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December 21, 1999

Florida Public Service Commission
Blanca S. Bayo, Director
Division of Records and Reporting
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

Re: *Commonwealth Chesapeake Company, L.L.C.*, EG99-15-000 and EG00-____-000

Dear Ms. Bayo:

Enclosed is a copy of an application for determination of exempt wholesale generator status of Commonwealth Chesapeake Company, L.L.C., filed today with the Federal Energy Regulatory Commission ("FERC"). This copy is being served pursuant to FERC's regulations. Thank you for your attention to this matter.

Very truly yours,



Wendy B. Warren

Enclosure

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**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

**Commonwealth Chesapeake
Company, L.L.C.**

)
)

**Docket Nos. EG99-15-____
and EG00-____-000**

**APPLICATION OF
COMMONWEALTH CHESAPEAKE COMPANY, L.L.C.
FOR DETERMINATION OF STATUS AS AN
EXEMPT WHOLESALE GENERATOR**

Pursuant to Section 32(a)(1) of the Public Utility Holding Company Act of 1935, as amended ("PUHCA"), 15 U.S.C. § 79z-5a(a)(1) (1994), and Section 365.8 of the regulations of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. § 365.8 (1999), Commonwealth Chesapeake Company, L.L.C. ("Commonwealth Chesapeake") hereby applies for a determination that Commonwealth Chesapeake's status as an exempt wholesale generator ("EWG") is not affected by a change in the upstream ownership of Commonwealth Chesapeake.

Commonwealth Chesapeake previously was determined to be an EWG in an Order issued under delegated authority on December 21, 1998. *Commonwealth Chesapeake Company, L.L.C.*, 85 F.E.R.C. (CCH) ¶ 62,187 (1998). This application is necessitated by a change in the upstream ownership of Commonwealth Chesapeake.

When Commonwealth Chesapeake received a determination of EWG status, membership interests in Commonwealth Chesapeake were held by Commonwealth Chesapeake Corporation (“CCC”); AES Chesapeake, Inc. (“AES Chesapeake”), an indirect, wholly-owned subsidiary of The AES Corporation (“AES”); and two individuals. Subsequently, on August 19, 1999, AES Chesapeake withdrew from Commonwealth Chesapeake. Additionally, CCC and the two individuals restructured their interests as follows: (i) the two individuals each contributed their respective interests in Commonwealth Chesapeake to CCC; (ii) CCC formed NCP of Virginia, L.L.C. (“NCP”); (iii) CCC contributed its interest in Commonwealth Chesapeake to NCP; and (iv) CCC then distributed the membership interests in NCP to the two individuals. On October 31, 1999, TM Delmarva Power L.L.C. (“TM Delmarva L.L.C.”) acquired a membership interest, with a seventy-five percent voting stake, in Commonwealth Chesapeake. NCP and TM Delmarva L.L.C. currently own all of the membership interests of Commonwealth Chesapeake. This change does not affect Commonwealth Chesapeake's eligibility for EWG status and Commonwealth Chesapeake therefore applies for a determination of continued EWG status given its current ownership.

I. Principal Office of the Applicant

The principal office of Commonwealth Chesapeake is set forth below:

Commonwealth Chesapeake Company, L.L.C.
33457 Bradford's Neck Road
Wachapreague, VA 23480

II. Communications and Correspondence

All service and communications regarding this Application should be directed to:

Randolph Q. McManus
Wendy B. Warren
Baker & Botts, L.L.P.
The Warner
1299 Pennsylvania Ave., N.W.
Washington, D.C. 20004
(202) 639-7700
(202) 639-7890 (Fax)

David Odorizzi
Executive Vice President
TM Power Ventures L.L.C.
712 Main Street, Suite 220
Houston, TX 77002
(713) 546-2500
(713) 546-2594 (Fax)

NCP of Virginia, L.L.C.
Attn: Senior Vice President
for External Affairs
33457 Bradford's Neck Road
Wachapreague, VA 23480
(757) 442-7656
(757) 442-7748 (Fax)

