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IMPERIAL SUGAR COMPANY

LEGAL DEPARTMENT

MEMO

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To: Parviz Adib, Division Director
From: Diana Jetter
Date: October 15, 2002

Enclosed is the following:

_____ The contract that you forwarded for our review. It has been modified or an Addendum is attached.

_____ document for your review and forwarding to the appropriate party.

_____ draft for your review. Please make additional changes as necessary and return to our office.

Other: Affidavit of Brian Hansen as
Requested.

PUBLIC UTILITY COMMISSION OF TEXAS
Project 25937

This is the response of Fort Bend Utilities to the requests of the Public Utility Commission of Texas pursuant to its Memorandum dated June 12, 2002.

AFFIDAVIT OF BRIAN T. HARRISON

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

BEFORE ME, the undersigned authority, on this day personally appeared Brian T. Harrison, who being by me first duly sworn, on his oath, did depose and state as follows:

"My name is Brian T. Harrison. I am over the age of eighteen (18) years of age and competent to give this Affidavit. The information contained herein is within my personal knowledge and is true and correct.

I am an employee of Imperial Sugar Company with the title of Vice President - Cane Operations. Fort Bend Utilities is a wholly owned subsidiary of Imperial Sugar Company and I am Vice President of Fort Bend Utilities.

Fort Bend Utilities primarily provides power to the Imperial Sugar Refinery in Sugar Land, Texas and on occasion sells a small amount of electricity back to its service provider when necessary to balance the load at the Imperial Sugar Refinery. Other than this occasional sale to its service provider, an average of 20,000 kw per month, Fort Bend Utilities does not actively trade or sell power on the wholesale electricity market in Texas.

Fort Bend Utilities therefore responds to the request for admissions as follows:

A. 1. Admit or Deny: You engaged in ERCOT in any or all of the strategies outlined in the Enron memoranda, or variants thereof, for any time beginning on or after July 31, 2001.

Response: Denied

B. 1a. Admit or Deny: You engaged in activity in ERCOT described in the Enron memoranda as "Load Shift" for any time beginning on or after July 31, 2001. This variant of "relieving congestion" involved submitting artificial schedules in order to receive inter-zonal balancing energy payments. The appearance of congestion was created by deliberately over-scheduling load in one zone and under-scheduling load in another, connecting zone; and artificially

shifting load from a congested zone to a less congested zone, thereby earning payments for reducing congestion.

Response: Denied

B. 2a. Admit or Deny: You scheduled or operated your resources or loads for the purpose of creating congestion in order to get paid by ERCOT for relieving that congestion or to receive transmission congestion right (TCR) revenues.

Response: Denied

C. 1. Admit or Deny: You engaged in ERCOT in activity described in the Enron memoranda as "Fat Boy" for any time beginning on or after July 31, 2001, in which you artificially increased load on the schedule you submitted to ERCOT with a corresponding amount of generation and then you dispatched the generation you scheduled, which was in excess of your actual load. This activity resulted in balancing energy payments to you for the excess generation.

Response: Denied

D. 1a. Admit or Deny: You engaged in "Wash," "Round Trip," "Bragawatt," or "Sell/Buyback" trading in ERCOT, whether scheduled through the ISO or not, for any time beginning on or after July 31, 2001. Such trading involves the sale of an electricity product to another entity together with a contemporaneous purchase of the same product at the same price.

Response: Denied

D. 1b. Admit or Deny: You engaged in activity in ERCOT designed to artificially increase your trading revenue or the price of electricity products traded in ERCOT.

Response: Denied

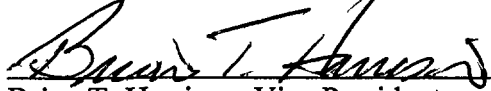
As requested by the Public Utility Commission, Fort Bend Utilities commits to the following precepts to the extent that they are applicable to its activities in ERCOT and certify that sufficient management controls are in place to ensure compliance with the following precepts:

- A. It will not engage in any activity described in Part I of the memorandum dated June 12, 2002;
- B. It will not schedule or operate its resources or loads for the purposes of creating congestion;
- C. It will not engage in economic withholding; *i.e.*, It will offer service from its resources to ERCOT at their marginal costs, which may include a good faith estimate of opportunity costs;
- D. It will not engage in physical withholding; *i.e.*, It will not declare its resources to be unavailable to ERCOT for the purpose of increasing prices for ERCOT-procured services;

- E. It will comply with all ERCOT rules, even when the ERCOT rules or its agreements with ERCOT do not specify a penalty for non-compliance;
- F. It will aid in identifying and closing loopholes in the ERCOT Protocols rather than exploiting them for short-term gain; and
- G. It will provide accurate resource information to ERCOT and update its resource plans.

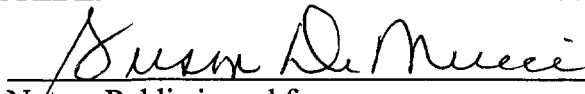
THEREFORE, I CERTIFY and COMMITT

FURTHER, AFFIANT SAYETH NOT.



Brian T. Harrison, Vice President

SUBSCRIBED AND SWORN TO BEFORE ME on this the 15th day of October, 2002.



Notary Public in and for
The State of Texas

