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LOS ANGELES SACRAMENTO BERKELEY

February 27, 1997

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

Re: Petition to Intervene in Docket 961407-EQ

Motion to Dismiss Without Prejudice

Request to Participate in Oral Argument

Dear Ms. Bayó:

SEC

WAS

Enclosed for filing are the original and eight copies of each of three pleadings: The "Petition of North Canadian Marketing Corporation to Intervene as a Party;" - 02227 ACK The "Motion of North Canadian Marketing Corporation to Dismiss Without Prejudice;" _ 02228-9 AFA APP and CAF The "Request of North Canadian Marketing to Participate in Oral Argument," all in the _ 023 29-97 CML above referenced proceeding, Docket 961407-EQ. Please date-stamp and return one copy of each of the attached pleadings as acknowledgement of their receipt, retaining the seven copies required under Rule 25-22.0375(3). LEG I have served this pleading upon those identified in the initial filing as attested in the attached LIN certificate of service, and will serve it upon all other parties on the service list as soon as a copy of OPC that list, which was requested today, can be received from your office.

In accordance with the rules, I have included diskettes containing a copy of the attached filings in WordPerfect format. It is provided separately in WP 4.2, WP 5.0, and WP 6.0 for your

BRADY & BERLINER

Ms. Blanca S. Bayó February 27, 1997 Page 2

convenience.

In addition, the undersigned hereby provides notice of intent to represent North Canadian Marketing Corporation before the Commission in this matter as a Class A Practitioner pursuant to Rule 25-22.008. I attach an affidavit attesting to the fact that I am licensed to practice law in the District of Columbia and Virginia, and that I have represented clients before federal and state regulatory commissions. I further attach the required sponsorship by a licensed Florida attorney.

Thank you for your assistance in this matter.

Sincerely,

John W Jimison

Attorney for

North Canadian Marketing Corporation

Attachments

Affidavit of John W. Jimison, Esq.

Pursuant to Rule 25-22.008(2)(b), I, John W. Jimison, Esq., hereby request that I be qualified as a Class A Practitioner to appear before the Florida Public Service Commission for the purpose of representing North Canadian Marketing Corporation and other clients doing business in Florida. In support of that request, I certify that I am and have been since 1975 a licensed attorney in the State of Virginia (Virginia Bar No. 15165) and that I am and have been since 1980 a licensed attorney in the District of Columbia (D.C. Bar No. 316141). I further certify that I have for more than nine years represented clients before State regulatory Commissions (in particular the California Public Utilities Commission) and before the Federal Energy Regulatory Commission.

(Signature)

February 27, 1997 (Date)

Sponsorship of John W. Jimison, Esq., to Practice before the Florida Public Service Commission

Pursuant to Rule 25-22.008 (2) (b) of the Florida Administrative Code, I, C. Szeven Yerrid, Esq., a licensed attorney in the State of Florida, Bar Member No. 207504, do hereby sponsor John W. Jimison, a licensed attorney in the State of Virginia and in the District of Columbia, to practice as a Class A Practitioner before the Florida Public Service Commission in Proceeding No. 961407-EI and in such other matters as may be required in the representation of his clients doing business in Florida.

12/18/86 (Signature)

... COPY,

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Expedited
Approval of Settlement Agreement
with Pasco Cogen, Ltd. by
Florida Power Corporation.

erte.t.

Docket No. 961407-EQ

REQUEST OF NORTH CANADIAN MARKETING CORPORATION TO PARTICIPATE IN ORAL ARGUMENT

Pursuant to Rules 25-22.05822, Florida Administrative Code, North Canadian Marketing Corporation ("NCMC") respectfully requests leave to participate in oral argument to the extent the Commission entertains such oral argument in this proceeding. NCMC has separately filed concurrently with this Request a Petition to Intervene and a Motion to Dismiss Without Prejudice. In support of this petition, NCMC states as follows:

- NCMC is a California corporation engaged in the sale of natural gas in the United States. NCMC is a wholly-owned subsidiary of North Canadian Resources, Inc., itself a wholly-owned subsidiary of Norcen Energy Resources Limited.
- On November 25, 1996, Florida Power Corporation ("FPC") filed with the
 Commission a "Petition for Expedited Approval of Settlement Agreement with Pasco
 Cogen, Ltd. by Florida Power Corporation" ("FPC Petition"). FPC attached to its

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

Petition a document entitled "Settlement Agreement and Amendment to Negotiated Contract for the Purchase of Firm Energy from a Qualifying Facility between Pasco Cogen, Ltd., and Florida Power Corporation" ("Settlement Agreement"). 3. This Settlement Agreement purports to resolve, among other matters, ongoing litigation between FPC and Pasco Cogen, Ltd. ("Pasco") concerning the terms, conditions, and payments to be made for purchased power from the Pasco plant under the "Negotiated Contract for the Purchase of Firm Energy from a Qualifying Facility between Pasco Cogen, Ltd., and Florida Power Corporation" ("Power Purchase Agreement" or "PPA"), from August, 1994, to the date of the Settlement Agreement, and to provide revised terms, conditions, and payments for power purchases from the plant into the future. As is detailed in NCMC's Petition to Intervene in this proceeding, pursuant to the 4. Gas Purchase Agreement ("GPA") signed between Pasco Cogen, Ltd. ("Pasco") and NCMC on August 28, 1991, as amended, NCMC the right to provide its express consent prior to any amendment of the Power Purchase Agreement between Pasco and FPC because of its integral relationship to the GPA, if such amendment would have a materially adverse effect on NCMC's interest. 5. Despite Pasco's obligation to seek and obtain NCMC's prior consent to any amendment of the PPA, and FPC's knowledge of those obligations, Pasco and FPC

proceeded to finalize the Settlement Agreement without asking or receiving NCMC's consent, and to file it before the Commission via the above-referenced Petition.

6. The Settlement Agreement, among other things, incorporates significant concessions from Pasco from its litigation position on disputed issues, amends the PPA, and modifies economic and business relationship between Pasco and FPC in a number of significant ways, several of which affect the pricing and the quantity of the power sold under the PPA, and thereby the economics and volumes of gas required by the plant.

Given the relationship and parallelism between the PPA and the GPA, such significant changes to the PPA have an equally significant effect on performance of the GPA. The concessions made by Pasco in reaching the Settlement Agreement operate in a manner directly and materially adverse to NCMC's interest as the primary seller of gas to the Pasco plant.

Upon being apprised by NCMC of NCMC's awareness of the FPC Petition and Settlement Agreement, NCMC's objection that its consent was not sought or obtained, and NCMC's intent to participate in its disposition before this Commission, Pasco reacted by sending NCMC a letter which:

7.

- demanded arbitration under the GPA of whether NCMC is materially and adversely affected by the Settlement Agreement; and
- threatened NCMC with a lawsuit should NCMC "interfere" with the Settlement Agreement through intervention and participation in this proceeding at the FPSC.

At present arbitration is proceeding and will address the question of whether

NCMC's consent was wrongfully neither sought nor obtained in connection with the

Settlement Agreement. NCMC has moved to dismiss the FPC Petition and Settlement

Agreement without prejudice to their being refiled at such time as the arbitration process
is concluded or the required consent from NCMC to the Settlement Agreement has been
obtained

9. NCMC believes that oral argument on various of the issues related to this proceeding may be entertained by the Commission, including the possibility of oral argument on NCMC's Petition to Intervene, NCMC's Motion to Dismiss Without Prejudice, NCMC's proposals as to what are disputed issues of fact, or other matters.

10. Wherefore, in the event that the Commission entertains oral argument on any issues related to this proceeding, NCMC hereby requests an opportunity to participate.

Respectfully submitted,

Roger A. Berliner, Esq.

John W. Jimison, Esq.

Peter G. Hirst, Esq. Brady & Berliner

1225 19th Street, N.W.

Washington, D.C. 20036

Attorneys for

North Canadian Marketing Corporation

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled in this proceeding.

Dated at Washington, D.C. this 28th day of February, 1997.

Evenue Edmonde

Evonne Edmonds