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August 23, 2002

VIA HAND DELIVERY

Blanca S. Bayo, Director
Division of Records and Reporting
Betty Easley Conference Center
4075 Esplanade Way
Tallahassee, Florida 32399-0870

Re: Docket No.: 020898-EQ

Dear Ms. Bayo:

On behalf of Cargill Fertilizer, Inc. (Cargill), enclosed for filing and distribution are the original and 1 copy of the following:

- ▶ Cargill Notice of Filing Affidavit.

Please acknowledge receipt of the above on the extra copy of each and return the stamped copy to me. Thank you for your assistance.

Sincerely,

Vicki Gordon Kaufman
Vicki Gordon Kaufman

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

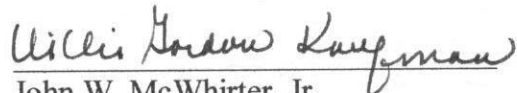
Petition by Cargill Fertilizer, Inc.
for permanent approval of self-
service wheeling to, from, and
between points within Tampa
Electric Company's service area

Docket No. 020898-EQ

Filed: August 23, 2002

CARGILL NOTICE OF FILING AFFIDAVIT

On August 16, 2002 Cargill Fertilizer, Inc. (Cargill) filed a Petition for Permanent Approval of Self-Service Wheeling and Request for Expedited Treatment. Simultaneously, Cargill filed a Motion to Continue Self-Service Wheeling of Waste Heat Cogenerated Power During Resolution of Petition for Final Approval (Motion to Continue Program). The attached Affidavit of Roger Fernandez is filed in support of Cargill's Motion to Continue Program.



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Attorneys for Cargill Fertilizer, Inc.

DOCUMENT NUMBER-DATE

08961 AUG 23 02

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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Filed: August 23, 2002

AFFIDAVIT OF ROGER FERNANDEZ

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

Roger Fernandez, being first duly sworn, deposes and says:

1. I am an employee of Cargill Fertilizer Inc. (Cargill), 8813 Highway 41 South, Riverview, Florida 33569. As part of my duties, I am in charge of the pilot self-service wheeling program that was approved for a pilot study in Docket No. 001048-EQ and is being considered for permanent approval in this docket.

2. Cargill is an industrial company that as an integral part of its phosphate manufacturing operations uses its process waste heat to generate electricity (no fossil fuel utilized) at two plants in TECo's service area. The two Cargill plants have QF status.

3. Since October 1, 2000 Cargill and Tampa Electric Company (TECo) have participated in the pilot self-service wheeling program that was approved by Commission Order PSC-00-1596-TRF-EQ. Cargill uses self-service wheeling to improve the efficiency of its operations. In the event of a real or threatened utility power supply failure, or the prospect of prohibitively priced power purchased by TECo for its customers on the wholesale spot market under the optional provision of TECo Tariff SBIT-1, and SBIT-3 Cargill can schedule its waste heat self-generated power or modify its operations as required to mitigate the impact of expected power shortages on its operations. A mine can be shut down to keep a fertilizer plant operating or a fertilizer plant short on efficient waste

heat power can be protected. TECo has the transmission capacity available, and Cargill has continued to pay all of TECO's demand charges; since in Cargill's case (QFs served under standby tariffs) SSW does not avoid or reduce any demand charges.

4. Cargill faces serious adverse impact because the pilot program is scheduled to expire on September 30, 2002 without any finding that it fails the general ratepayer harm test. The program is very helpful to Cargill. It is not harmful to other retail customers.

5. On August 16, 2002, the day of TECo's most recent (next to final) report, Cargill filed a Petition seeking permanent approval for its unique self-service wheeling program. Cargill simultaneously filed a motion to stay the termination of the program pending a final decision on Cargill's entitlement to engage in self-service wheeling. In its motion, Cargill alleged that it would suffer significant harm. I have been asked to supply this affidavit to explain the nature of that harm.

6. The significant harm Cargill will experience has several dimensions. First, Cargill's ability to utilize its own waste heat greatly reduces the potential for operational disruptions and work stoppages. The pilot program has allowed Cargill to improve its internal efficiency and its ability to coordinate outages among its 2 QF sites and one mine.

