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July 12, 2002

VIA TELECOPY AND OVERNIGHT DELIVERY

Parviz Adib
Division Director, Market Oversight Division
Public Utility Commission of Texas
1701 N. Congress Avenue
PO Box 13326
Austin, Texas 78711

Re: Project No. 25937, PUC Investigation into Possible Manipulation of the
ERCOT Market; Memorandum dated June 12, 2002

Notice of Filing of Response by Cargill-Alliant, LLC, and
Request for Confidential Treatment.

Dear Mr. Adib:

We are today transmitting by overnight delivery two copies of the response of Cargill-Alliant, LLC ("Cargill-Alliant") to Part I of your data request dated June 12, 2002 (the "Memorandum"). As I previously indicated and informed you by letter and voicemail on June 17, 2002, Cargill-Alliant only discovered that it was a recipient of that Memorandum on June 17, 2002, and immediately commenced the expedited investigation upon which the enclosed response is based. On July 9, 2002, we submitted the affidavit portion of Cargill-Alliant's response, and requested confidential treatment. That response was returned to us by the Commission for resubmission, in part because we provided 15 copies (as directed by the Memorandum), rather than just two copies as stated in PUC Proc. R. § 22.71(d).

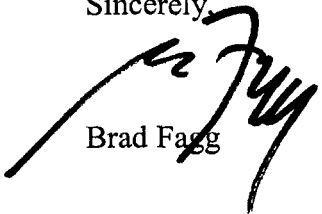
In separate envelopes that we are sending to Central Records, we are now resubmitting the portion of the Cargill-Alliant response consisting of the affidavit by the President of Cargill-

Alliant, together with certain documentation and materials described in Attachment 1 to this letter.

Cargill-Alliant requests privileged and confidential treatment for its entire response, as submitted here and as it may be supplemented in the future, for purposes including but not limited to exemption from disclosure under the Texas Open Records Act, Texas Govt. Code §§ 552.001 *et seq.*, pursuant to PUC Proc. R. § 22.71(d) and Subs. R. § 25.91(e) and (h), and pursuant to any applicable protective orders in this matter. Confidential treatment is warranted because any information disclosed by Cargill-Alliant to the Commission is, or potentially is, commercially sensitive and valuable, and its disclosure potentially could cause competitors of Cargill-Alliant to gain a commercial advantage to the disadvantage of Cargill-Alliant. The submission reflects the results of an internal inquiry, and it is not Cargill-Alliant's business practice to disclose the results of such inquiries. We understand that you will contact us prior to release of Cargill-Alliant's response.

Please contact me if you have any questions.

Sincerely,



Brad Fagg

ATTACHMENT 1

1. Interchange Transaction Sheets, reflecting sales of power to, and purchases of power from, ERCOT (Bates Nos. CATX0001-00304).
2. A diskette with entries from Cargill-Alliant's accounting database, in electronic (Excel) format, reflecting information identified as the result of queries for transactions involving Cargill-Alliant and ERCOT. (Bates Nos. CATX00305)
3. Internal Cargill-Alliant worksheets and database printouts regarding transactions with ERCOT (Bates Nos. CATX00306-00321).
4. ERCOT invoices for August 2001 to May 2002. (Bates Nos. CATX00322-388).
5. Available ERCOT daily settlement sheets. (Bates Nos. CATX00389-00467).
6. Internal Cargill-Alliant e-mail trading summaries, which may have references to ERCOT purchases and sales (Bates Nos. CATX00468-00578).
7. An audiotape of conversations between Cargill-Alliant and representatives of ERCOT, occurring on or about August 22, 2001, August 23, 2001, and October 18, 2001 (Bates No. CATX00579).
8. Transcriptions of the taped conversations between Cargill-Alliant and representatives of ERCOT, occurring on or about August 22, 2001 (Bates No. CATX00580-00583), August 23, 2001, (Bates No. CATX00584-00589), and October 18, 2001 (Bates No. CATX00590-00605).