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*L.U. 108 (ees, em, es, lctt, mar, mt, rtb, rts, s, spa, t, & u) Tampa, Florida.*

### **TECO Energy's Annual Share Holders Meeting**

The atmosphere before the meeting is filled with uncertainty. TECO Energy has a cash flow crises. Moody has just downgraded the Company's credit to below investment-grade, and more importantly to shareholders, the board of directors approved a 40 percent reduction in the dividend. How will the shareholders react? Will they demand accountability?

Several shareholders demanded that the company's CEO, Mr. Robert Fagan, immediately resign. His performance and leadership abilities were scrutinized. Fagan handled the criticism professionally. He did not get defensive or emotional. He placed full responsibility on company leadership. He explained the contributing factors that caused the Company's poor performance. There was an economic downturn magnified by Enron and California. The deregulation trend has derailed. Independent power companies are not trusted and viewed as risky. Mr. Fagan stressed that these problems were not foreseeable.

The CEO's new strategy is to minimize company merchant power risk exposure. There will be a renewed focus on the regulated utility business. "TECO Energy is returning to its roots. We are focusing on our regulated businesses and those unregulated businesses that return the most value to investors."

Doug Bowden, PS