part of any interrogatory and refuse to answer that part, state your objection, identify the part to which you are objecting, and answer the remaining portion of the interrogatory.
- 13. Whenever an interrogatory calls for information which is not available to you in the form requested, but is available in another form, or can be obtained at least in part from other data in your possession, so state and either supply the information requested in the form in which it is available, or supply the data from which the information requested can be obtained.

- 14. The singular shall include the plural and vice versa; the terms "and" and "or" shall be both conjunctive and disjunctive; and the term "including" means "including without limitation."
- 15. If any interrogatory fails to specify a time period from which items should be listed, identified or described, your answer shall include information from the previous three years.
- 16. These interrogatories shall be answered under oath by you or through your agent who is qualified to answer and who shall be fully identified, with said answers being served as provided pursuant to the Florida Rules of Civil Procedure or order of the Commission.

INTERROGATORIES

35. Please provide the current forecast for capital spending for CPV, separately identify all current projects under construction where total project costs are estimated to be over \$10 million and identify and list costs incurred to date, costs paid to date, estimated costs to be completed yearly and total costs.

36. Please identify and describe in detail any major asset sales, actual or projected, by CPV, for the year 2001 through the year 2004.

37. Please identify and list any cancellations of significant purchases (over \$10 million) and/or capital construction projects (over \$10 million) made by CPV since January 1, 2000.

38.	Please provide a list of CPV's lines of credit at June 30, 2002, including		
amounts and expiration dates.			

39. Please identify and list the amount of receivables on or off CPV's books as of June 30, 2002 resulting from power deliveries made to PG&E during the period of December 2000 through April 2001.

40. Please identify and list the amount of receivables on or off CPV's books as of June 30, 2002 resulting from transactions with Enron or any of its affiliates and/or subsidiaries.

41. Please identify and list all "Operating Lease" commitments with annual payments greater than \$10 million for CPV. Provide a description of each item leased, the term of the lease, and the annual lease payment for the next five years.

42. Please identify and list all contingent obligations of CPV greater than \$10 million. Provide a description of the nature of the obligation as well as CPV's best estimate of the amount of the obligation as of June 30, 2002.

43. Please identify and list all contractual arrangements of CPV that contain ratings triggers. Provide the name, the nature of each agreement, a description of the ratings trigger provision and any remedy available to the other party.

44. Please identify and list all transactions evidencing financing arrangements which involve CPV's construction projects, including any current revolving credit arrangements.

45. Please identify and explain any risks to CPV if the completion of any current or future construction project's completion is materially delayed. Please identify any course of action CPV will utilize if it encounters such risk.

Respectfully submitted this 31 day of July, 2002.

R. Wade Litchfield, Esq. Attorney Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408-0420 Telephone: 561-691-7101 Steel Hector & Davis LLP
Attorneys for Florida Power & Light
Company
200 South Biscayne Boulevard
Suite 4000

Miami, Florida 33131-2398 Telephone: 305-577-7000 Facsimile: 305-577-7001

By:_

Monica Ferradaz Florida Bar No. 0523844

CERTIFICATE OF SERVICE Docket Nos. 020262-EI and 020263-EI

I HEREBY CERTIFY, that on this 31 day of July, 2002, a copy or courtesy copy (*) of Florida Power & Light Company's Second Set of Interrogatories to CPV Gulfcoast, Ltd. was served electronically (**) and by U.S. Mail to the following:

Martha Carter Brown, Esq.**
Legal Division
Florida Public Service Commission
2540 Shumard Oak Boulevard
Suite 370
Tallahassee, Florida 32399-0850
mbrown@psc.state.fl.us

Robert Scheffel Wright, Esq.**
Diane K. Kiesling, Esq.
John T. LaVia, III, Esq.
Landers & Parsons, P.A.
310 W. College Avenue
Tallahassee, Florida 32301
schef@landersandparsons.com

Joseph A. Regnery, Esq. Timothy R. Eves Calpine Eastern Corporation 2701 North Rocky Point Drive Suite 1200 Tampa, Florida 33607

Jon C. Moyle, Jr., Esq.**
Cathy M. Sellers, Esq.
Moyle Flanigan Katz
Raymond & Sheehan, P.A.
118 North Gadsden Street
Tallahassee, Florida 32301
jmoylejr@moylelaw.com

D. Bruce May, Jr., Esq.**
Karen D. Walker
Holland & Knight LLP
315 S Calhoun Street
Room 600
Tallahassee, Florida 32301
dbmay@hklaw.com

R. L. Wolfinger South Pond Energy Park, LLC c/o Constellation Power Source 111 Market Place, Suite 500 Baltimore, MD 21202-7110

Michael B. Twomey, Esq.**
P.O. Box 5256
Tallahassee, Florida 32314-5256
miketwomey@talstar.com

Ernie Bach, Executive Director**
Florida Action Coalition Team
P.O. Box 100
Largo, Florida 33779-0100
ernieb@gte.net

John W. McWhirter*
McWhirter Reeves, McGlothlin,
Davidson, Decker, Kaufman, & Arnold, P.A.
400 North Tampa Street, Suite 3350
Tampa, Florida 33602

Vicki Gordon Kaufman* Timothy J. Perry McWhirter Reeves, McGlothlin, Davidson, Decker, Kaufman, & Arnold, P.A.

117 South Gadsden Street Tallahassee, Florida 32/301

Bv:

Monica Ferradaz, Esq.

MIA2001 137262v2 4006.1312

EXHIBIT E

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to determine)	
need for an electrical power)	Docket No.: 020262-EI
plant in Manatee County by)	
Florida Power & Light Company.)	
	_)	
In re: Petition to determine)	
	,	Docket No.: 020263-EI
need for an electrical power	,	DOCKELING UZUZUS-EI
plant in Martin County by)	Filed: August 5, 2002
Florida Power & Light Company.)	
)	

CPV GULFCOAST, LTD.'S OBJECTIONS TO FLORIDA POWER & LIGHT COMPANY'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (Nos. 1-26)

CPV Gulfcoast, Ltd. ("CPV Gulfcoast"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.340, 1.350 and 1.280(b), Florida Rules of Civil Procedure, hereby submits the following Objections to Florida Power & Light Company's (FPL") First Request for Production of Documents:

INTRODUCTION

The objections stated herein are preliminary in nature and are made at this time for the purpose of complying with the 10-day requirement as set forth in Order No. PSC-02-0992-PCO-EI ("Procedural Order") issued by the Florida Public Service Commission ("Commission") in the above-referenced dockets. Should additional grounds for objection be discovered as CPV Gulfcoast prepares its responses to the above-referenced requests, CPV Gulfcoast reserves the right to supplement, revise or modify its objections at the time that it serves its responses on FPL. Moreover, should CPV Gulfcoast determine that a Protective Order is necessary with respect to any of the

08194 AUG-54
FPSC-COMMISSION CLERK

material requested by FPL, CPV Gulfcoast reserves the right to file a motion with the Commission seeking such an order at the time that it serves its answers and responses on FPL.

GENERAL OBJECTIONS

CPV Gulfcoast makes the following General Objections to FPL's First Request for Production of Documents ("First PRO"). These general objections apply to each of the individual requests in the First PRO, respectively, and will be incorporated by reference into CPV Gulfcoast's responses and answers when they are served on FPL.

- 1. CPV Gulfcoast objects to the requests to the extent that such requests seek to impose an obligation on CPV Gulfcoast to respond on behalf of subsidiaries, parent entities, affiliates or other persons that are not parties to this case on the grounds that such requests are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.
- 2. CPV Gulfcoast objects to each and every request and instruction to the extent that such request or instruction calls for information that is exempt from discovery by virtue of the attorney-client privilege, work product privilege or other applicable privilege.
- 3. CPV Gulfcoast objects to each and every request insofar as the request is vague, ambiguous, overly broad, imprecise or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these requests. Any responses provided by CPV Gulfcoast to FPL's requests will be provided subject to, and without waiver of, the foregoing objection.
- 4. CPV Gulfcoast objects to each and every request insofar as the request is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the

subject matter of this action. CPV Gulfcoast will attempt to note in its responses each instance where this objection applies.

- 5. CPV Gulfcoast objects to FPL's discovery requests, instructions and definitions, insofar as they seek to impose obligations on CPV Gulfcoast that exceed the requirements of the Florida Rules of Civil Procedure or Florida law.
- 6. CPV Gulfcoast objects to providing information to the extent that such information is already in the public record before the Commission, or elsewhere. CPV Gulfcoast also objects to the extent that the documents requested have already been provided to FPL.
- 7. CPV Gulfcoast objects to each and every request, insofar as it is unduly burdensome, expensive, oppressive or excessively time consuming as written.
- 8. CPV Gulfcoast objects to each and every request to the extent that the information requested constitutes "trade secrets" which are privileged pursuant to Section 90.506, Florida Statutes. To the extent that FPL requests proprietary confidential business information which is not subject to the "trade secrets" privilege, CPV Gulfcoast may make such information available to counsel for FPL pursuant to an appropriate Protective Agreement, subject to any other general or specific objections contained herein.
- 9. CPV Gulfcoast objects to the nature of information sought by FPL on the following grounds: FPL filed Petitions for Need in these cases. Consequently, FPL has the affirmative burden of proving that its proposed projects will satisfy the statutory need criteria set forth in Section 403.519, Florida Statutes. FPL did not identify CPV Gulfcoast as a primarily-affected utility in this proceeding pursuant to Section 25-22.081, F.A.C. FPL did not short list or negotiate with CPV Gulfcoast. As an intervenor, CPV Gulfcoast must show that it was a participant in FPL's selection

process. See Rule 25-22.082(8), F.A.C. Nevertheless, FPL has served extensive discovery on CPV Gulfcoast, most of which is irrelevant, immaterial, argumentative, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Put simply, it is FPL's need case and selection process that is at issue, not CPV Gulfcoast's. To the extent that FPL somehow contends it needs CPV Gulfcoast's sensitive financial information to judge CPV Gulfcoast's ability to perform, now, after the fact, it ignores the RFP's requirement of certain completion security terms.

SPECIFIC OBJECTIONS: FIRST POD

In addition to the foregoing General Objections, CPV Gulfcoast raises the following Specific Objections to the following individual interrogatories in the First POD:

- Please provide copies of all documents regarding CPV's participation in FPL's
 August 2001 RFP and FPL's April 2002 Supplemental RFP.
- Objection: Overly broad, burdensome, privileged, and ambiguous.
- 4. Please provide copies of all documents, analyses and reports supporting or otherwise addressing the firmness of CPV's proposal submitted to FPL's Supplemental RFP.

 Objection: Ambiguous and unclear regarding "firmness."
- 5. Please provide all documents that relate to CPV's Articles of Incorporation,
 Board of Directors Meeting Minutes, Minutes of any Committee Meetings, Shareholder
 Agreements, and Corporate Resolutions for the last three years.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as

FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

6. Please provide CPV's financial statements, tax returns, and balance sheets for the last three years.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

7. Please provide all documents that relate to any state or federal administrative or criminal inquiry or investigation of CPV initiated in the last three years or which CPV has been notified of an intent to initiate such inquiry or investigation.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

8. Please provide all charts, tables and/or graphs that describe or depict CPV's business or corporate structure, or affiliations during the last three years, including but not

limited to, organizational charts and tables showing the relationship among CPV's affiliates and subsidiaries.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information has already been supplied to FPL in response to its RFP. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

9. Please provide all documents that relate to any promissory notes or any other documents evidencing or reflecting CPV's debt.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

10. Please provide all documents that relate to CPV's plans for meeting debt service requirements, including but not limited to all documents related to CPV's contingency plan for meeting debt service.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to

disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

- 11. Please provide all documents that relate to CPV's contingency plans for meeting debt service requirements if any or all of CPV's construction projects are materially delayed.

 Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.
- 14. Please provide all documents reviewed or utilized by each of CPV's witnesses in preparation of his or her testimony.

<u>Objection</u>: Over broad, not limited in scope, burdensome; some witnesses CPV may call are adverse, thus making it impractical to respond to this discovery request.

15. Please provide all documents supporting the testimony of each of CPV's witnesses in this proceeding.

<u>Objection</u>: Irrelevant, immaterial, overly broad, and burdensome. This request impinges on the work product privilege.

17. Please provide copies of any documents (complaints, orders, petitions, etc.) initiating administrative or civil proceedings against CPV in the last three years.

Objection: Compound, irrelevant, ambiguous, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence.

18. Please provide all notices of default, demands for compliance, performance or other correspondence or documents related to any failure or alleged failure by CPV to perform under a purchase power contract or a contract relating to the development or construction of a power plant in the last three years.

Objection: Compound, irrelevant, ambiguous, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence.

19. Please provide all criminal indictments, informations or subpoenas naming as defendants you, or any of your officers or directors (in relation to their official activities and duties), in the last three years.

Objection: Compound, irrelevant, ambiguous, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence.

20. Please provide all pro forma analyses performed regarding the CPV Gulfcoast project, assuming the Supplemental RFP proposals submitted by CPV.

Objection: Irrelevant, immaterial, overly broad, ambiguous, burdensome, and not likely to lead to the discovery of admissible evidence. It is unclear what is sought by the use of the words, "assuming the Supplemental RFP proposals submitted by CPV." This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

21. Please provide all reports or submissions to financial analysts or rating agencies regarding CPV in the last two years.

