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September 15, 2000

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

VIA FEDERAL EXPRESS

In re: Petition for Determination of Need of Hines Unit 2 Power Plant
Docket No: ~~00164-EI~~ 001064-EI

Dear Ms. Bayo:

Florida Power Corporation ("FPC" or the "Company") is filing herewith an original and one (1) copy of Florida Power Corporation's Objections to Staff's First Set of Interrogatories to Staff and First Request for Production of Documents to Florida Power Corporation.

We request you acknowledge receipt and filing of the above by stamping the additional copy of this letter and returning it to me in the self-addressed, stamped envelope provided.

If you or your Staff have any questions regarding this filing, please contact me at (727) 821-7000.

Very truly yours,

Gary L. Sasso
Gary L. Sasso
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RECEIVED & FILED
[Signature]
FPC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Determination)
of Need of Hines Unit 2 Power Plant.)

Docket No.: 001064-EI

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Submitted for Filing: September 18, 2000

**FLORIDA POWER CORPORATION'S OBJECTIONS
TO STAFF'S FIRST SET OF INTERROGATORIES AND FIRST
REQUEST FOR PRODUCTION OF DOCUMENTS TO
FLORIDA POWER CORPORATION**

Florida Power Corporation ("FPC" or the "Company"), pursuant to Florida Rule of Civil Procedure 1.340 and the Commission's Order Establishing Procedure issued August 30, 2000, respectfully files with the Florida Public Service Commission ("PSC" or the "Commission"), its objections to Staff's First Set of Interrogatories and First Request for Production of Documents to FPC, as follows:

General Objections

1. FPC objects to any interrogatory or request to produce documents that call for information or documents protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law, whether such privilege or protection appears at the time response is first made to the Staff's interrogatories or requests for production of documents or is later determined to be applicable based on the discovery of documents, investigation, or analysis. FPC in no way intends to waive any such privilege or protection.

2. FPC objects to any interrogatory or request to produce documents that calls for confidential proprietary business information.

3. FPC objects to any interrogatory or request to produce documents that calls for the creation of information as opposed to the reporting of presently existing information as

purporting to expand FPC's obligations under the Uniform Rules and Florida Rules of Civil Procedure 1.340 and 1.350.

4. FPC further objects to any interrogatory or request to produce documents that purport to expand FPC's obligations under applicable law.

Specific Objections

FPC incorporates by reference the foregoing general objections into each of the specific objections set forth below as though they were specifically asserted therein. Subject to these general objections, FPC asserts the following specific objections to Staff's interrogatories and requests for production of documents to FPC:

1. FPC objects to Staff's Interrogatories Numbers 1, 2, 3, and 6. These interrogatories are inconsistent with Rule 25-22.081(7), F.A.C. and, therefore, they are not relevant to any issue properly identified in this proceeding nor are they relevant to the subject matter of this proceeding. Accordingly, these interrogatories cannot be reasonably calculated to lead to the discovery of admissible evidence in this proceeding. Further, Interrogatory Number 3 at least in part calls on FPC to give Staff confidential, proprietary, and sensitive business information that belongs to a third party. FPC received this information with the understanding that FPC was obligated to keep the information confidential and FPC has kept the information confidential. FPC cannot disclose the information without the consent of the third party.

2. FPC objects to Staff's Interrogatories Numbers 27 and 28. They ask FPC to speculate on abilities and opportunities that might (or might not) exist for wholesale power sales in the future. Because the interrogatories request nothing more than speculation from FPC, they cannot be reasonably calculated to lead to the discovery of admissible evidence in this

proceeding and any response by FPC to the interrogatories at this time cannot be relevant to any issue in this proceeding.

3. FPC objects to Staff's Interrogatory Number 31. This interrogatory is not relevant to any issue properly identified in this proceeding nor is it relevant to the subject matter of this proceeding and, therefore, the request cannot be reasonably calculated to lead to the discovery of admissible evidence in this proceeding.

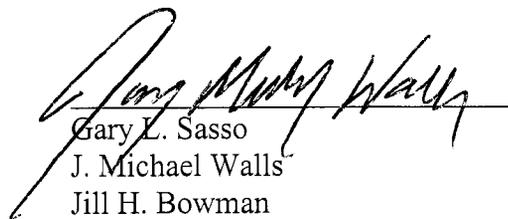
4. FPC objects to Staff's Interrogatories Numbers 32, 33, 34, and 35. These interrogatories are not relevant to any issue properly identified in this proceeding nor are they relevant to the subject matter of this proceeding and, therefore, the requests cannot be reasonably calculated to lead to the discovery of admissible evidence in this proceeding. Further, FPC has no estimates of the impacts in dollars and cents per kWh for residential customers for the specific scenarios set forth by the Staff in Interrogatories 32 through 35 because they do not exist. FPC is not obligated to create such estimates in order to respond to Staff's Interrogatories Numbers 32 through 35. Further, FPC objects to Interrogatory No. 32 because it is not consistent with the current regulatory scheme.

5. FPC objects to Staff's Interrogatories Numbers 36 and 37. These Interrogatories require FPC to reveal the status of, and potentially the strategy for, on-going, highly confidential contract negotiations for natural gas transportation to the Hines 2 power plant. Disclosure of the reasons why FPC might have or might not have a firm natural gas transportation contract for the Hines 2 power plant by the time of the hearing in this proceeding could potentially lead to the revelation of FPC's negotiation strategy. The disclosure of this sensitive, confidential proprietary business information will impair FPC's efforts to contract for firm natural gas

transportation service on favorable terms for FPC and its ratepayers and, therefore, FPC respectfully cannot answer these interrogatories.

6. FPC objects to Staff's Request for the Production of Documents Number 9. This request asks FPC for documents containing confidential, proprietary contract information. Subject to this objection, and without waiving same, FPC requests confidential classification for the documents containing such information pursuant to Section 366.093, Florida Statutes, and Rule 25-22.006, F.A.C. FPC will produce the documents requested subject to them being afforded confidential treatment by the Staff and Commission.

Respectfully submitted this 15th day of September, 2000.



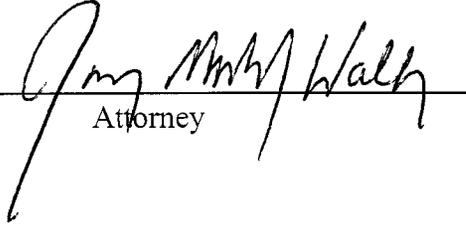
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CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT a true and correct copy of the foregoing has been furnished by U.S. Mail to the interested parties of record as listed below on this 15th day of September, 2000.



Attorney

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