MEMORANDUM

APRIL 10, 1997



PEC-RECORDS/REPORTING

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TO: \

DIVISION OF RECORDS AND REPORTING

FROM:

DIVISION OF LEGAL SERVICES (WAGNER)

RE:

DOCKET NO. 961477-EQ - PETITION FOR EXPEDITED APPROVAL OF

SETTLEMENT AGREEMENT WITH LAKE COGEN, LTD., BY FLORIDA POWER CORPORATION

0394- PRO

Attached is an OPDER DENYING MOTION TO INTERVENE AND REQUEST FOR ORAL ARGUMENT to be issued in the above-referenced docket. (Number of pages in Order - 2)

LW/js Attachment

cc: Division of Electric and Gas (Dudley)

Division of Auditing and Financial Analysis (Stallcup)

I:961477M2.LW

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for expedited approval of settlement agreement) ORDER NO. PSC-97-0394-PCO-EQ with Lake Cogen, Ltd., by Florida Power Corporation.

) DOCKET NO. 961477-EQ) ISSUED: April 10, 1997

ORDER DENYING PETITION TO INTERVENE AND REQUEST FOR ORAL ARGUMENT

On December 12, 1996, Florida Power Corporation ("FPC") petitioned this Commission to approve a Settlement Agreement between FPC and Lake Cogen, Ltd. ("Lake"). Previously, FPC and Lake entered into a Negotiated Contract for the Purchase of Firm Capacity and Energy from a Qualifying Facility (the "PPA") on March 13, 1991. On February 20, 1997, Vastar Gas Marketing, Inc. ("Vastar") filed a Petition for Leave to Intervene and a Request for Oral Argument in this docket. On March 4, 1997, FPC filed Response and Opposition to Petition for Leave to Intervene of Vastar Gas Marketing, Inc.

In its Petition for Leave to Intervene, Vastar requests intervention for the limited purpose of advising us that the Settlement Agreement contains misrepresentations and will result in additional litigation. In addition, Vastar requests that we refrain from approving any settlement between FPC and Lake until a settlement acceptable to Vastar and North Canadian Marketing Corporation ("NCM") is reached.

In its Petition, Vastar alleges no constitutional or statutory right to intervention. Further, Vastar has failed to show that its substantial interests are being determined in this proceeding. The interests asserted by Vastar are not interests this proceeding is intended to protect. Accordingly, Vastar's Petition to Intervene is hereby denied. In addition, Vastar's Request for Oral Argument on its Petition is also denied.

Based on the foregoing, it is

ORDERED by Commissioner Diane K. Kiesling, as Prehearing Officer, that Vastar Gas Marketing, Inc.'s Petition for Leave to Intervene is denied. It is further

ORDERED that Vastar Gas Marketing, Inc.'s Request for Oral Argument is denied.

DOCUMENT Nº MOCTANTE

ORDER NO. PSC-97-0394-EQ DOCKET NO. 961477-EQ PAGE 2

By ORDER of Commissioner Diane K. Kiesling, as Prehearing Officer, this 10th day of April , 1997.

DIANE K. KIESLING, Commissioner and Prehearing Officer

(SEAL)

LW

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code, if issued by a Prehearing Officer; (2) reconsideration within 15 days pursuant to Rule 25-22.060, Florida Administrative Code, if issued by the Commission; or (3) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Director, Division of Records and Reporting, in the form prescribed by Rule 25-22.060, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.