Objection: Compound, irrelevant, immaterial, overly broad, ambiguous, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

22. Please provide the most recently compiled financial statements for the entity that would construct, operate, and/or own the CPV Gulfcoast project if it were constructed.

Objection: Compound, irrelevant, immaterial, ambiguous, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

23. Please provide the most recently compiled financial statements for the entity that would raise the capital necessary to finance and construct the CPV Gulfcoast project.

Objection: Compound, irrelevant, immaterial, ambiguous, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

24. Please provide all documents that related to CPV's ability or plans to finance the construction of the CPV Gulfcoast project.

Objection: Compound, irrelevant, immaterial, overly broad, ambiguous, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

JON C. MOYLE, JR.

Florida Bar No. 727016 CATHY M. SELLERS

Florida Bar No. 0784958

MOYLE, FLANIGAN, KATZ, RAYMOND

& SHEEHAN, P.A.

The Perkins House

118 North Gadsden Street

Tallahassee, Florida 32301

(850) 681-3828 (telephone)

(850) 681-8788 (facsimile)

Attorneys for CPV Gulfcoast, Ltd.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 5th day of August, 2002, to those listed below:

Martha Carter Brown, Esquire Larry Harris, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Jack Shreve, Esquire
Office of the Public Counsel
c/o Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Charles A. Guyton, Esquire Steel, Hector & Davis, LLP 215 South Monroe Street, Suite 601 Tallahassee, Florida 32301

Mr. William G. Walker, III, Vice-President Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, Florida 32301-1859

R. Wade Litchfield, Esquire Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 22408-0420

Robert Scheffel Wright, Esquire Diane K. Kiesling, Esquire John T. LaVia, III, Esquire Landers & Parsons, P.A. 310 West College Avenue Tallahassee, Florida 32301 David Bruce May, Esquire Holland & Knight, LLP 315 South Calhoun Street, Suite 600 Post Office Box 810 Tallahassee, Florida 32302-0810

Michael B. Twomey, Esquire Post Office Box 5256 Tallahassee, Florida 32314-5256

By: Vickital. James for Jon C. Moyle, Jr.

EXHIBIT F

V. Kerri W. Litchfield & SHO-mani

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to determine need for an electrical power plant in Martin County by Florida Power & Light Company.	Docket No.: 020262-EI	RECEIVED AUG 1 2 2002
In re: Petition to determine need for an electrical power plant in Manatee County by Florida Power & Light Company.	Docket No.: 020263-EI Filed: August 9, 2002	U.S. Mai) STEEL HECTOR & DAVIS

CPV GULFCOAST, LTD.'S OBJECTIONS TO FLORIDA POWER & LIGHT COMPANY'S SECOND REQUEST FOR PRODUCTION OF DOCUMENTS (Nos. 27-43)

CPV Gulfcoast, Ltd. ("CPV Gulfcoast"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.340, 1.350 and 1.280(b), Florida Rules of Civil Procedure, hereby submits the following Objections to Florida Power & Light Company's (FPL") Second Request for Production of Documents:

INTRODUCTION

The objections stated herein are preliminary in nature and are made at this time for the purpose of complying with the 10-day requirement as set forth in Order No. PSC-02-0992-PCO-EI ("Procedural Order") issued by the Florida Public Service Commission ("Commission") in the above-referenced dockets. Should additional grounds for objection be discovered as CPV Gulfcoast prepares its responses to the above-referenced requests, CPV Gulfcoast reserves the right to supplement, revise or modify its objections at the time that it serves its responses on FPL. Moreover, should CPV Gulfcoast determine that a Protective Order is necessary with respect to any of the

material requested by FPL, CPV Gulfcoast reserves the right to file a motion with the Commission seeking such an order at the time that it serves its answers and responses on FPL.

GENERAL OBJECTIONS

CPV Gulfcoast makes the following General Objections to FPL's Second Request for Production of Documents ("Second PRO"). These general objections apply to each of the individual requests in the Second PRO, respectively, and will be incorporated by reference into CPV Gulfcoast's responses and answers when they are served on FPL.

- 1. CPV Gulfcoast objects to the requests to the extent that such requests seek to impose an obligation on CPV Gulfcoast to respond on behalf of subsidiaries, parent entities, affiliates or other persons that are not parties to this case on the grounds that such requests are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.
- 2. CPV Gulfcoast objects to each and every request and instruction to the extent that such request or instruction calls for information that is exempt from discovery by virtue of the attorney-client privilege, work product privilege or other applicable privilege.
- 3. CPV Gulfcoast objects to each and every request insofar as the request is vague, ambiguous, overly broad, imprecise or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these requests. Any responses provided by CPV Gulfcoast to FPL's requests will be provided subject to, and without waiver of, the foregoing objection.
- 4. CPV Gulfcoast objects to each and every request insofar as the request is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the

subject matter of this action. CPV Gulfcoast will attempt to note in its responses each instance where this objection applies.

- 5. CPV Gulfcoast objects to FPL's discovery requests, instructions and definitions, insofar as they seek to impose obligations on CPV Gulfcoast that exceed the requirements of the Florida Rules of Civil Procedure or Florida law.
- 6. CPV Gulfcoast objects to providing information to the extent that such information is already in the public record before the Commission, or elsewhere. CPV Gulfcoast also objects to the extent that the documents requested have already been provided to FPL.
- 7. CPV Gulfcoast objects to each and every request, insofar as it is unduly burdensome, expensive, oppressive or excessively time consuming as written.
- 8. CPV Gulfcoast objects to each and every request to the extent that the information requested constitutes "trade secrets" which are privileged pursuant to Section 90.506, Florida Statutes. To the extent that FPL requests proprietary confidential business information which is not subject to the "trade secrets" privilege, CPV Gulfcoast may make such information available to counsel for FPL pursuant to an appropriate Protective Agreement, subject to any other general or specific objections contained herein.
- 9. CPV Gulfcoast objects to the nature of information sought by FPL on the following grounds: FPL filed Petitions for Need in these cases. Consequently, FPL has the affirmative burden of proving that its proposed projects will satisfy the statutory need criteria set forth in Section 403.519, Florida Statutes. FPL did not identify CPV Gulfcoast as a primarily-affected utility in this proceeding pursuant to Section 25-22.081, F.A.C. FPL did not short list or negotiate with CPV Gulfcoast. As an intervenor, CPV Gulfcoast must show that it was a participant in FPL's selection

process. See Rule 25-22.082(8), F.A.C. Nevertheless, FPL has served extensive discovery on CPV Gulfcoast, most of which is irrelevant, immaterial, argumentative, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Put simply, it is FPL's need case and selection process that is at issue, not CPV Gulfcoast's. To the extent that FPL somehow contends it needs CPV Gulfcoast's sensitive financial information to judge CPV Gulfcoast's ability to perform, now, after the fact, it ignores the RFP's requirement of certain completion security terms.

SPECIFIC OBJECTIONS: SECOND POD

In addition to the foregoing General Objections, CPV Gulfcoast raises the following Specific Objections to the following individual interrogatories in the Second POD:

27. Please provide a copy of CPV's Annual Reports for the years 1999, 2000, and 2001.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

28. Please provide all capital expenditure forecasts prepared by CPV within the last three years.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business

information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

29. Please provide each document in your possession, custody, or control showing, analyzing, discussing, or evaluating operating, capital, or financial plans prepared since January 1, 2000.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

30. Please provide all management audits, outside audit reports, and any other type of transactional reviews (whether internal or external) prepared since January 1, 2000.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

31. Please provide all documents prepared Since January 1, 2001 containing. describing, or discussing CPV's financial operating plans and/or the corporate goals and objectives of CPV.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

- 32. Please provide copies of Board of Director presentations made since January 1, 2000 which discuss, contain or address operating, capital budget, or financing plans for CPV.

 Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.
- 33. Please provide copies of all information and documents provided to investment bankers or brokerage institutions since January 1, 2000 including, but not limited to, news releases, financial presentations, interviews, correspondence, and data responses.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business

information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

34. Please provide all documents prepared in 2001 or 2002, that relate to the sale or potential sale of assets greater than \$10 million.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

- 35. Please provide all documents that relate to the cancellation by CPV or a counter party to CPV of significant purchase commitments or construction projects (over \$10 million).

 Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.
- 36. Please provide copies of all agreements involving CPV for all current revolving credit arrangements.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

37. Please provide copies of all operating leases that contain restrictions on CPV's dividends, additional debt issuance, or overall debt levels.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

38. Please provide all documents that relate to borrowings, financing arrangements, whether secured or unsecured, providing a guarantee or other credit support with respect to the indebtedness provided for all construction projects, including but not limited to, loan and credit agreements, promissory notes, indentures, sale and lease-back arrangements and installment purchases, and any guarantees of any of the foregoing.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as

FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

39. Please provide all documents that relate to any defaults on any payment of interest on or principle of any indebtedness for construction projects during the past three years.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

40. Please provide all documents that relate to the pledge, hypothecation or giving of any security interest in CPV's assets, property or equipment for debt acquired for any of CPV's construction projects in the last three years.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

41. Please provide copies of any agreements involving CPV that contain ratings

triggers.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

- 42. For each witness you identified in your answers to FPL's First Set of Interrogatories:
 - a. Please produce all direct, rebuttal and/or sur-rebuttal testimony filed with any Public Utility Commission or Public Service Commission, or the Federal Energy Regulatory Commission in the last five years relating to the same and/or similar topic on which the witness is filing testimony in this proceeding.
 - b. Please produce all articles published or submitted for publication by the witness in the last five years on the same topic and/or a topic similar to the one that the witness is filing testimony on in this proceeding.

Objection: To the extent that testimony or publications are readily available or contained within the public records, CPV Gulfcoast objects to producing said documents.

43. Please provide all documents identified, referenced or relied upon in answering each interrogatory included in FPL's Second Set of Interrogatories to CPV.

Objection: To the extent that said documents are in the possession of FPL, public records, or

otherwise readily available, CPV Gulfcoast objects to producing said documents. CPV Gulfcoast also objects to producing documents protected by the work product, attorney-client or other applicable privilege.

JON C. MOYLE, JR.

Flòrida Bar No. 727016 CATHY M. SELLERS

Florida Bar No. 0784958

MOYLE, FLANIGAN, KATZ, RAYMOND

& SHEEHAN, P.A.

The Perkins House

118 North Gadsden Street

Tallahassee, Florida 32301

(850) 681-3828 (telephone)

(850) 681-8788 (facsimile)

Attorneys for CPV Gulfcoast, Ltd.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 9th day of August, 2002, to those listed below:

Martha Carter Brown, Esquire Larry Harris, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Jack Shreve, Esquire
Office of the Public Counsel
c/o Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Charles A. Guyton, Esquire Steel, Hector & Davis, LLP 215 South Monroe Street, Suite 601 Tallahassee, Florida 32301

Mr. William G. Walker, III, Vice-President Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, Florida 32301-1859

R. Wade Litchfield, Esquire Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 22408-0420

Robert Scheffel Wright, Esquire Diane K. Kiesling, Esquire John T. LaVia, III, Esquire Landers & Parsons, P.A. 310 West College Avenue Tallahassee, Florida 32301 David Bruce May, Esquire Holland & Knight, LLP 315 South Calhoun Street, Suite 600 Post Office Box 810 Tallahassee, Florida 32302-0810

Michael B. Twomey, Esquire Post Office Box 5256 Tallahassee, Florida 32314-5256

Jon C. Moyle, Jr.

EXHIBIT G

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to determine need for an electrical power plant in Manatee County by Florida Power & Light Company.))))	Docket No.: 020262-EI	170 W.100	C2 AUG -5	TA CORTA
In re: Petition to determine need for an electrical power plant in Martin County by Florida Power & Light Company.)))	Docket No.: 020263-EI Filed: August 5, 2002	SSION	FN 4:59	

CPV GULFCOAST, LTD.'S OBJECTIONS TO FLORIDA POWER & LIGHT COMPANY'S FIRST SET OF INTERROGATORIES (Nos. 1-34)

CPV Gulfcoast, Ltd. ("CPV Gulfcoast"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.340, 1.350 and 1.280(b), Florida Rules of Civil Procedure, hereby submits the following Objections to Florida Power & Light Company's (FPL") First Set of Interrogatories:

INTRODUCTION

The objections stated herein are preliminary in nature and are made at this time for the purpose of complying with the 10-day requirement as set forth in Order No. PSC-02-0992-PCO-EI ("Procedural Order") issued by the Florida Public Service Commission ("Commission") in the above-referenced dockets. Should additional grounds for objection be discovered as CPV Gulfcoast prepares its responses to the above-referenced requests, CPV Gulfcoast reserves the right to supplement, revise or modify its objections at the time that it serves its responses on FPL. Moreover, should CPV Gulfcoast determine that a Protective Order is necessary with respect to any of the

FPSC-BUREAU OF RECORDS

DOCUMENT ADMINISTRATION OF THE PROCESS AND THE

111

material requested by FPL, CPV Gulfcoast reserves the right to file a motion with the Commission seeking such an order.

GENERAL OBJECTIONS

CPV Gulfcoast makes the following General Objections to FPL's First Set of Interrogatories ("First IRR"). These general objections apply to each of the individual interrogatories in the First IRR, respectively, and will be incorporated by reference into CPV Gulfcoast's responses and answers when they are served on FPL.