7. Further, Cargill's use of electricity internally generated from waste heat reduces its exposure to high-priced power purchased from third parties on the spot market.

8. The exposure to high buy-through costs and potential interruptions will be dramatically increased in October and November 2002. During this period Cargill must significantly reduce generation at its Bartow plant in October for over 2 weeks because its main boiler and one economizer in one of its sulfuric plants has been failing and must be corrected. This Cargill outage will occur simultaneously with an announced decrease in TECo's ability to serve its total load due to work on its Bayside Plant conversion and extended scheduled maintenance affecting parts of their Big Bend station. Termination of the self-service wheeling program and Cargill's ability to protect itself

from high priced optional provision purchases, the threat of interruptions or actual interruptions at this critical period would have serious adverse consequences for Cargill.

9. While the harm to Cargill that comes from the untimely discontinuance of self-service wheeling program on Sept. 30th is great, the impact, if any, on other ratepayers, were it calculated positive or negative, would not be materially significant to the general body of TECO's ratepayers. TECO itself has recognized that the monetary impact on other ratepayers of the program "has been small and not significant."¹ It is my understanding that Florida law requires electric utilities to allow retail customers to engage in self-service wheeling unless the Commission makes a finding that retail customers as a whole are adversely affected. The pilot study to date shows no material adverse impact on consumers generally. It is my belief that it is beneficial to the general body of ratepayers because of Cargill's environmentally positive type of waste heat generation, and the increased power supply in TECO territory at times of shortages.

10. To the best of my knowledge to date the Commission has made no official, informal or other finding as a result of the pilot study that retail customers as a whole are harmed. The docket in which the finding could have been made was closed after the order approving the pilot study was entered.

11. In February of this year, in order to give the commission ample time to process the petition, Cargill presented TECO with a draft petition for permanent SSW approval for review, comment and support. TECO said it would be premature to file at that time. TECO and Cargill have continued to engage in discussions on an attempt to accommodate TECO's needs since February. However, it is only at the time of TECO's filing of it's latest report, in mid August, that Cargill was told that TECO had issues with the continuance of the program at the present time. Cargill's efforts to cooperate with TECO to accommodate TECO's sense of timing and reach consensus was based on the belief that

¹ TECO's "Self-Service Wheeling Experimental Program—Mid-Point Summary.

TECO would cooperate with its customer to give the Commission the facts with ample opportunity for a complete study without prejudice to Cargill. It is then this perhaps misplaced reliance on timely cooperation from TECO, which has resulted in the need for this 11th hour request for relief from the Commission since the pilot program will end on Sept. 30. It is therefore respectfully requested that the Commission act to protect Cargill from an untimely power transmission blockage during the time it takes TECO to complete its consideration and the Commission is given the opportunity to make its findings on the impact of Cargill's self service wheeling program on the general body of ratepayers.

I declare that the foregoing is true and correct based on my knowledge, information, and belief.

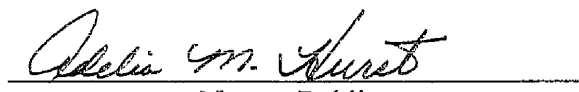
FURTHER AFFIANT SAYETH NOT.



ROGER FERNANDEZ

SWORN TO AND SUBSCRIBED before me this 22nd day of August, 2002 by Roger Fernandez, who () is personally known to me; or () who has presented _____ as identification.





Notary Public:

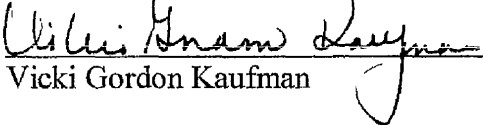
CERTIFICATE OF SERVICE

I HERBY CERTIFY that a true and correct copy of the foregoing Petition of Cargill Notice of Filing Affidavit has been furnished by (*) hand delivery on this 23rd day of August, 2002 to the following:

(*) Mary Anne Helton
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

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Vicki Gordon Kaufman