

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Complaint by Allied Universal)
Corporation and Chemical Formulators, Inc.)
against Tampa Electric Company.)
_____)

DOCKET NO. 000061-E1

Filed: June 28, 2000

ORIGINAL

**PREFILED DIRECT TESTIMONY OF
PAMELA K. WINTERS**

Wayne L. Schiefelbein
Wiggins & Villacorta, P.A.
2145 Delta Boulevard (32303)
Suite 200
Post Office Drawer 1657
Tallahassee, Florida 32302
(850) 385-6007 Telephone
(850) 385-6008 Facsimile

Counsel for
Odyssey Manufacturing Company

DOCUMENT NUMBER-DATE

07885 JUN 28 8

FPSC-RECORDS/REPORTING

- 1 Q. Please state your name, occupation and business address.
- 2 A. My name is Pamela K. Winters. I am a Vice President of Citizens Bank.
- 3 My business address is 101 North Washington Avenue, Saginaw,
- 4 Michigan 48607.
- 5 Q. Please describe your educational background.
- 6 A. I have an Associate's Degree in Bank Management from Delta College. I
- 7 have also taken courses in finance toward a Bachelor's Degree at
- 8 Saginaw Valley State University.
- 9 Q. Please summarize your professional banking experience.
- 10 A. I have 25 years of experience in banking, with 15 of those years in
- 11 commercial lending.
- 12 Q. As a Vice President of Citizens Bank, what are your general
- 13 responsibilities?
- 14 A. My general responsibilities include the evaluation of loan requests,
- 15 business development, the negotiation of loan terms, the presentation of
- 16 loan requests to the loan committee and the board of directors, the
- 17 preparation of loan commitment letters consistent with loan approvals, the
- 18 closing of loans consistent with loan approvals and commitments, loan
- 19 documentation, the administration of my existing loan portfolio and
- 20 maintaining customer relationships.
- 21 Q. In your capacity as a Vice President of Citizens Bank, did you have any
- 22 involvement in the financing of the Odyssey Manufacturing Company
- 23 ("Odyssey") sodium hypochlorite project in Tampa, Florida?

1 A. Yes. I was the loan officer who received Odyssey's loan request and
2 presented the request to the Bank's board of directors for approval.
3 Thereafter, I was the loan officer with both the responsibility and authority
4 to commit to, document and close the loan for the construction of the
5 Odyssey project as approved by the board of directors of the Bank. As
6 such, I was the officer primarily in charge of all loan documentation,
7 closing the loan and monitoring disbursements throughout the course of
8 construction of the project.

9 Q. When did you receive the initial business plan from Odyssey?

10 A. I received an initial business plan from Odyssey in the second quarter of
11 1998. During the next several months, I had several discussions with
12 Stephen Sidelko of Odyssey and reviewed the business plan and
13 additional information provided by Odyssey at the request of Citizens
14 Bank. I signed a proposed commitment letter dated September 29, 1998
15 on behalf of Citizens Bank for a loan to Odyssey. After certain
16 modifications to that proposed commitment letter, a final commitment
17 letter was issued on October 15, 1998.

18 Q. In deciding to provide the construction loan, how important was it to you
19 that Odyssey obtain electric energy on pricing terms used in the business
20 plan?

21 A. It was critical. Financing of the project obviously depended on a solid
22 business plan. Since the price of electrical energy was and is a key cost
23 to Odyssey in the manufacturing of sodium hypochlorite, Odyssey would

1 have to obtain that energy within the parameters reflected in the business
2 plan.

3 Q. Did the Bank communicate the importance of the price of electrical energy
4 in obtaining financing?

5 A. Yes. In fact, we made the loan closing dependent on Odyssey obtaining
6 the requisite pricing by including the following in the Bank's commitment
7 letter: "Citizens Bank must approve the final contracts with TECO and
8 International Salt Co. We are primarily looking for verification that pricing
9 matches that used in Borrower's projections."

