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October 16, 2002

VIA HAND DELIVERY

Mr. Harold McLean
General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

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COMMISSION
CLERK

Re: Docket No. 020898-EQ

Dear Mr. McLean:

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OTH

Cargill Fertilizer, Inc. (Cargill) is disappointed by Tampa Electric Company's (TECo) October 15th letter to you in which it states that mediation in the above matter should not be pursued at this time. Mediation can only succeed when the parties cooperate.

TECo's position is based on the premise that the parties can take no action to attempt to settle this matter until the Federal Energy Regulatory Commission (FERC) acts on TECo's request to modify its Open Access Transmission Tariff (OATT). TECo estimates FERC action will take at least 60 days. Of course, at the end of 60 days, it will be too late to attempt mediation because we will be under the gun of the proposed January 16th hearing date. In light of the Commission's October 1st action, Cargill would be willing to waive its request for an expedited hearing so that mediation could be given a chance before intensive hearing preparation commences.

Cargill is hopeful a proposed settlement can be developed that will ameliorate any revenue loss to TECo. The TECo reports show that the Cargill SSW, like other energy conservation programs, causes TECo to lose a relatively small amount of money because it sells less electricity, but the program is financially beneficial to the general body of ratepayers. TECo cannot pass base revenue reductions along to customers unless TECo's overall sales decline and it needs a base rate increase to offset the reduced sales to Cargill. This would only happen if overall sales decline. Cargill believes a settlement can be achieved before the end of the month with cooperation. We have a plan in mind to achieve this end, but the plan will evaporate in the adversarial proceeding process.

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MCWHIRTER, REEVES, MCGLOTHLIN, DAVIDSON, DECKER, KAUFMAN & ARNOLD, P.A.

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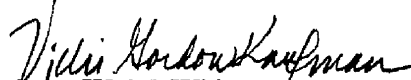
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Mr. Harold McLean
October 16, 2002
Page 2

I am sending a copy of this letter to Chairman Jaber, Prehearing Officer Bradley, and Rosanne Gervasi to advise that Cargill is willing to waive its request for expedited hearing so that the mediation process can go forward even while FERC studies TECo's proposed amendment to its OATT.

In the mean time I hope that you will use your good offices to encourage TECo to come to the bargaining table.

Best regards,


John W. McWhirter, Jr.
Vicki Gordon Kaufman

Cc: Chairman Jaber
Prehearing Officer Bradley
Roseanne Gervasi
Michael Haff
Blanco Bayo
James Beasley
Harry Long
Roger Fernandez