- 1. CPV Gulfcoast objects to the requests to the extent that such requests seek to impose an obligation on CPV Gulfcoast to respond on behalf of subsidiaries, parent entities, affiliates or other persons that are not parties to this case on the grounds that such requests are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.
- 2. CPV Gulfcoast objects to each and every request and instruction to the extent that such request or instruction calls for information that is exempt from discovery by virtue of the attorney-client privilege, work product privilege or other applicable privilege.
- 3. CPV Gulfcoast objects to each and every request insofar as the request is vague, ambiguous, overly broad, imprecise or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these requests. Any responses provided by CPV Gulfcoast to FPL's requests will be provided subject to, and without waiver of, the foregoing objection.
- 4. CPV Gulfcoast objects to each and every request insofar as the request is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the

subject matter of this action. CPV Gulfcoast will attempt to note in its responses each instance where this objection applies.

- 5. CPV Gulfcoast objects to FPL's discovery requests, instructions and definitions, insofar as they seek to impose obligations on CPV Gulfcoast that exceed the requirements of the Florida Rules of Civil Procedure or Florida law.
- 6. CPV Gulfcoast objects to providing information to the extent that such information is already in the public record before the Commission, or elsewhere.
- 7. CPV Gulfcoast objects to each and every request, insofar as it is unduly burdensome, expensive, oppressive or excessively time consuming as written. CPV Gulfcoast also objects to any request for production of documents that calls for the creation of information as opposed to the reporting of presently existing information as an improper expansion of CPV Gulfcoast's obligations under the law FPL invokes.
- 8. CPV Gulfcoast objects to each and every request to the extent that the information requested constitutes "trade secrets" which are privileged pursuant to Section 90.506, Florida Statutes. To the extent that FPL requests proprietary confidential business information which is not subject to the "trade secrets" privilege, CPV Gulfcoast may make such information available to counsel for FPL pursuant to an appropriate Protective Agreement, subject to any other general or specific objections contained herein.
- 9. CPV Gulfcoast objects to the nature of information sought by FPL on the following grounds: FPL filed Petitions for Need in these cases. Consequently, FPL has the affirmative burden of proving that its proposed projects will satisfy the statutory need criteria set forth in Section 403.519, Florida Statutes. FPL did not identify CPV Gulfcoast as a primarily-affected utility in this

proceeding pursuant to Section 25-22.081, F.A.C. FPL did not short list or negotiate with CPV Gulfcoast. As an intervenor, CPV Gulfcoast must show that it was a participant in FPL's selection process. See Rule 25-22.082(8), F.A.C. Nevertheless, FPL has served extensive discovery on CPV Gulfcoast, most of which is irrelevant, immaterial, argumentative, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Put simply, it is FPL's need case and selection process that is at issue, not CPV Gulfcoast's. To the extent that FPL somehow contends it needs CPV Gulfcoast's sensitive financial information to judge CPV Gulfcoast's ability to perform, now, after the fact, it ignores the RFP's requirement of certain completion security terms.

SPECIFIC OBJECTIONS: FIRST IRR

In addition to the foregoing General Objections, CPV Gulfcoast raises the following Specific Objections to the following individual interrogatories in the First IRR:

12. Please provide CPV's annual gross revenue and annual net income for the past three years.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

13. Please identify and list all of CPV's outstanding debt including the amount, to whom it is owed, the interest rate and the maturity date of such debt, whether on or off the

balance sheet.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

14. Please identify the percentage of interest of CPV any of CPV's directors or officers owns.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

15. Please identify each loan made by CPV to any of its officers or directors during the last three years, and in your identification list for each loan the director or officer, the amount of the loan, the interest rate on the loan, and the maturity date of the loan.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to

disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

- 16. Please identify for the remainder of 2002 and each year 2003 and 2004 any anticipated acquisition or construction of power plants by CPV and the capacity of each.

 Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.
- 17. For each project identified in response to Interrogatory 16, explain how CPV proposes to finance such acquisitions, including the anticipated ratio of equity and debt as well as the plan for raising the financing.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

18. Please identify any customers, the loss of any one or more of which would have significant adverse effect on CPV's operations, financial position or ability to meet project demands or financial obligations.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

19. Please identify by project and by year any capital expenditure in excess of \$100,000 CPV anticipates in the next three years, including but not limited to any expenditure anticipated to comply with government regulation.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

22. Describe CPV's financial condition, and list any changes in CPV's financial condition, its liquidity, and its capital resources over the past three years and any existing conditions likely to result in a significant change in CPV's financial condition, liquidity, or capital resources over the next three years.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as

FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

23. Please provide CPV's plans to remedy any existing or future deficiency in liquidity. If CPV does not view it has a deficiency in liquidity, explain how it plans to preserve its liquidity over the next three years. In answering this Interrogatory, identify all sources of liquidity and any unused sources of liquid assets.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

- 24. Please list CPV's commitments for capital expenditure, including the purpose of any such commitments and the anticipated source of funds to satisfy such commitments.

 Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.
 - 26. Please set forth by year the projected capital expenditure requirements for the

CPV Gulfcoast project assuming the in service dates included in CPV's proposals submitted in response to FPL's Supplemental RFP.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

27. For each year 2002-2005, please set forth the forecasted uses and sources of funding for the capital expenditure requirements for the CPV Gulfcoast project assuming the in service dates included in CPV's proposals submitted in response to FPL's Supplemental RFP.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

28. Please state the projected return on equity CPV forecasted it would earn on the CPV Gulfcoast project under CPV's proposals submitted in response to FPL's Supplemental RFP.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead

to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

Florida Bar No. 727016

CATHY M. SELLERS Florida Bar No. 0784958

MOYLE, FLANIGAN, KATZ, RAYMOND

& SHEEHAN, P.A.

The Perkins House

118 North Gadsden Street

Tallahassee, Florida 32301

(850) 681-3828 (telephone)

(850) 681-8788 (facsimile)

Attorneys for CPV Gulfcoast, Ltd.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 5th day of August, 2002, to those listed below:

Martha Carter Brown, Esquire Larry Harris, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Jack Shreve, Esquire
Office of the Public Counsel
c/o Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Charles A. Guyton, Esquire Steel, Hector & Davis, LLP 215 South Monroe Street, Suite 601 Tallahassee, Florida 32301

Mr. William G. Walker, III, Vice-President Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, Florida 32301-1859

R. Wade Litchfield, Esquire Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 22408-0420

Robert Scheffel Wright, Esquire Diane K. Kiesling, Esquire John T. LaVia, III, Esquire Landers & Parsons, P.A. 310 West College Avenue Tallahassee, Florida 32301 David Bruce May, Esquire
Holland & Knight, LLP
315 South Calhoun Street, Suite 600
Post Office Box 810
Tallahassee, Florida 32302-0810

Michael B. Twomey, Esquire Post Office Box 5256 Tallahassee, Florida 32314-5256

By: Wicking Concer for.

Jon C. Moyle, Jr.

EXHIBIT H

J. Keith W. Litchfield SHD-mani

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to determine)				
need for an electrical power)	Docket No.: 020262-EI			
plant in Martin County by)		RECEIVED		
Florida Power & Light Company.)		ILLOLIVED		
			NUG 1 2 2002		
In re: Petition to determine need for an electrical power plant in Manatee County by Florida Power & Light Company.)))	Docket No.: 020263-EI Filed: August 9, 2002	U.S. MAI' STEEL HECTOR & DAVIS		
)				

CPV GULFCOAST, LTD.'S OBJECTIONS TO FLORIDA POWER & LIGHT COMPANY'S SECOND SET OF INTERROGATORIES (Nos. 35-45)

CPV Gulfcoast, Ltd. ("CPV Gulfcoast"), pursuant to Rule 28-106.206, Florida Administrative Code, and Rules 1.340, 1.350 and 1.280(b), Florida Rules of Civil Procedure, hereby submits the following Objections to Florida Power & Light Company's (FPL") Second Set of Interrogatories:

INTRODUCTION

The objections stated herein are preliminary in nature and are made at this time for the purpose of complying with the 10-day requirement as set forth in Order No. PSC-02-0992-PCO-EI ("Procedural Order") issued by the Florida Public Service Commission ("Commission") in the above-referenced dockets. Should additional grounds for objection be discovered as CPV Gulfcoast prepares its responses to the above-referenced requests, CPV Gulfcoast reserves the right to supplement, revise or modify its objections at the time that it serves its responses on FPL. Moreover, should CPV Gulfcoast determine that a Protective Order is necessary with respect to any of the

material requested by FPL, CPV Gulfcoast reserves the right to file a motion with the Commission seeking such an order.

GENERAL OBJECTIONS

CPV Gulfcoast makes the following General Objections to FPL's Second Set of Interrogatories ("Second IRR"). These general objections apply to each of the individual interrogatories in the Second IRR, respectively, and will be incorporated by reference into CPV Gulfcoast's responses and answers when they are served on FPL.

- 1. CPV Gulfcoast objects to the requests to the extent that such requests seek to impose an obligation on CPV Gulfcoast to respond on behalf of subsidiaries, parent entities, affiliates or other persons that are not parties to this case on the grounds that such requests are overly broad, unduly burdensome, oppressive, and not permitted by applicable discovery rules.
- 2. CPV Gulfcoast objects to each and every request and instruction to the extent that such request or instruction calls for information that is exempt from discovery by virtue of the attorney-client privilege, work product privilege or other applicable privilege.
- 3. CPV Gulfcoast objects to each and every request insofar as the request is vague, ambiguous, overly broad, imprecise or utilizes terms that are subject to multiple interpretations but are not properly defined or explained for purposes of these requests. Any responses provided by CPV Gulfcoast to FPL's requests will be provided subject to, and without waiver of, the foregoing objection.
- 4. CPV Gulfcoast objects to each and every request insofar as the request is not reasonably calculated to lead to the discovery of admissible evidence and is not relevant to the

subject matter of this action. CPV Gulfcoast will attempt to note in its responses each instance where this objection applies.

- 5. CPV Gulfcoast objects to FPL's discovery requests, instructions and definitions, insofar as they seek to impose obligations on CPV Gulfcoast that exceed the requirements of the Florida Rules of Civil Procedure or Florida law.
- CPV Gulfcoast objects to providing information to the extent that such information
 is already in the public record before the Commission, or elsewhere.
- 7. CPV Gulfcoast objects to each and every request, insofar as it is unduly burdensome, expensive, oppressive or excessively time consuming as written. CPV Gulfcoast also objects to any request for production of documents that calls for the creation of information as opposed to the reporting of presently existing information as an improper expansion of CPV Gulfcoast's obligations under the law FPL invokes.
- 8. CPV Gulfcoast objects to each and every request to the extent that the information requested constitutes "trade secrets" which are privileged pursuant to Section 90.506, Florida Statutes. To the extent that FPL requests proprietary confidential business information which is not subject to the "trade secrets" privilege, CPV Gulfcoast may make such information available to counsel for FPL pursuant to an appropriate Protective Agreement, subject to any other general or specific objections contained herein.
- 9. CPV Gulfcoast objects to the nature of information sought by FPL on the following grounds: FPL filed Petitions for Need in these cases. Consequently, FPL has the affirmative burden of proving that its proposed projects will satisfy the statutory need criteria set forth in Section 403.519, Florida Statutes. FPL did not identify CPV Gulfcoast as a primarily-affected utility in this

proceeding pursuant to Section 25-22.081, F.A.C. FPL did not short list or negotiate with CPV Gulfcoast. As an intervenor, CPV Gulfcoast must show that it was a participant in FPL's selection process. See Rule 25-22.082(8), F.A.C. Nevertheless, FPL has served extensive discovery on CPV Gulfcoast, most of which is irrelevant, immaterial, argumentative, unduly burdensome, and not reasonably calculated to lead to the discovery of admissible evidence. Put simply, it is FPL's need case and selection process that is at issue, not CPV Gulfcoast's. To the extent that FPL somehow contends it needs CPV Gulfcoast's sensitive financial information to judge CPV Gulfcoast's ability to perform, now, after the fact, it ignores the RFP's requirement of certain completion security terms.

SPECIFIC OBJECTIONS: SECOND IRR

In addition to the foregoing General Objections, CPV Gulfcoast raises the following Specific Objections to the following individual interrogatories in the Second IRR:

35. Please provide the current forecast for capital spending for CPV, separately identify all current projects under construction where total project costs are estimated to be over \$10 million and identify and list costs incurred to date, costs paid to date, estimated costs to be completed yearly and total costs.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

36. Please identify and describe in detail any major asset sales, actual or projected, by CPV, for the year 2001 through the year 2004.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

37. Please identify and list any cancellations of significant purchases (over \$10 million) and/or capital construction projects (over \$10 million) made by CPV since January 1, 2000.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

38. Please provide a list of CPV's lines of credit at June 30, 2002, including amounts and expiration dates.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as

FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

39. Please identify and list the amount of receivables on or off CPV's books as of June 30, 2002 resulting from power deliveries made to PG&E during the period of December 2000 through April 2001.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

40. Please identify and list the amount of receivables on or off CPV's books as of June 30, 2002 resulting from transactions with Enron or any of its affiliates and/or subsidiaries.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

41. Please identify and list all "Operating Lease" commitments with annual

payments greater than \$10 million for CPV. Provide a description of each item leased, the term of the lease, and the annual lease payment for the next five years.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

42. Please identify and list all contingent obligations of CPV greater than \$10 million. Provide a description of the nature of the obligation as well as CPV's best estimate of the amount of the obligation as of June 30, 2002.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

43. Please identify and list all contractual arrangements of CPV that contain ratings triggers. Provide the name, the nature of each agreement, a description of the ratings trigger provision and any remedy available to the other party.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business

information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.

