State of Florida

Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: July 20, 1998

TO: Blanca S. Bayó, Director, Division of Records & Reporting

FROM: Grace A. Jaye, Attorney, Division of Legal Services (11)

RE: Docket No. 980693-EI - Petition by Tampa Electric Company for Approval of Cost Recovery for a New Environmental Program, the Big Bend Units 1 & 2 Flue Gas Desulfurization System

Attached is a letter dated July 17, 1998, that I received from James Beasley, Esquire, of Ausley & McMullen. Please incorporate this letter into the record of this docket by entering it in the docket file. Thank you.

GAJ/js
Attachment

AUSLEY & MCMULLEN
ATTORNEYS AND COUNSELORS AT LAW
227 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
(850) 224-9115 FAX (850) 222-7560

July 17, 1998

HAND DELIVERED

Ms. Grace Jaye
Staff Counsel
Division of Legal Services
Florida Public Service Commission
Room390L - Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Petition by Tampa Electric Company for Approval of Cost Recovery for a Environmental Program, the Big Bend Units 1 and 2 Flue Gas Desulfurization System; FPSC Docket No. 980693-EI

Dear Grace:

This will follow up our conversations of Wednesday, July 15, and Monday, July 13, 1998, regarding Tampa Electric's objections to Staff's Requests for Production of Documents Nos. 30 - 33 and 35. Requests Nos. 30-32 ask for copies of any reports and reviews Tampa Electric and TECO Energy, Inc. have prepared for various entities including investment banking firms, Standard and Poors and Moody's Investor Services, from May 1, 1997 to the present. Requests Nos. 33 and 35 seek any reports, reviews and analyses where the subject has been various capitalization components.

Our specific objections to the above requests pointed out the lack of any relevance to the subject matter of this proceeding and the fact that the requests do not appear reasonably likely to lead to the discovery of admissible evidence - two deficiencies that put these requests beyond the scope of discovery.

On Monday morning you indicated that the Staff of AFAD wanted these documents in order to verify whether Tampa Electric and TECO Energy have been characterizing the FGD system project in the same manner to potential investors, lenders, investment firms and the FERC as they have to the Commission. That sounded a bit more relevant than the unlimited requests the company had objected to, so I asked if the Staff would be willing to modify their requests to seek all such reports, analyses, etc. "which address or describe the nature or characteristics of Tampa Electric's proposed FGD system." This rewording would appear to

accommodate Staff's stated need for the requested documents and at the same time cure Tampa Electric's concern over producing documents not shown to be relevant to this proceeding.

In your phone message and our conversation on July 15, you indicated that Staff has rejected the thought of any compromise language in their requests. Although we consider that unfortunate, we stand by our offer to produce any and all documents that fit the description of the objected to requests so long as the FGD system specific language described above is added to lend some relevance to the requests.

Sincerely,

James D. Beasley

JDB/pp

cc: All Parties of Record