III. Description of Applicant and the Eligible Facility

Commonwealth Chesapeake is a limited liability company formed under the laws of Virginia whose members are TM Delmarva L.L.C. and NCP. TM Delmarva L.L.C., a Delaware limited liability company, is a wholly-owned subsidiary of TM Power Ventures L.L.C. ("TMPV"). TMPV is a joint venture between TECO Power Services Corporation ("TPS") and Mosbacher Power Partners, L.P. ("Mosbacher Partners"). TPS is a wholly-owned subsidiary of TECO Energy, Inc. ("TECO Energy"), as is Tampa Electric Company ("Tampa Electric"), an electric utility with a franchised service area in central Florida. TPS also indirectly owns Hardee Power Partners, Ltd., a Florida limited

partnership and electric utility that owns a generating facility in central Florida called the Hardee Power Station. Mosbacher Partners indirectly holds interests in two qualifying cogeneration facilities.

Commonwealth Chesapeake is constructing and will own and operate a 312-megawatt, oil-fired electric generating peaking facility (the "Facility") to be located in Accomack County, Virginia. Commonwealth Chesapeake anticipates that the first phase of the Facility will be in commercial operation on or before June, 2000. The Facility will be interconnected with the transmission system of Delmarva Power & Light Company ("DPL"). Commonwealth Chesapeake has contracted with a third party for the construction of certain interconnecting transmission facilities necessary to effect the delivery of Commonwealth Chesapeake's wholesale power to the grid. Upon acceptance of these facilities from the contractor and prior to commercial operation, Commonwealth Chesapeake will transfer them to DPL.

IV. Status of Applicant as an Exempt Wholesale Generator pursuant to Section 32(a)(1) of PUHCA

1. A sworn statement by a representative legally authorized to bind Commonwealth Chesapeake and attesting to the facts and representations presented in this Application to demonstrate eligibility for EWG status is attached hereto as Attachment A and made part of this Application.

2. Commonwealth Chesapeake will be engaged directly, or indirectly through one or more affiliates as defined in Section 2(a)(11)(B) of PUHCA, 15 U.S.C.

§ 79b(a)(11)(B) (1994), and exclusively in the business of owning or operating, or both owning and operating, an eligible facility and selling electric energy at wholesale.

3. The Facility constitutes an “eligible facility” within the meaning of Section 32(a)(2) of PUHCA, 15 U.S.C. § 79z-5a(a)(2) (1994), because Commonwealth Chesapeake will use it for the generation of electric energy exclusively for sale at wholesale. The Facility will include certain ancillary facilities, including facilities required for the receipt, measurement, control and storage of fuel oil for consumption at the Facility, electronic data transmission and remote start-up, control and monitoring equipment and administrative and control buildings. All of these ancillary facilities are related to and necessary for the operation of Commonwealth Chesapeake’s business of generating electric energy exclusively for sale at wholesale. *Vista Energy, L.P.*, 69 F.E.R.C. (CCH) ¶ 61,225 at 61,862-63 (1994) (ownership of the land and buildings where the eligible facility is located and housed are necessary to the operation of the EWG’s business); and *Selkirk Cogen Partners, L.P.*, 69 F.E.R.C. (CCH) ¶ 61,037 at 61,169 (1994) (the Commission finds that fuel-related activities are “incidental to the EWG’s involvement in wholesale electric generation, and . . . will not violate the exclusivity requirement”).

4. Commonwealth Chesapeake has contracted with a third party for the construction of certain interconnecting transmission facilities necessary to effect the delivery of Commonwealth Chesapeake’s wholesale power to the grid. Upon acceptance of these facilities from the contractor and prior to commercial operation, Commonwealth

Chesapeake will transfer them to DPL. Commonwealth Chesapeake will not thereafter own any transmission facilities.

5. Commonwealth Chesapeake will make no foreign sales of power at retail.

6. There are no leasing arrangements involving the Facility and any public utility company or public utility holding company.