- 44. Please identify and list all transactions evidencing financing arrangements which involve CPV's construction projects, including any current revolving credit arrangements.

 Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary information.
- 45. Please identify and explain any risks to CPV if the completion of any current or future construction project's completion is materially delayed. Please identify any course of action CPV will utilize if it encounters such risk.

Objection: Compound, irrelevant, immaterial, overly broad, burdensome, and not likely to lead to the discovery of admissible evidence. This information is highly confidential business information, similar to information FPL has refused to provide on similar grounds. Moreover, as FPL and FPL Energy are competitors of CPV Gulfcoast's, this information should not be subject to disclosure, particularly to the extent that such information involves trade secrets or other proprietary

information.

JON C. MOYLE, JR.

Florida Bar No. 727016

CATHY M. SELLERS

Florida Bar No. 0784958

MOYLE, FLANIGAN, KATZ, RAYMOND

& SHEEHAN, P.A.

The Perkins House

118 North Gadsden Street

Tallahassee, Florida 32301

(850) 681-3828 (telephone)

(850) 681-8788 (facsimile)

Attorneys for CPV Gulfcoast, Ltd.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 9th day of August, 2002, to those listed below:

Martha Carter Brown, Esquire Larry Harris, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Jack Shreve, Esquire
Office of the Public Counsel
c/o Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Charles A. Guyton, Esquire Steel, Hector & Davis, LLP 215 South Monroe Street, Suite 601 Tallahassee, Florida 32301

Mr. William G. Walker, III, Vice-President Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, Florida 32301-1859

R. Wade Litchfield, Esquire Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 22408-0420

Robert Scheffel Wright, Esquire Diane K. Kiesling, Esquire John T. LaVia, III, Esquire Landers & Parsons, P.A. 310 West College Avenue Tallahassee, Florida 32301 David Bruce May, Esquire Holland & Knight, LLP 315 South Calhoun Street, Suite 600 Post Office Box 810 Tallahassee, Florida 32302-0810

Michael B. Twomey, Esquire Post Office Box 5256 Tallahassee, Florida 32314-5256

By: Jon C. Moyle, Jr.

EXHIBIT I

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to determine)	
need for an electrical power)	Docket No.: 020262-EI
plant in Martin County by)	
Florida Power & Light Company.)	
	_)	
The state of the state of	`	
In re: Petition to determine)	
need for an electrical power)	Docket No.: 020263-EI
plant in Manatee County by)	Filed: August 15, 2002
Florida Power & Light Company.)	
)	

CPV GULFCOAST, LTD.'S RESPONSES TO FLORIDA POWER & LIGHT COMPANY'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS (Nos. 1-26) AND FIRST SET OF INTERROGATORIES (Nos. 1-34)

Pursuant to Rule 28-106.106, F.A.C., and Rules 1.340 and 1.350, Fla.R.Civ.P., CPV Gulfcoast, Ltd. ("CPV Gulfcoast") responds as follows to Florida Power & Light Company's ("FPL") First Request for Production of Documents (Nos. 1-26) and Florida Power & Light Company's ("FPL") First Set of Interrogatories (Nos. 1-34).

INTRODUCTION

CPV Gulfcoast incorporates its prior Objections, served on August 5, 2002. CPV Gulfcoast's responses included herein are without waiver of those prior Objections. All confidential documents that are produced in response to FPL's request for production of documents shall be subject to the Confidentiality Agreement that has been executed by and between the parties and the prehearing officer, and shall only be produced subject to that agreement.

Response to Request for Production (No. 1):

Responsive documents, if any, will be produced during normal business hours at the Offices of CPV Gulfcoast, Silver Spring Metro Plaza II, 8403 Colesville Road, Suite 915, Silver Spring, Maryland 20910 upon reasonable notice being provided to CPV Gulfcoast.

Response to Request for Production (No. 2):

Objection: This request is over broad.

Response to Request for Production (No. 3):

Responsive documents, if any, will be produced during normal business hours at the Offices of CPV Gulfcoast, Silver Spring Metro Plaza II, 8403 Colesville Road, Suite 915, Silver Spring, Maryland 20910 upon reasonable notice being provided to CPV Gulfcoast.

Response to Request for Production (No. 4):

Objection: Ambiguous regarding "firmness" of CPV's proposal. CPV submitted its bid to

FPL and that bid speaks for itself.

Response to Request for Production (No. 5):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 6):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 7):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 8):

An organizational chart was provided in response to the RFP, and is considered confidential and proprietary.

Response to Request for Production (No. 9):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 10):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 11):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 12):

Responsive documents, if any, will be produced during normal business hours at the Offices of CPV Gulfcoast, Silver Spring Metro Plaza II, 8403 Colesville Road, Suite 915, Silver Spring, Maryland 20910 upon reasonable notice being provided to CPV Gulfcoast.

Response to Request for Production (No. 13):

To the extent a witness is under the control of CPV, responsive documents, if any, will be produced during normal business hours at the Offices of CPV Gulfcoast, Silver Spring Metro Plaza II, 8403 Colesville Road, Suite 915, Silver Spring, Maryland 20910 upon reasonable notice being provided to CPV Gulfcoast.

Response to Request for Production (No. 14):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 15):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 16):

To the extent a witness is under the control of CPV, said documents, if any, will be produced during normal business hours at the Offices of CPV Gulfcoast, Silver Spring Metro Plaza II, 8403 Colesville Road, Suite 915, Silver Spring, Maryland 20910 upon reasonable notice being provided to CPV Gulfcoast.

Response to Request for Production (No. 17):

Responsive documents, if any, will be produced during normal business hours at the Offices of CPV Gulfcoast, Silver Spring Metro Plaza II, 8403 Colesville Road, Suite 915, Silver Spring, Maryland 20910 upon reasonable notice being provided to CPV Gulfcoast.

Response to Request for Production (No. 18):

Responsive documents, if any, will be produced during normal business hours at the Offices of CPV Gulfcoast, Silver Spring Metro Plaza II, 8403 Colesville Road, Suite 915, Silver Spring, Maryland 20910 upon reasonable notice being provided to CPV Gulfcoast.

Response to Request for Production (No. 19):

Responsive documents, if any, will be produced during normal business hours at the Offices of CPV Gulfcoast, Silver Spring Metro Plaza II, 8403 Colesville Road, Suite 915, Silver Spring, Maryland 20910 upon reasonable notice being provided to CPV Gulfcoast.

Response to Request for Production (No. 20):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 21):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 22):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 23):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 24):

See previous objection raised to this POD as set forth in CPV Gulfcoast's First Request for Production of Documents.

Response to Request for Production (No. 25):

Responsive documents, if any, will be produced during normal business hours at the Offices of CPV Gulfcoast, Silver Spring Metro Plaza II, 8403 Colesville Road, Suite 915, Silver Spring, Maryland 20910 upon reasonable notice being provided to CPV Gulfcoast.

Response to Request for Production (No. 26):

To the extent that the applicable interrogatory was objected to, said objection is raised again here. Documents to which no objection has been raised will be produced during normal business hours at the Offices of CPV Gulfcoast, Silver Spring Metro Plaza II, 8403 Colesville Road, Suite 915, Silver Spring, Maryland 20910 upon reasonable notice being provided to CPV Gulfcoast.

ANSWERS TO INTERROGATORIES (Nos. 1-34)

Attached hereto are CPV Gulfcoast's answers to FPL's First Set of Interrogatories (Nos. 1-34), together with all of the Affidavits of the persons providing said answers. CPV Gulfcoast will provide the final Affidavit under separate cover.

JON C. MOYLE, JR.

Florida Bar No. 727016

CATHY M. SELLERS

Florida Bar No. 0784958

MOYLE, FLANIGAN, KATZ, RAYMOND & SHEEHAN, P.A.

The Perkins House

118 North Gadsden Street

Tallahassee, Florida 32301

(850) 681-3828 (telephone)

(850) 681-8788 (facsimile)

Attorneys for CPV Gulfcoast, Ltd.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 15th day of August, 2002, to those listed below:

Martha Carter Brown, Esquire Larry Harris, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Jack Shreve, Esquire
Office of the Public Counsel
c/o Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Charles A. Guyton, Esquire Steel, Hector & Davis, LLP 215 South Monroe Street, Suite 601 Tallahassee, Florida 32301

Mr. William G. Walker, III, Vice-President Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, Florida 32301-1859

R. Wade Litchfield, Esquire Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 22408-0420

Robert Scheffel Wright, Esquire Diane K. Kiesling, Esquire John T. LaVia, III, Esquire Landers & Parsons, P.A. 310 West College Avenue Tallahassee, Florida 32301 David Bruce May, Esquire Holland & Knight, LLP 315 South Calhoun Street, Suite 600 Post Office Box 810 Tallahassee, Florida 32302-0810

Michael B. Twomey, Esquire Post Office Box 5256 Tallahassee, Florida 32314-5256

By: Jon C. Moyle, Jr.

CPV Gulfcoast, Ltd. Docket Nos. 020262-EI & 020263-EI Florida Power & Light Company's First Set of Interrogatories Interrogatory No. 1 Page 1 of 1

Unfairness of FPL's RFP process and related

Q.

Identify all fact witnesses you anticipate calling in this proceeding, and for each witness, provide a description of the facts and conclusions to which each witness will testify.

matters.

Α.

Douglas F. Egan, President Competitive Power Ventures, Inc.

Silver Spring Metro Plaza II 8403 Colesville Road, Suite 915 Silver Spring, MD 20910

Mike Green Unfairness of FPL's RFP process and related matters.

Sam Waters

Matters related to FPL's RFP process.

Michael Caldwell

FPL's desire to keep competitors out of the state of

Florida.

Other fact witnesses, as discovery and case preparation ensues, may be called, and CPV expressly reserves the right to call additional witnesses as case preparation ensues.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 2
Page 1 of 1

Q.

Identify all expert witnesses you expect to call at the hearing in this matter, and for each expert witness, provide the witness's qualifications, a detailed summary of the witness's expected testimony, and a listing (name, docket number, jurisdiction, date) of all prior proceedings in which the witness has testified.

A.

None at this time.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 3
Page 1 of 1

Q.

Please list all civil litigation, including the court and case number, with an amount in controversy of over \$150,000 in which CPV participated in any capacity during the last three years. Please describe CPV's role in any civil litigation listed (e.g., plaintiff, defendant, third party defendant, etc.)

A. None.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 4
Page 1 of 1

Q.

Please list all administrative proceedings and government investigations, civil or criminal, involving CPV occurring during the last three years. Please describe the nature of such proceedings or investigations, CPV's involvement, any allegations or questions raised, if any, concerning CPV, and describe CPV's liability, if any, including any fines, penalties or sanctions, resulting from any such government investigation.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-El & 020263-El
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 5
Page 1 of 1

Q.

Please identify any purchased power contract, in the last three years, that CPV has been accused of not completing, has been unable to complete, or has otherwise failed to perform or has been accused of failing to perform.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 6
Page 1 of 1

Q.

Please list any and all litigation, including the court and case number, that ensued as a result of any item identified in your response to Interrogatory 5, and state the present status or resolution of the litigation and whether any judgment or settlement resulted.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 7
Page 1 of 1

Q.

Please list all judgments or settlements reached in relation to any litigation in which
CPV has participated for the last three years.

A. None.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 8
Page 1 of 1

Q.

Please identify any power project CPV is currently constructing, including the CPV manager or coordinator of any such project, the project's projected date of completion (original and current), whether such project is on schedule, and if not on schedule, the total number of days such project is delayed.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 9
Page 1 of 1

Q.

Please identify every Invitation to Bid (ITB) or Request for Proposal (RFP) for electrical energy and/or capacity to which CPV has responded in the past three years. For each such ITB or RFP indicate (i) whether CPV was the winning bidder or proposer and (ii) whether the ITB or RFP resulted in the execution of a purchased power contract.

A.

FPL Supplemental RFP which is the subject of this case. Seminole Electric Cooperative RFP 2002.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-El
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 10
Page 1 of 1

Q.

Please indicate whether CPV or any of its officers or directors, in connection with any activity related to their duties, have been indicted for or convicted of any crime during the last five years. Please identify each such indictment or conviction, and list any fines, penalties, sanctions or liabilities resulting from such conviction or accusation.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 11
Page 1 of 1

Q.

Please describe CPV's business development, including the year in which same was organized, the state or country in which CPV was organized, the nature and results of any bankruptcy, receivership or similar proceedings, the nature and results of any other reclassification, merger or consolidation; the acquisition or disposition of any significant amount of assets other than in the ordinary course of business; and any significant changes in the mode of conducting the business.

A.

CPV Gulfcoast, Ltd. is a Florida limited partnership formed in April, 2000. It is in the business of power plant development.

Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 12
Page 1 of 1

Q.

Please provide CPV's annual gross revenue and annual net income for the past three years.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 13
Page 1 of 1

Q.