10 Q. What did you mean by "projections?"

11 A. The initial business plan which Odyssey submitted to Citizens Bank
12 contained, among other things, cost estimates of the various components
13 of the project, including construction costs and operations costs, and
14 projections of revenue based on those costs and other factors. Revised
15 operational cost information and corresponding revenue projections were
16 provided to Citizens Bank by Odyssey during the months of project review
17 before the loan commitment was issued.

18 Q. Did you receive a copy of the signed power supply contract between
19 Tampa Electric Company ("TECO") and Odyssey?

20 A. Yes.

21 Q. Was the pricing or cost of power to Odyssey set forth in the signed TECO
22 contract consistent with Odyssey's final projections upon which the loan
23 commitment was based?

- 1 A. Yes.
- 2 Q. In the event the pricing or cost of power set forth in the signed TECO
3 contract had not been consistent with Odyssey's projections for same,
4 would Citizens Bank have closed the loan with Odyssey as set forth in the
5 loan commitment?
- 6 A. No, because the consistent pricing was clearly a condition of the loan
7 closing and was considered by Citizens Bank to be extremely important.
- 8 Q. Other than Citizens Bank and its participants in the Odyssey loan, are you
9 aware of any other lending institutions that agreed in writing to loan funds
10 to Odyssey for this project?
- 11 A. No.
- 12 Q. Based upon the financial information supplied to you in connection with its
13 loan application, would Odyssey have been able to construct the project
14 without a loan substantially similar in magnitude to that provided by
15 Citizens Bank?
- 16 A. No.
- 17 Q. From your perspective as a banker with over 15 years of experience in
18 commercial loans, has your experience with Odyssey been satisfactory?
- 19 A. Yes, they were a pleasure to deal with.
- 20 Q. There has been an issue raised in this proceeding that there may have
21 been some irregularity in the negotiations between Odyssey and TECO.
22 Do you know of anything that may have transpired between Odyssey and
23 TECO in such negotiations that might be characterized as untoward?

1 A. No. I was not involved in those negotiations and my knowledge of their
2 interactions is therefore limited to my review of the contract service
3 arrangement between TECO and Odyssey and any representations about
4 those negotiations that may have been made to me by Odyssey. Based
5 upon my dealings with Odyssey, any irregular or untoward behavior would
6 be out of character for Odyssey.

7 Q. Are you in any manner affiliated with or do you have a direct or indirect
8 financial interest in Odyssey?

9 A. No.

10 Q. Does that conclude your prefiled direct testimony?

11 A. Yes.

12

13

14

15

16

17

18

19

20

21

22

23

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

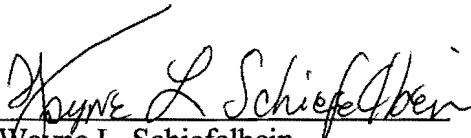
In re: Complaint by Allied Universal)
Corporation and Chemical Formulators, Inc.)
against Tampa Electric Company.)
_____)

DOCKET NO. 000061-E1

Filed: June 28, 2000

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Prefiled Direct Testimony of Pamela K. Winters has been furnished by facsimile and U.S. Mail to John R. Ellis, Esq. and Kenneth A. Hoffman, Esq., Rutledge, Ecenia, Purnell & Hoffman, 215 S. Monroe St., Suite 420, Tallahassee, FL 32301; James D. Beasley, Esq. and Lee L. Willis, Esq., Ausley & McMullen, 227 South Calhoun St., Tallahassee, FL 32301; Marlene K. Stern, Esq., Florida Public Service Commission, 2450 Shumard Oak Blvd., Tallahassee, FL 32399-0850 and Harry W. Long, Jr., Esq., TECO Energy, Inc., P.O. Box 111, Tampa, FL 33601, this 28th day of June, 2000.



Wayne L. Schiefelbein
Wiggins & Villacorta, P.A.
2145 Delta Boulevard (32303)
Suite 200
Post Office Drawer 1657
Tallahassee, Florida 32302
(850) 385-6007 Telephone
(850) 385-6008 Facsimile

Counsel for
Odyssey Manufacturing Company