7. Tampa Electric Company and Hardee Power Partners, Ltd. are the only electric utilities within the meaning of Section 2(a)(3) of PUHCA, 15 U.S.C. § 79b(a)(3) (1994), that are affiliates or associate companies of Commonwealth Chesapeake.

8. No rate or charge for or in connection with the construction of the Facility, or for electric energy produced by the Facility, was in effect under the laws of any State as of October 24, 1992, and no electric utility company that is an affiliate or associate company, within the meaning of Sections 2(a)(11) and 2(a)(10) of PUHCA, 15 U.S.C. §§ 79b(a)(11) and 79b(a)(10), respectively, of Commonwealth Chesapeake will own or operate any portion of the Facility.

9. A form of Notice of this Application suitable for publication in the Federal Register is attached hereto as Attachment B. The form of Notice is also provided on a 3½" diskette.

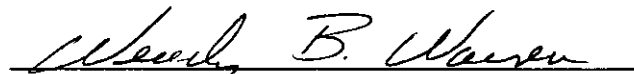
10. As required by Section 365.3 of the Commission's regulations, 18 C.F.R. § 365.3 (1999), Commonwealth Chesapeake has served a copy of this Application on the U.S. Securities and Exchange Commission. In addition, Commonwealth Chesapeake has served a copy of this Application on the Florida Public Service Commission and the Virginia State Corporation Commission, which are "affected State commissions" as

defined in Section 365.2(b)(3) of the Commission's regulations, 18 C.F.R. § 365.2(b)(3) (1999).

V. Conclusion

WHEREFORE, based on the facts, representations and statements set forth in this Application, Commonwealth Chesapeake respectfully requests that the Commission determine that Commonwealth Chesapeake is an exempt wholesale generator under Section 32(a)(1) of PUHCA.

Respectfully Submitted,



Randolph Q. McManus

Wendy Warren

Baker & Botts, L.L.P.

The Warner Building

1299 Pennsylvania Avenue, N.W.

Washington, D.C. 20004-2400

Attorneys for

Commonwealth Chesapeake Company, L.L.C.

Dated: December 21, 1999

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Commonwealth Chesapeake) Docket Nos. EG99-15-____
Company, L.L.C.) and EG00-____-000

NOTICE OF FILING
(Date)

Take notice that on December 21, 1999, Commonwealth Chesapeake Company, L.L.C. ("Commonwealth Chesapeake") tendered for filing an application for determination of exempt wholesale generator status, pursuant to Section 32(a)(1) of the Public Utility Holding Company Act of 1935 as amended ("PUHCA"), 15 U.S.C. § 79z-5a(a)(1) (1994) and Section 365.8 of the Commission's regulations, 18 C.F.R. § 365.8 (1999).

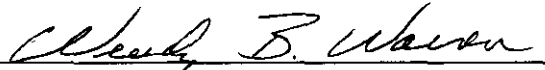
Commonwealth Chesapeake is a Virginia limited liability company that is constructing and will own and operate a 312 megawatt, oil-fired electric generating peaking facility to be located in Accomack County, Virginia. Commonwealth Chesapeake states that it will be engaged directly, or indirectly through one or more affiliates, as defined in Section 2(a)(11)(B) of PUHCA, and exclusively in the business of owning and/or operating an eligible facility and selling electric energy at wholesale.

Any person desiring to be heard or to protest such filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. 385.211 and 385.214). All such motions and protests should be filed on or before _____, 1999. Protests will be considered by the Commission to determine the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection. This filing may also be viewed on the Internet at <http://www.ferc.fed.us/online/rims.htm> (call 202-208-2222 for assistance).

David P. Boergers
Secretary

CERTIFICATE OF SERVICE

I hereby certify that on this 21st day of December, 1999, I mailed, via first class mail, postage prepaid, a true and correct copy of the foregoing document to all parties on the official service list in EG99-15-000.


Wendy B. Warren