Please identify and list all of CPV's outstanding debt, including the amount, to whom it is owed, the interest rate and the maturity date of such debt, whether on or off the balance sheet.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 14
Page 1 of 1

Q.

Please identify the percentage of interest of CPV any of CPV's directors or officers owns.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 15
Page 1 of 1

Q.

Please identify each loan made by CPV to any of its officers or directors during the last three years, and in your identification list for each loan the director or officer, the amount of the loan, the interest rate on the loan, and the maturity date of the loan.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories. Without waiving any objection, there are no such loans.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 16
Page 1 of 1

Q.

Please identify for the remainder of 2002 and each year 2003 and 2004 any anticipated acquisition or construction of power plants by CPV and the capacity of each.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 17
Page 1 of 1

Q.

For each project identified in response to Interrogatory 16, explain how CPV proposes to finance such acquisitions, including the anticipated ratio of equity and debt as well as the plan for raising the financing.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 18
Page 1 of 1

Q.

Please identify any customers, the loss of any one or more of which would have significant adverse effect on CPV's operations, financial position or ability to meet project demands or financial obligations.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories. Without waiving any objection, there are no such customers whose loss would have such an impact as set forth in Interrogatory 18.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 19
Page 1 of 1

Q.

Please identify by project and by year any capital expenditure in excess of \$100,000 CPV anticipates in the next three years, including but not limited to any expenditure anticipated to comply with any governmental regulation.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 20
Page 1 of 1

- Q.

 Please identify and describe any foreign operation of CPV during the last three years and for each list any risks associated with such operation.
- A. None.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 21
Page 1 of 1

Q.

Describe the location and general character of CPV's principal plants, mines, wells, pipelines and other important physical properties. For each property, identify whether it is subject to any encumbrance.

A. None.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 22
Page 1 of 1

O.

Describe CPV's financial condition, and list any changes in CPV's financial condition, its liquidity, and its capital resources over the past three years and any existing conditions likely to result in a significant change in CPV's financial condition, liquidity, or capital resources over the next three years.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories. Without waiving any objection, CPV Gulfcoast provided confidential, material financial information to FPL in response to the RFP.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 23
Page 1 of 1

Q.

Please provide CPV's plans to remedy any existing or future deficiency in liquidity. If CPV does not view it has a deficiency in liquidity, explain how it plans to preserve its liquidity over the next three years. In answering this Interrogatory, identify all sources of liquidity and any unused sources of liquid assets.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 24
Page 1 of 1

Q.

Please list CPV's commitments for capital expenditure, including the purpose of any such commitments and the anticipated source of funds to satisfy such commitments.

A.

See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's First Set of Interrogatories.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 25
Page 1 of 1

Q.

Please list all of CPV's directors and all persons nominated or chosen to become directors; indicate all positions and offices held by each such person, and state his term of office as director and any periods during which he has served as a director.

A.

CPV Gulfcoast, Ltd. is a Florida limited partnership. Consequently, it does not have directors.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 26
Page 1 of 1

Q.

Please set forth by year the projected capital expenditure requirements for the CPV Gulfcoast project assuming the in service dates included in CPV's proposals submitted in response to FPL's Supplemental RFP.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 27
Page 1 of 1

Q.

For each year 2002-2005, please set forth the forecasted uses and sources of funding for the capital expenditure requirements for the CPV Gulfcoast project assuming the in service dates included in CPV's proposals submitted in response to FPL's Supplemental RFP.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-E1
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 28
Page 1 of 1

Q.

Please state the projected return on equity CPV forecasted it would earn on the CPV Gulfcoast project under CPV's proposals submitted in response to FPL's Supplemental RFP.

Α.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 29
Page 1 of 1

- Q.

 Please indicate the extent to which CPV owns or controls the site for the CPV Gulfcoast project.
- A.

 CPV has executed a Sale and Purchase Agreement for the CPV Gulfcoast site.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 30
Page 1 of 1

Q.

If CPV were willing to make price concessions if it had been selected for FPL's short list for negotiations, explain any such price concessions it would have been prepared to offer and why CPV did not offer such concessions in its Supplemental RFP bids.

A.

CPV would have been willing to enter into good faith negotiations with FPL and entertained concessions put forth during those negotiations had it been short-listed. Concessions would have been made in the context of a detailed negotiation of terms and conditions which CPV would have expected to include some concessions by FPL of certain highly one-sided provisions in their standard documentation. FPL chose not to include CPV on the short-list. Any price concessions that may have materialized to the benefit of the FPL rate payer through such negotiations failed to do so as a result. CPV remains ready and willing to participate in negotiations with FPL regarding the proposals submitted in response to this Supplemental RFP.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 31
Page 1 of 1

Q.

State the amount and types of monetary or in kind support CPV has directly or indirectly (including contributions through an entity of which CPV is a member) provided for the Florida Action Coalition Team ("FACT").

A.

None.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 32
Page 1 of 1

Q.

Please explain in detail each and every way that CPV believes that FPL's economic analysis of the Supplemental RFP proposals was flawed or unfair to the bidders generally as well as specifically to CPV.

A.

CPV believes FPL determined at the outset that it would declare itself the winner of its RFP. Consequently, it tailored numerous components of both the original RFP and the Supplemental RFP to its advantage. Examples include, but are not limited to, the following:

- Equity Penalty assessed against bids;
- "Agreed" to language of RFP unless exception taken before beginning negotiations;
- Requiring completion security of bidders, yet no such requirement of FPL's own bid, or no indication that FPL's bid was "firm";
- Providing for onerous "reg-out" provisions;
- Failing to disclose in advance material economic assumptions;
- Failing to disclose in advance the criteria by which the bids would be judged; and
- Failure to disclose who would judge the bids.

CPV is still awaiting responses from FPL relating to previously served discovery. CPV anticipates that additional examples will come to light and illustrate FPL's predetermination of the outcome of this Supplemental RFP. The matters set forth above are a representative, not exhaustive list of the reasons supporting CPV's position.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 33
Page 1 of 1

Q.

Please explain in detail each and every way that you believe FPL's Supplemental RFP was flawed or unfair to bidders or potential bidders, generally as well as specifically to CPV.

A.

This information will be provided by CPV's fact witnesses to the extent they are under the control of CPV. Also, see response to Interrogatory 32.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's First Set of
Interrogatories
Interrogatory No. 34
Page 1 of 1

Q.

Identify each and every aspect of how CPV believes FPL understated the cost for Manatee Unit 3 or Martin Unit 8.

A.

Discovery still pending on this subject. However, FPL has provided only estimated costs for each of these units rather than firm pricing commitments and has failed to commit its cost recovery to only those costs identified in this proceeding with its self-selection of these units. Since all other proposals were binding per the Supplemental RFP instructions and were within one percent (1%) of the FPL self-selection units, on a CPVRR basis, minor increases to the FPL cost estimates for its self-selected units could result in a dramatically different outcome in the RFP process.

Moreover, FPL recently announced that it has completed financing on a 535 MW combined-cycle merchant power plant in Johnston, Rhode Island. The publicly stated all-in cost for this plant was \$425,000,000 or \$794/kw. FPL conversely has stated that the all-in cost of the 1107 MW Manatee Until 3 will be \$566,000,000 or \$511/kw. It strikes CPV as odd that these two facilities, sponsored by the same corporation, would have such divergent costs. Economies of scale, savings from co-location, and regional labor differences do not account for such cost disparity. CPV has requested that FPL provide an explanation for such differences in cost but has yet to receive this information.

Respectfully submitted this 15 day of August, 2002.

JON C. MOYLE, JR.

Florida Bar\No. 727016

CATHY M. SELLERS

Florida Bar No. 0784958

MOYLE, FLANIGAN, KATZ, RAYMOND

& SHEEHAN, P.A.

The Perkins House

118 North Gadsden Street

Tallahassee, Florida 32301

(850) 681-3828 (telephone)

(850) 681-8788 (facsimile)

Attorneys for CPV Gulfcoast, Ltd.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 15th day of August, 2002, to those listed below:

Martha Carter Brown, Esquire Larry Harris, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Jack Shreve, Esquire
Office of the Public Counsel
c/o Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Charles A. Guyton, Esquire Steel, Hector & Davis, LLP 215 South Monroe Street, Suite 601 Tallahassee, Florida 32301

Mr. William G. Walker, III, Vice-President Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, Florida 32301-1859

R. Wade Litchfield, Esquire Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 22408-0420

Robert Scheffel Wright, Esquire Diane K. Kiesling, Esquire John T. LaVia, III, Esquire Landers & Parsons, P.A. 310 West College Avenue Tallahassee, Florida 32301 David Bruce May, Esquire Holland & Knight, LLP 315 South Calhoun Street, Suite 600 Post Office Box 810 Tallahassee, Florida 32302-0810

Michael B. Twomey, Esquire Post Office Box 5256 Tallahassee, Florida 32314-5256

By: Jon C. Møyle, Jr.

EXHIBIT J

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to determine)	
need for an electrical power)	Docket No.: 020262-EI
plant in Martin County by)	
Florida Power & Light Company.)	
	_)	
In re: Petition to determine)	
need for an electrical power)	Docket No.: 020263-EI
plant in Manatee County by)	Filed: August 20, 2002
Florida Power & Light Company.)	
)	

CPV GULFCOAST, LTD.'S RESPONSES TO FLORIDA POWER & LIGHT COMPANY'S SECOND REQUEST FOR PRODUCTION OF DOCUMENTS (Nos. 27-43) AND SECOND SET OF INTERROGATORIES (Nos. 35-45)

Pursuant to Rule 28-106.106, F.A.C., and Rules 1.340 and 1.350, Fla.R.Civ.P., CPV Gulfcoast, Ltd. ("CPV Gulfcoast") responds as follows to Florida Power & Light Company's ("FPL") Second Request for Production of Documents (Nos. 27-43) and Florida Power & Light Company's ("FPL") Second Set of Interrogatories (Nos. 35-45).

INTRODUCTION

CPV Gulfcoast incorporates its prior Objections, served on August 9, 2002. CPV Gulfcoast's responses included herein are without waiver of those prior Objections. All confidential documents that are produced in response to FPL's request for production of documents shall be subject to the Confidentiality Agreement that has been executed by and between the parties and the prehearing officer, and shall only be produced subject to that agreement.

Response to Request for Production (No. 27):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 28):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 29):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 30):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 31):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 32):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 33):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 34):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 35):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 36):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 37):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 38):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 39):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 40):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 41):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 42):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

Response to Request for Production (No. 43):

See previous objection raised to this POD as set forth in CPV Gulfcoast's Second Request for Production of Documents.

ANSWERS TO INTERROGATORIES (Nos. 35-45)

Attached hereto are CPV Gulfcoast's answers to FPL's Second Set of Interrogatories (Nos. 35-45), together with all of the Affidavits of the persons providing said answers. CPV Gulfcoast will provide the final Affidavit under separate cover.

ON C. MOYLE, JR.

Florida Bar No. 727016 CATHY M. SELLERS

Florida Bar No. 0784958

MOYLE, FLANIGAN, KATZ, RAYMOND

& SHEEHAN, P.A.

The Perkins House

118 North Gadsden Street

Tallahassee, Florida 32301

(850) 681-3828 (telephone)

(850) 681-8788 (facsimile)

Attorneys for CPV Gulfcoast, Ltd.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 20th day of August, 2002, to those listed below:

Marthā Carter Brown, Esquire Larry Harris, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 Michael B. Twomey, Esquire Post Office Box 5256 Tallahassee, Florida 32314-5256

Jack Shreve, Esquire
Office of the Public Counsel
c/o Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Charles A. Guyton, Esquire Steel, Hector & Davis, LLP 215 South Monroe Street, Suite 601 Tallahassee, Florida 32301

Mr. William G. Walker, III, Vice-President Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, Florida 32301-1859

R. Wade Litchfield, Esquire Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 22408-0420

Joseph A. McGlothlin, Esquire Vicki G. Kaufman, Esquire McWhirter, Reeves, et al. 117 South Gadsden Street Tallahassee, Florida 32301

David Bruce May, Esquire Holland & Knight, LLP 315 South Calhoun Street, Suite 600 Post Office Box 810 Tallahassee, Florida 32302-0810 Jon C. Moyle, Jr.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 35
Page 1 of 1

Q.

Please provide the current forecast for capital spending for CPV, separately identify all current projects under construction where total project costs are estimated t be over \$10 million and identify and list costs incurred to date, costs paid to date, estimated costs to be completed yearly and total costs.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 36
Page 1 of 1

Q.

Please identify and describe in detail any major asset sales, actual or projected, by CPV, for the year 2001 through the year 2004.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 37
Page 1 of 1

Q.

Please identify and list any cancellations of significant purchases (over \$10 million) and/or capital construction projects (over \$10 million) made by CPV since January 1, 2000.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 38
Page 1 of 1

Q.

Please provide a list of CPV's lines of credit at June 30, 2002, including amounts and expiration dates.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 39
Page 1 of 1

- Q.
 Please identify and list the amount of receivables on or off CPV's books as of June 30, 2002 resulting from power deliveries made to PG&E during the period of December 2000 through April 2001.
- A.

 See previous objection raised to this interrogatory as set forth in CPV Gulfcoast's Objections to FPL's Second Set of Interrogatories.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 40
Page 1 of 1

Q.
Please identify and list the amount of receivables on or off CPV's books as of June 30, 2002 resulting from transactions with Enron or any of its affiliates and/or subsidiaries.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 41
Page 1 of 1

Q.

Please identify and list all "Operating Lease" commitments with annual payments greater than \$10 million for CPV. Provide a description of each item leased, the term of the lease, and the annual lease payment for the next five years.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 42
Page 1 of 1

Q.

Please provide and list all contingent obligations of CPV greater than \$10 million. Provide a description of the nature of the obligation as well as CPV's best estimate of the amount of the obligation as of June 30, 2002.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 43
Page 1 of 1

Q.

Please identify and list all contractual arrangements of CPV that contain ratings triggers. Provide the name, the nature of each agreement, a description of the ratings trigger provision and any remedy available to the other party.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 44
Page 1 of 1

Q.

Please identify and list all transactions evidencing financing arrangements which involve CPV's construction projects, including any current revolving credit arrangements.

A.

CPV Gulfcoast, Ltd.
Docket Nos. 020262-EI & 020263-EI
Florida Power & Light Company's Second Set of
Interrogatories
Interrogatory No. 45
Page 1 of 1

Q.

Please identify and explain any risks to CPV if the completion of any current or future construction project's completion is materially delayed. Please identify any course of action CPV will utilize if it encounters such risk.

A.

JON C. MOYLE, JR. Florida Bar No. 727016

CATHY M. SELLERS

Florida Bar No. 0784958

MOYLE, FLANIGAN, KATZ, RAYMOND

& SHEEHAN, P.A.

The Perkins House

118 North Gadsden Street

Tallahassee, Florida 32301

(850) 681-3828 (telephone)

(850) 681-8788 (facsimile)

Attorneys for CPV Gulfcoast, Ltd.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 20th day of August, 2002, to those listed below:

Martha Carter Brown, Esquire Larry Harris, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 Michael B. Twomey, Esquire Post Office Box 5256 Tallahassee, Florida 32314-5256

Jack Shreve, Esquire
Office of the Public Counsel
c/o Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Charles A. Guyton, Esquire Steel, Hector & Davis, LLP 215 South Monroe Street, Suite 601 Tallahassee, Florida 32301

Mr. William G. Walker, III, Vice-President Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, Florida 32301-1859

R. Wade Litchfield, Esquire Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 22408-0420

Joseph A. McGlothlin, Esquire Vicki G. Kaufman, Esquire McWhirter, Reeves, et al. 117 South Gadsden Street Tallahassee, Florida 32301

David Bruce May, Esquire Holland & Knight, LLP 315 South Calhoun Street, Suite 600 Post Office Box 810 Tallahassee, Florida 32302-0810 Jon C. Moyle, Jr.

EXHIBIT K

BEFORE THE PUBLIC SERVICE COMMISSION

In Re: Petition to determine need for an electrical power plant in Martin County by Florida Power & Light Company.)))	Docket No. 020262
In Re: Petition to determine need for an electrical power plant in Manatee County by Florida Power & Light Company.))))	Docket No. 020263 Filed: August 20, 2002

DIRECT TESTIMONY

OF

DOUGLAS F. EGAN

BEHALF OF

CPV Cana, Ltd.

And

CPV Gulfcoast, Ltd.

AUGUST 20, 2002

Q: Please state your name, title and business address.

1

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

A:

- A: I am Doug Egan, the President and Chief Executive Officer of Competitive Power

 Ventures. I am in the Silver Spring, Maryland, offices of Competitive Power

 Ventures, which are located at Silver Spring Metro Plaza II, 8403 Colesville Road,

 Suite 915, Silver Spring, Maryland 20910.
 - Q: Please tell the Commission about your educational and employment background.

I attended Dartmouth University where I graduated with a Bachelor of Arts degree in 1979. I then went to law school at Cornell Law School and obtained my juris doctorate in 1982. I worked for the law firm of Murtha, Cullina, Richter & Pinney in Hartford, Connecticut from 1982 to 1987 where I represented, among others, the Connecticut Resource Recovery Authority on the development and construction of a series of waste-to-energy projects. In 1987, I joined Intercontinental Energy Company as General Counsel. In 1991, I joined J. Makowski Associates where I was responsible for managing several development projects and an operating asset acquisition. After J. Makowski Associates merged in 1994 with U.S. Generating Company (now known as PG&E National Energy Group), I was Senior Vice-President for Development at NEG and charged with running the development program, consisting of more than a dozen power plant projects around the country. Under my direction, more than 2250 MW of power were developed and put into construction. Several additional projects initiated and partially developed during my tenure have subsequently been put into construction. In 1999, I, along with a group of investors, formed Competitive Power Ventures ("CPV"). CPV is actively developing projects in Florida and other states across the country. A copy of my biography is attached to my testimony as Exhibit DFE-1.

Q: How is it that you became involved in this proceeding?

A:

A:

CPV Cana, Ltd., a Florida limited partnership, which is an affiliate of CPV, responded to FPL's Initial Request for Proposals for Capacity and Energy of August 13, 2001. When FPL issued its Supplemental RFP, and properly identified the FPL Manatee facility as one of its "next planned generating units," CPV Gulfcoast Ltd., also a Florida limited partnership, with a power plant project located in Manatee County, Florida responded to the FPL's Supplemental RFP.

Q: What is the purpose of your testimony?

My testimony will point out a number of things that made FPL's Initial and Supplemental RFPs unfair to prospective bidders. The careful crafting of the RFP in a way designed to favor FPL showed that FPL was predisposed to declare itself the winner of its RFP process from the outset. Indeed, I believe FPL reached a conclusion that it would self-build its "needed" capacity before the Initial RFP was ever released. My testimony will also point out the risks that FPL, by selecting its self-build options, is imposing on its ratepayers. These risks include, but are not limited to, the risk of construction and associated construction delays and cost overruns, and the risk of technological obsolescence.

Q: On what facts do you base this assessment that the RFP was unfair and that FPL is resistant to awarding a contract to an outside bidder?

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

A:_

There are a number of facts that support this view. First, both the Initial RFP and the Supplemental RFP contain terms that are, at best, commercially unreasonable, and at worst, skewed to see that FPL can declare itself the winner of its own RFP. (I will point out some of those specific terms later in my testimony.) Second, FPL has a long history of opposing the entry of competitors into the Florida wholesale market. One need not look much past FPL's active opposition to the Duke-New Smyma Need Determination (PSC Case No. 981042) and the Okeechobee Generating Need Determination (PSC Case No. 991462) to realize that FPL has a deeply held opposition to competition in the wholesale energy market in Florida, particularly when that competition is in the form of merchant generators. To award a potential competitor a purchase power contract and to then support a need determination filing of a potential competitor is not consistent with FPL's view of its own interests. Third, a former employee of FPL, Michael Caldwell, wrote a letter to the Florida Public Service Commission and others outlining FPL's long held, but seldom stated, policy of thwarting competition in the Florida wholesale market place. (See Exhibit DFE-2). The letter, authored by an FPL insider, is compelling evidence that FPL never had any intention of awarding any portion of its asserted need to a third party. Fourth, one cannot ignore FPL's resistence to the creation of Rule 25-22.082, F.A.C., Selection of Generation Capacity, commonly known as the bid rule, as it was originally enacted. More recently, in the ongoing bid rule rulemaking docket, FPL is challenging the Commission's legal authority to make changes and other

improvements to the bid rule that would make the bid rule more fair. If FPL were truly interested in having an open, transparent and fair bidding and evaluation process, it is doubtful it would so vigorously oppose some of the changes suggested by PSC staff and question the Commission's authority to engage in rulemaking designed to improve the bid rule.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

17

.21

- Can you explain why you indicate that it is not in FPL's interest to award a Q. purchase power contract to an independent power producer?
- Let me try. A number of responses to the FPL's RFP, other than turn-key proposals A. and projects with less than 75 megawatts of steam output, were dependent on some type of contractual relationship with FPL. Power plants with a steam cycle of greater than 75 megawatts must go through the Power Plant Siting Act, sections 403.501-403.519, Florida Statutes, and must have a contract with a retail serving entity such as FPL, to be "an applicant" under the Power Plant Siting Act. See Tampa Electric v. Garcia, 767 So.2d 428 (Fla. 2000). Thus, a way of keeping potential competitors out of the Florida market, particularly with independent power producers who want to 16 build power plants with a steam cycle greater than 75 megawatts, is to not enter into contractual arrangements with them. The reason not to enter into a purchase power 18 agreement is even more compelling if the proposed contractual term is for a short-19 term, say three to five years, as the power project would be a merchant plant at end of 20 the contract term. If one accepts FPL's opposition to merchant plants in Florida, as one must, then it follows it is not in FPL's interest to accept, in response to FPL's 22 RFP, a short-term contract from an Independent Power Producer ("IPP") that gives

the IPP entry into the Florida market. This is especially true if the proponent of the short-term contractual bid will be a competitor of FPL's, with a new, large-scale and efficient power project built in the State of Florida., upon expiration of the contract term. Thus, one way to avoid this competition is to not accept a bid (and thus enter into a contract) from an IPP proposing to build a large-scale (greater than 75 megawatt of steam) facility in the state.

11 -

A:

Q: You mentioned that certain terms in FPL's Initial RFP and Supplemental RFP were unfair. Would you please specifically identify those terms and indicate what makes them unfair?

Yes. Both RFPs, which by their terms seek proposals from bidders to be followed by negotiations with short-listed bidders, seek to impose contractual terms on the bidders without negotiations. The RFP requires the bidder to complete a form (Form 9) which provides: "Bidder must either indicate that they take no exceptions to any of the terms, conditions or other facets of the RFP or must indicate that they do take exception(s)." A bidder must then submit alternative revised language in writing to FPL with its response to the RFP if it takes exception to any term or condition. The RFP goes on to state that it "will give preference to the bids with the fewest number of and least significant exceptions."

This is unfair in that, prior to the start of negotiations, before a short list is even developed, an applicant is asked to agree to all significant terms and conditions of the RFP. If a bidder does not so agree, at a time when it is preparing to respond to the

RFP, it must propose, in writing, alternative language. Tellingly, FPL does not say how the bid will be evaluated if exceptions are raised. Instead, leaving much to the imagination, it merely states "FPL will give preference to bids with the fewest number of and least significant exceptions." In other words, object or propose alternative language at your own risk. Surely, this construct is not "negotiations" aimed at entering into a contract and is unfair.

1

2

3

4

5

6

7

8

9

10

_ 11

12

13

14

15

16

17

18

19

20

21

22

Additionally, FPL imposed certain regulatory provisions in its RFP that unreasonably shifted risk to bidders. For example, in its Initial RFP, FPL provided that should the electric industry in Florida be "deregulated," an undefined term, FPL would have the option, after giving ninety (90) days written notice, to terminate the negotiated contract or shorten by half the original contract term and associated payments. This term, which runs only in the favor of FPL, would surely make a potential lender view debt loaned on the project as being at subject to an unquantifiable risk. Indeed, this type of term would likely render the deal, if FPL accepted a bid, unfinanceable. In its Supplemental RFP, FPL, while deleting the onerous provision described above, states: "In the event that the Florida Public Service Commission fails to allow cost recovery of any of the costs incurred pursuant to the contract between FPL and the bidder, FPL will reduce payments to the bidder in amounts equivalent to the amounts disallowed." Again, this contractual provision shifts inordinate risk to the bidder and tends to make financing the construction of the project more difficult, if not impossible. All of these type of arrangements described in my testimony, when taken in total, point out that FPL does not want to award a contract to a bidder, but wants to

self-build its projects. It also points out the biased and unfair nature of the way FPL conducted the RFP.

Q: Are there other provisions of the RFP or RFP process that you consider unfair?

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

-_

A:

Yes. To this date FPL has never revealed the complete list of criteria by which the proposals were judged or the weights assigned to the various criteria. While FPL may identify certain factors that it considers, it never reveals how it considers or weighs certain factors. Consequently, FPL's scoring criteria are akin to a black box to which only FPL holds the key. (See Supplemental RFP p. 18 which indicates the bids "will be evaluated for various risk factors and other considerations". (Emphasis added), order to determine which proposal(s) would be the best overall choice(s) for FPL.") Various risk factors and other considerations, which are not enumerated; hardly give the bidder comfort that the bids will be evaluated in a fair and objective manner. While FPL did list some risk factors in its supplemental RFP on page 18 and 19, it carefully did not commit to considering them, stating simply that "Factors which may be considered include, but are not necessarily limited to, the following:" (Emphasis added.) FPL, when it structures its self-build option, certainly knows which factors matter most to it. If te RFP was designed to elicit the best possible proposals for FPL to choose from, then just as certainly it would have informed bidders of the project attributes that most benefit FPL ratepayers.

Q: What other ways, if any, does FPL realize an unfair advantage over the other bidders, including CPV's projects?

FPL has a distinct advantage over the other bidders, including CPV, in a number of other ways. The RFP documents and the accompanying evaluation process are replete with examples, and I will try to quickly highlight a few. FPL gets to craft the RFP, make "the rules" and criteria for judging the responses to its RFP, review all of the competing bids received before putting forward its best competing proposal(s), selects the short-listed bidders, prepares and presents an onerous draft contract to the short-listed bidders, sets the time schedule (an extremely tight one) for "negotiations", (in this case presenting short-listed bidders with little time to sufficiently, thoroughly, and completely review the draft contract document), gets to negotiate with the short-listed bidders, acts as the judge to declare the winner of the RFP, and, when FPL declares itself the winner of the RFP, it is not obligated to stick by its "winning bid," but can seek recovery for cost overruns or other charges which result in the numbers represented in its "winning bid" increasing. (This refusal to stick by its own winning bid imposes additional risk and potential costs on the ratepayers, which is ironic when one considers the bid rule was designed, in part to see that ratepayers got the best deal possible from the market.)

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

A:

A:

Q: What is the impact of the equity penalty that FPL imposed on competing bids in this RFP process?

FPL's decision to impose an "equity penalty" acts to significantly stack the deck in favor of FPL. This equity penalty, which seeks to impose a direct penalty against non-FPL capacity proposals during the evaluation process is yet another example of how the RFP was unfair. Based on my review of the way FPL institutes the equity

penalty, it appears that Bidders who submit proposals for either large amounts of capacity or long-term capacity are penalized relative to those Bidders who submit proposals for smaller amounts of capacity or short-term capacity. FPL has established an equity penalty that will be more detrimental to a proposal that offers larger amounts of capacity for long-term. This effectively preludes any proposal similar to the FPL self-build options from being able to win the RFP. (It should also be noted that FPL did not offer bidders any "credit" for assuming the risk of technological obsolescence or construction risk, yet seeks to impose this equity penalty.)

- 11

A.,

Q. What else would you like the Commission to know about FPL's equity penalty?

Since FPL used excessive latitude in deciding what it could consider in weighing the bids, it obviously decided the "equity penalty" was a high card that it could hold in its hand until it was needed. The fact that FPL designed the equity penalty as its "ace in the hole", and used it to justify its decision to self-build is reflected in an internal FPL e-mail, authored by Steve Sim, one of the individuals charged with running the RFP process. This e-mail, a copy of which is attached hereto as Exhibit DFE-3 is telling, as it states, "the equity penalty is not only 'not the cake', but may not even be the icing. It's more like the candle." In my experience, the use of the phrase "icing on the cake" denotes the item or thing that rounds out or completes the deal. In the context used in this e-mail, the phrase is used to reflect the fact that FPL imposed an equity penalty to give itself some room to maneuver in comparing its self-build

options against competing bids and evidences FPL's predetermined conclusion that it would win its own RFP.

Q. What else can you point to support the notion that FPL decided it would win its RFP before the competing proposals were reviewed and evaluated?

-_

A. I have pointed to a number of things previously in my testimony that support the proposition that FPL determined its preference to self-build the additional "needed" capacity before it evaluated the competing proposals. However, there are some additional things that I can point to that support this conclusion. Sam Waters, who as I understand it, was in charge of FPL's initial RFP, authored an e-mail on October 31, 2001 to FPL Senior Management entitled "RFP/Generation Strategy Meeting, Friday, Nov. 2" The e-mail is enlightening in a number of respects. First, it states the purpose of the meeting "will be to discuss strategy in responding to the bids received addressing our RFP, as well as the longer-term generation strategy." The e-mail next mentions that the bids are still in the process of being evaluated and that there is no information available "approaching a final result of analyses." Finally, the e-mail desires "to develop a consensus on direction for our generation plan, i.e., do we want to build or buy, or a combination of both? What kind of projects do we want to be involved in? How long should we buying for, if that is the choice? Should FPLE be

CPV still has outstanding certain discovery requests and anticipates conducting some additional discovery on this and related points. What I am testifying to now has been culled from discovery produced to date and I would like to reserve the right to supplement my answer to this question as discovery continues.

involved in the projects?" I find it instructive that FPL senior management was meeting to "develop a consensus" on its generation strategy, i.e., in the words of the FPL employee charged with running the RFP, "do we want to build or buy", at a point in time when no concrete results or analysis of the responses to FPL's initial RFP were available.² A copy of this FPL e-mail is attached to my testimony as Exhibit DFE-4.

1

2

3

4

5

6

7

8

9

10

12

13

- Q. Is there other documentary evidence that suggests FPL decided it would selfbuild for its needed capacity before the RFP was even issued?
- A. Yes, I believe there is. Another e-mail and related document prepared in response to the referenced e-mail reflects FPL's predetermination that it would "win" its RFP. Steve Sim, one of the FPL employees responsible for conducting the RFP process, 11 asked another FPL employee, Daisy Iglesias to prepare a document in anticipation of a meeting called "to discuss how we will actually evaluate proposals we'll receive from the RFP". Sim stated in the e-mail: "I want you to prepare a page or three 14 15 which describes how our section should do the evaluation. We'll use this document 16 (be sure to label it as "draft") for our discussion on Tuesday morning." 17 document prepared by Ms. Iglesias is instructive in that it clearly shows FPL's

It is also interesting to note that the e-mail states: "Tomorrow I will be forwarding materials to you that include a proposed strategy. . . ." However, when CPV Cana, in its Second Request for Production, sought "All documents that Sam Waters or his assistants provided to Paul Evanson or his assistants related to the 'Request for Proposal/Generation Strategy Meeting, Friday, November 2' referenced in FPL Document Number 00101969 ND". FPL responded that no such documents existed.

unabated desire to self-build its "needed" capacity. From its title, "RFP Evaluation (Based on Assumption that FPL can meet or beat lowest bid)" to its critique of the best way for FPL to "meet or beat" competing bids and its accompanying seven step "evaluation" process, the document should raise serious concerns about whether ratepayers, in the long run, are better off with FPL's self-build options.

Among the alarming revelations in the FPL internal document are the following: "PGD's costs will have to be at or below the costs of the best proposals. The best/most defendable way to show this is through the VOD analysis." (PGD stands for FPL's internal generation department.) Thus, FPL selected a method to evaluate the bids, not based on what is in the best interests of ratepayers or which deal is actually the best submitted to FPL for consideration, but based on the "best/most defendable way" to show that FPL's own internal costs are "at or below the costs of the best proposals." The document goes on to suggest, as Step Number 2, that FPL's own construction alternatives be reviewed after evaluation of the competing bids: "After the proposals are evaluated . . . receive from PGD the costs of each construction project." Step Number 2 continues: "These costs should be as aggressive as possible to both minimize the remaining work and increase the defensibility (sic) of any subsequent decision to go with an FPL option."

FPL has vigorously resisted suggestions that it be bound to its "winning bid" numbers, and wants to preserve its ability to come back to the Commission to recover construction cost overruns. (Remember, FPL's RFP called on all bidders to submit

"binding" proposals.) An FPL internal document suggesting that the assumed construction costs of the projects "be as aggressive as possible" should raise a red flag that FPL sought to be overly aggressive in its project construction cost estimates at best or low-balled its numbers at worst. Revealingly, this document goes on to suggest other steps to ensure that FPL declares itself the winner as part of its "evaluation process".

To assure that FPL "wins" the RFP, the document instructs in Step Number 5: "As necessary, repeat steps 2 - 4 until it is determined what cost reductions are necessary by FPL so that the proposals' costs are higher than the VOD benefits of deferring the FPL projects." (Emphasis added.) (Remember, Step Number 2 is to aggressively estimate the construction costs for the project, a step that apparently is to be repeated as often as necessary until the competing proposals are higher than the VOD of deferring FPL's projects!) Step 6 of the evaluation is as follows: "In order to provide a more complete picture, enter the resulting FPL project costs into EGEAS versus the proposals to ensure that the FPL projects are selected by EGEAS as the winner." Thus, EGEAS appears to be used simply as a tool, after the evaluation process is repeated as often as necessary to declare FPL the winner, to somehow "legitimize" this skewed, slanted, and false evaluation process. A copy of the documents referenced above are attached to my testimony as Composite Exhibit DFE-5.

Q. Are FPL's self-build options the most cost effective alternatives available for the ratepayers?

. 13

Α. ͺ

No, I do not believe so. As mentioned above, it seems FPL's evaluation process was designed to steer toward a pre-designed conclusion, namely that FPL's self-build options were the preferred choice. Whenever a preordained result is signaled, it leads me to seriously doubt and question the resulting data. Since FPL's internal generation group aggressively estimated its project costs, and continued to do so until FPL's VOD analysis concluded FPL was the winner, coupled with FPL's steadfast refusal to date to be bound by the terms of its "winning bid", I do not believe FPL's self build options are the most cost effective alternatives for ratepayers. The bids of CPV Cana and Gulfcoast, had they been accepted and a contract agreed to, would have been binding. FPL's unwillingness to stick by its number, combined with its aggressive construction cost estimates, suggests that at some point in the future FPL will be back before this Commission seeking additional cost recovery for these projects, something it should not be allowed to do.

Additionally, FPL apparently does not recognize the risk associated with construction and the risk associated with obsolescence of equipment. Neglecting this risk and not properly factoring into a decision of the type made by FPL acts to impose additional risk, and potentially costs, on the ratepayers. If a CPV project were selected, the risk of construction cost overruns and delays would have been shouldered by the private sector, not ratepayers. Similarly, if a CPV project were selected, the risk of technological obsolescence would rest with CPV and its investors. With FPL's

decision to self-build the capacity in question, these risks are shifted to ratepayers, making FPL's decision to self-build less cost effective than other alternatives in my opinion.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

Finally, had a CPV project been selected, the RFP would have required it to post completion security. Specifically, it would have been obligated to post "a deposit or some other form of security acceptable to FPL in the amount equal to Fifty Thousand Dollars (\$50,000) per MW of guaranteed firm capacity (Completion Security)." For each day that the project was not available, FPL would be able to draw down from the Completion Security a sum equal to \$330 per megawatt of guaranteed firm (Thus, for one of the bids submitted by CPV Gulfcoast, to provide approximately 800 megawatts of power, Forty Million Dollars (\$40,000,000) would have been required to be posted as security for FPL and its ratepayers to ensure that CPV Gulfcoast would deliver as called for in its purchase power agreement with FPL.) This would enable FPL and its ratepayers to recoup, or "cover" any losses it suffered as a result of the contracted for power not being available by purchasing the needed power in the market. FPL, when it self-selected its own generation projects, is not going to post any type of completion security guarantee similar to what CPV Gulfcoast would have been required to post had it been selected. Thus, if FPL experiences construction delays, the ratepayers are not protected by the \$40 million dollars completion security instrument in the example above, and may be looked to for the construction cost overruns and the costs of obtaining the needed power from the market. Thus, from the completion security perspective, the ratepayers are better off (served more cost-effectively) with a purchased power contract backed up by a completion security guarantee and other contractual obligations than with FPL's self-build options. For a host of reasons, FPL's self-build options are not the most cost effective alternatives available.

Q. What are you asking this Commission to do?

I would ask that they declare FPL's RFP process inherently unfair as implemented by FPL. I would ask that the need determinations pending before the Commission be denied, with FPL being directed to attempt to meet any anticipated future need in a way that is fair and impartial to all parties and bidders.

and the second s

Q. Does this conclude your testimony?

11 A. Yes.

1

2

3

4

5

6

7

8

9

10

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Mail on this 20th day of August, 2002, to those listed below:

Martha Carter Brown, Esquire Larry Harris, Esquire Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 Michael B. Twomey, Esquire Post Office Box 5256 Tallahassee, Florida 32314-5256

Jack Shreve, Esquire
Office of the Public Counsel
c/o Florida Legislature
111 West Madison Street, Room 812
Tallahassee, Florida 32399-1400

Charles A. Guyton, Esquire Steel, Hector & Davis, LLP 215 South Monroe Street, Suite 601 Tallahassee, Florida 32301

Mr. William G. Walker, III, Vice-President Florida Power & Light Company 215 South Monroe Street, Suite 810 Tallahassee, Florida 32301-1859

R. Wade Litchfield, Esquire Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 22408-0420

Joseph A. McGlothlin, Esquire McWhirter, Reeves, et al. 117 South Gadsden Street Tallahassee, Florida 32301

David Bruce May, Esquire Holland & Knight, LLP 315 South Calhoun Street, Suite 600 Post Office Box 810 Tallahassee, Florida 32302-0810 Jon C. Moyle, Jr.

Biography

Doug Egan is the President and Chief Executive Officer of Competitive Power Ventures, Inc. CPV is developing more than 5000 MW of gas-fired combined cycle merchant generating facilities in Florida, Georgia, Virginia, Iowa and Connecticut, CPV developed the CPV Atlantic Project in Port St. Lucie Florida a 250 MW combined cycle project which was sold to Orion Power Holdings and taken into construction in October 2001. The Florida projects currently under development include the CPV Gulfcoast Project in Manatee County, the CPV Pierce Project in Polk, Florida, and the CPV Cana Project in St. Lucie County, all 250 MW combined cycle projects. Prior to forming CPV in 1999, Mr. Egan was Senior Vice President for Development at PG&E Generating Company, formerly US Generating Company, where he had been employed since 1994. At PG&E Generating, Mr. Egan was responsible for the company's power project development program and supervised the successful development of the Millennium Power Project in Charlton, Massachusetts, the Lake Road Power Project in Killingly, Connecticut, and the LaPaloma Project in Kern County California. Mr. Egan was also responsible for initiating several projects that were taken into construction after his departure.

Before that, he was Vice President of Development at J. Makowski Company of Boston where he was responsible for the acquisition of the Altresco Pittsfield Project in Pittsfield, Massachusetts and was General Counsel for Intercontinental Energy Corporation of Hingham, Massachusetts where he was involved with the successful development of the Bellingham Project in Bellingham, Massachusetts, the Sayreville Project in Sayreville, New Jersey and the Doswell Project in Hanover County, Virginia. In the early 1980's, Mr. Egan worked at the law firm of Murtha Cullina Richter & Pinney in Hartford, Connecticut where he represented the Connecticut Resource Recovery Authority in developing and financing a series of large-scale waste-to-energy plants including the Mid-Connecticut Project and the Bridgeport Project.

He is a graduate of Dartmouth College and Cornell Law School and a member of the Connecticut Bar.

Michael T. Caldwell 12540 SW 108 Avenuc Miami, FL 33176 February 11, 2002

Commissioner Lila A. Jaber Chair, Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Request for Investigation by the FPSC into FPL's Decision on \$1.1 Billion in Energy Expansion

Dear Chair Jaber.

The Miami Herald recently ran a story on Florida Power & Light (FPL) Company's plans for a \$1.1 billion expansion that would add 1,900 megawatts of power over the next three years (see attached article dated January 19, 2002). I was distressed to read in the article that, even though FPL supposedly received eighty-one (81) proposals from fifteen (15) other energy developers to see if outsiders could build the new generators cheaper, FPL "decided that it would be best - and cheapest • to do the job itself." As an affected customer and ratepayer, I am requesting that the Florida Public Service Commission (FPSC) hold hearings on this matter and that the FPSC require that FPL provide full and open disclosure of all proposals, documents, analyses, etc. related to the proposed energy expansion(s) discussed in the Miami Herald article.

Having worked for FPL for over twenty years, with the last five years working as a Regulatory Coordinator and dealing with issues such as fuel adjustment, site certifications, new fuel testing, and generation expansion, I am very familiar with FPL's philosophy towards competition from outside energy companies. FPL's philosophy was then (and I'm sure still is) to take whatever action is necessary to stop or minimize competition from such outside energy companies. One example of this philosophy was FPL's wilfull breach of their contract to purchase cogeneration power from the Fanjul's Okeelanta and Osceola facilities a few years ago. This breach of contract by FPL (which put the cogeneration facilities in bankruptcy) led to a lawsuit being filed by the Fanjuls; the lawsuit was settled out of court in the year 2000 for \$222.5 million (which settlement, of course, was passed on to FPL's customers).

The Miami Herald article states that the Florida Partnership for Affordable Competitive Energy (PACE) noted that, while outside energy companies have won hids to build generating plants for Florida municipal electric companies by making their hids cheaper than those made by IOUs, not one hid (from outside energy companies) has been accepted by a Florida IOU since 1994, when Florida started requiring RFPs. Given FPL's philosophy concerning outside competition, and given that FPL is the only one that reviewed and analyzed the eighty-one proposals received for this proposed energy expansion, it does not seem to be a such a remarkable coincidence that

FPL determined that it (FPL) was the only choice to do such an expansion.

I understand that Governor Jeb Bush's Energy Commission recently came out with a report that suggests that the State of Florida should seriously consider energy deregulation and competition from outside energy companies. FPL, and others, can be expected to vehemently protest the concept of energy deregulation and competition from outside energy companies (along with their many, well-paid lobbyists). They will undoubtedly cite the recent energy problems in California. and the more recent collapse of Enron, as examples why deregulation and outside competition are not good ideas. In fact, in the Miami Herald article, FPL states "... we also believe our expansion proposal has fewer associated risks at this time than contracting for purchased power with independent power plant producers, many of whom are facing financial uncertainties due to the economy...? It is true that risks exist, but the State of Florida and the FPSC can learn from the problems that others have experienced, and build safeguards into their rules and regulations. and require good contracting practices, that would minimize such risks. Deregulation and outside competition have worked in other states and other countries, and the State of Florida and the FPSC should at least consider such alternatives. The customers and ratepayers can only benefit when there is true competition and the procurement/evaluation process is open and transparent.

Therefore, as an affected customer and ratepayer, I am asking that the FPSC fully investigate all elements of this proposed energy expansion, and FPL's decision, in an open and transparent manner. A public hearing should be held, with any and all interested parties having a chance to participate, to see documents, and to ask questions. All interested parties should have the ability for discovery, interrogatories, requests to produce, testimony by appropriate personnel, and cross-examination. Only under such circumstances can the ratepayer, customers, the FPSC and the public be assured that such a decision has been properly and fairly made.

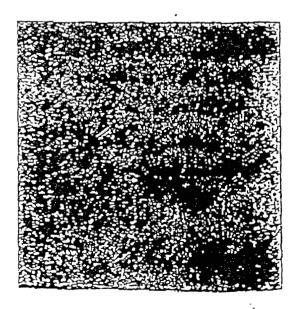
I am also requesting to be kept advised, and/or notified, of any proceedings or hearings before the FPSC, and any communications with the FPSC, etc. regarding this matter. If you have any questions or need further information, please contact me at (305) 579-2594 (office), (305) 233-7779 (home), by email at mikec996@worldnet.att.net, or at the address above.

Michael T. Caldwell

Respectfully yours

Attachment

cc: The Honorable Governor Jeb Bush
Commissioner J. Terry Deason
Commissioner Braulio L. Baez
Commissioner Michael A. Palecki
Commissioner Rudolph Bradley
Mr. Jack Shreve, Office of Public Counsel
Mr. John Dorschner, Miami Herald



Docket Nos. 020262 and 020263

Exhibit DFE-3
Page 1 of 1

Lisa

Steve R Sim



Steve R Sim 01/10/02 06:11 PM To: Lisa Schanen/FPL Energy/FPL@FPL

CC:

Subject: Thanks 🖹

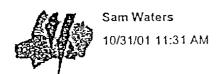
Lisa,

Thanks again for the spreadsheet. We appreciate the work and tell Kathy that once we got all of the cost data, the equity penalty is not only "not the cake", but it may not even be the icing. It's more like the candle.

One more favor, please. Would you send me a simple e-mail message explaining (again) why you used this particular discount rate (since we used an after tax discount rate of 8.5% for all of our analyses that we got from Sufia last April or May). NO RUSH on this and thanks again for your help.

Steve

Docket Nos. 020262 and 020263 Exhibit DFE-4 Page 1 of 1



To: Paul Evanson/EXEC/FPL@FPL, Armando Olivera/EXEC/FPL@FPL, Bill Walker, Mario Villar@FPL, Anne M Grealy, Rene Silva/PGBU/FPL@FPL, Bob Fritz/FPL Energy/FPL@FPL, Bill Yeager/PGBU/FPL@FPL

cc: Moray Dewhurst/FNR/FPL@FPL, Tony Rodriguez/PGD/FPL@FPL, (bcc: Steve R Sim/RAP/FPL)

Subject: RFP/Generation Strategy Meeting, Friday, Nov. 2

The purpose of our meeting this Friday will be to discuss our strategy in responding to the bids received addressing our RFP, as well as the longer-term generation strategy. Tomorrow, I will be forwarding materials to you that include a proposed strategy, and the latest results we have from analysis of the RFP responses and the preliminary estimates for FPL projects.

I have to caution everyone that we will <u>not</u> have a proposed short list of bidders or anything approaching a final result of the analyses. The form of the bids resulted in nearly 80 combinations of pricing and terms, and we are still looking at all of the possible combinations. I am going to try and indicate what projects appear to be floating to the top, and give some indication of how our repowering and new combined cycle projects might stack up against them.

My intent is to develop a consensus on direction for our generation plan, i.e. do we want to build or buy, or a combination of both? What kind of projects do we want to be involved in? How long should we be buying for, if that is the choice? Should FPLE be involved in the projects? etc. While I will propose an approach, I am looking forward to a lively discussion given the many issues we identified at the last meeting.

If you have any issues or questions you would like to include in the meeting, please feel free to call me.

Docket Nos. 020262 and 020263 Composite Exhibit DFE-5 Page 1 of 3



Steve R Sim 07/18/01 01:06 PM

To: Daisy Iglesias/RAP/FPL

cc: Sharon Fischer/RAP/FPL@FPL, Richard Brown/RAP/FPL@FPL, Mario

Villar/RAP/FPL@FPL

Subject: for Tuesday's 9:30 a.m. meeting

Daisy,

I mentioned to you earlier that I want the four of us in this section to sit down Tuesday morning to discuss how we will actually evaluate proposals we'll receive from the RFP and that I want you to lead the discussion. (I figure I'll be busy trying to incorporate all of the comments we're getting on the entire RFP so you'll have more time to concentrate on taking a first cut at developing an evaluation plan.)

I want you to prepare a page or three which describes how our section should do the evaluation. We'll use this document (be sure to label it as "draft") for our discussion on Tuesday morning.

- 1) Here are some "ground rules" I want you to use:
- assume we are only considering firm capacity proposals (I believe that evaluation of the non-firm energy from renewables proposals will be pretty simple);
- assume we get more than a few proposals (20 or more);
- the proposals range from 50 to 500 MW;
- I want Sharon and Richard assisting you.
- 2) I want you to address at least the following questions (and add more as you see the need):
- how many options can EGEAS handle at one time?
- how do we make sure we capture all combinations of proposals that meet our RM and LOLP criteria?
- how do we handle all of those combinations in EGEAS?
- do we take FPL's bid(s) first and use the resulting expansion plan as our "Base Plan" in EGEAS?
- how do we actually perform the calculations using between EGEAS's reveneue requirements and VOD evaluations of short-term projects?
- how do we ensure that we have FPL construction option data in a form that allows us to consider them years later (after a short-term purchase has deferred their proposed construction dates)?
- what role(s) should Sharon and Richard play?
- what do we need to do now to get TIGER and EGEAS ready to go?

This document should give us a very good start at getting ready. Thanks in advance for preparing it.

Steve

(2)

Docket Nos. 020262 and 020263 Composite Exhibit DFE-5 Page 2 of 3

RFP Evaluation

(Based on Assumption that FPL can meet or beat lower

I. Evaluation of RFP Proposals

First, we need to determine the least cost combination of proposals which meets the desired 1750 MW cumulative need (of course this is assuming we get enough bids to reach the RFP Proposal amount).

I suggest we do this in two steps:

1. Traditional IRP (using EGEAS)

The analysis would begin with TIGER. I don't foresee too many TIGER runs unless we are going to look at different scenarios as far as high/low load forecast.

The TIGER case would have all the latest IRP 2001 assumptions without the expansion plan, and Sharon would provide the MWs needed, similar to every IRP process every year, to be input into EGEAS.

EGEAS would then be used to determine the best overall combination of proposals, which satisfy the 1750 MW cumulative need through 2006. Each proposal would be handled as a separate option in EGEAS (it can handle 50 options at one time) with the first year available for installation of 2005 or 2006 depending on the proposal year and a 2006 last year available for installation. In other words, EGEAS will be allowed to build each option only in 2005 or 2006. A greenfield combined cycle would be the only option EGEAS can build beyond 2006; therefore, the resulting expansion plans would all have identical units added after 2006.

Based on the MWs obtained from TIGER, EGEAS would then pick the least cost combination while maintaining our desired reserve margin. In order to make sure we do not overlook combinations that may be the least cost in a shorter time frame, we can run EGEAS for shorter time frames than 30-years (maybe 15 years, 25 years, etc.)

2. Calculating Total Cost (Spreadsheet).

After obtaining the least cost combination, calculate the total cost for each proposal which makes up the best combination. This can be done in a simple spreadsheet which would itemize each component of cost (capital, O&M, and energy).

Docket Nos. 020262 and 020263 Composite Exhibit DFE-5 Page 3 of 3

II. PGD "Meet or Beat" Evaluation

RO RE

PGD's costs will have to be at or below the costs of the best proposals. The best/most defendable way to show this is through a VOD analysis. Each FPL project which PGD proposes (there will likely be at least 3 such projects) will need to have costs which are low enough so that the VOD benefits of deferring the project are lower than the cost of the proposals.

This could either be done by: (1) summing proposals together in an attempt to match MW size with each FPL project and then performing a VOD analysis; or, (2) a pro-rata approach of matching the MW size of an FPL project to that of each individual proposal and then performing a VOD analysis. We need to study this in order to determine which way is more accurate and defendable, but the decision may be influenced by how many proposals (and MW) we get.

The overall approach consists of 7 steps:

- 1. Using the TYSP-based costs of FPL construction projects, develop total costs and calculate the VOD benefits of deferring projects from 3-to-10 years. (for "dry run" + to cover all bases re proposals)
- 2. After the proposals are evaluated (or as we near the end of this evaluation), receive from PGD the costs of each construction project. (These costs should be as aggressive as possible to both minimize the remaining work and increase the defensibility of any subsequent decision to go with an FPL option.)
- 3. Calculate the VOD benefits of deferring each FPL project and calculate the total cost of FPL projects by adding variable O&M, fuel cost, and system benefits.
- 4. Compare the VOD benefits of deferring FPL's projects to the costs of the proposals.
- As necessary, repeat steps 2-4 until it is determined what cost reductions are necessary by FPL so that the proposals' costs are higher than the VOD benefits of deferring the FPL projects.
- 6. In order to provide a more complete picture, enter the resulting FPL project costs into EGEAS versus the proposals to ensure that the FPL projects are selected by EGEAS as the winner.
- 7. Present results to FPL management/PGD for them to use in deciding if FPL will build or buy.