

Commissioners:  
JOE GARCIA, CHAIRMAN  
J. TERRY DEASON  
SUSAN F. CLARK  
JULIA L. JOHNSON  
E. LEON JACOBS, JR.



DIVISION OF RECORDS & REPORTING  
BLANCA S. BAYÓ  
DIRECTOR  
(850) 413-6770

# Public Service Commission

February 11, 1999

First Union Bank  
ATTN: Stephen L. Harlan  
726 East Highway 50  
Clermont, Florida 34711

**Re: Escrow Account No. (Southlake Utilities, Inc.,  
Docket No. 981609-WS)**

REDACTED

Dear Mr. Harlan:

Enclosed are the escrow agreement and signature card for the above-referenced account. Both have been signed by Blanca S. Bayó, the Florida Public Service Commission's designated agent in such matters.

Please do not hesitate to call if you have any questions concerning this matter.

Sincerely,

Kay Flynn, Chief  
Bureau of Records

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CTR \_\_\_\_\_
- EAG \_\_\_\_\_
- LEG \_\_\_\_\_
- LIN \_\_\_\_\_
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

Enclosure  
cc: Bart Fletcher, Division of Water and Wastewater  
Samantha McRae, Esq., Division of Legal Services  
Scott Schildberg, Esq.

1999

ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made by and between FIRST UNITED BANK, in LAKO County (the "Bank"), the FLORIDA PUBLIC SERVICE COMMISSION (the "Commission"), and SOUTHLAKE UTILITIES, INC., (the "Utility"), a Florida corporation, upon the following terms, conditions, and considerations:

W I T N E S S E T H:

WHEREAS, by Order No. PSC-99-0027-PCO-WS, issued on January 4, 1999, in Docket No. 981609-WS, the Commission authorized the Utility to continue to collect Allowance for Funds Prudently Invested ("AFPI") charges as temporary charges subject to refund;

WHEREAS, by Order No. PSC-99-0027-PCO-WS, the Utility is required to provide security for those temporary AFPI charges; and

WHEREAS, the Bank has agreed to hold such funds in an interest bearing escrow account at an interest rate of ONE percent (1%), the parties hereto agree as follows:

1. The foregoing representations are true and correct.
2. The Utility shall open a joint interest bearing escrow account. The amount of revenue subject to refund shall be deposited by the Utility in the escrow account within seven days of receipt.
3. The escrow account shall bear interest at the rate of ONE percent (1%).
4. The Commission's Director of the Division of Records and Reporting shall be a signatory to the escrow account.
5. No funds shall be withdrawn from the escrow account without the signature of both the Director of the Division of Records and Reporting of the Commission and the Utility. Signature cards executed by the Director of the Division of Records and Reporting of the Commission and the Utility shall designate the appropriate authorized signature for each.
6. The Bank shall forward regular monthly statements (including canceled checks) to the utility and shall mail a copy of the monthly account statement to the Commission.
7. If a refund to the customers is required, all interest earned by the escrow account shall be distributed to those customers who paid such monies that generated the deposits into the escrow account.
8. If a refund to the customers is not required, the interest earned by the escrow account shall revert to the utility.

9. The Bank may, without reason, withdraw from this Agreement upon thirty (30) days written notice to the Commission and to the Utility.
10. The Utility shall indemnify and hold the Bank harmless from any claim, demand or loss suffered by the Bank, and the cost thereof (including court costs and attorney fees for negotiation, trial and appeal).
11. This escrow account is established pursuant to Commission Order PSC-99-0027-PCO-WS, issued on January 4, 1999, in Docket No. 981609-WS. This escrow account is for the benefit of the Utility's customers.
12. Information concerning the escrow account shall be available from the Bank to the Commission and its representatives at all times.
13. This escrow account is established by the direction of the Commission for the purpose(s) set forth in its Order requiring such account. Pursuant to Cosentino v. Elson, 263 So.2d 253 (Fla. 3rd DCA 1972), escrow accounts are not subject to garnishment.
14. The amount of AFPI charges collected subject to refund shall be deposited by the Utility into the escrow account within seven (7) days of receipt.

THIS AGREEMENT shall become effective and binding on all parties upon the date that it becomes executed by all parties.

SOUTHLAKE UTILITIES, INC.

By:

  
Robert L. Chapman, III

President

Date:

28 Jan 1998

STATE OF North Carolina  
COUNTY OF Durham

The foregoing instrument was acknowledged before me on Jan 28, 1999, by Robert L. Chapman, III, as President of Southlake Utilities, Inc., a Florida corporation, ( ) who is personally known to me or ( ) who produced FIDL C 155 772 46 4540 as identification.

Timothy R Kelly  
Print Timothy R Kelly  
Notary Public  
My Commission Expires: May 13, 2001  
My Commission Number is:

FIRST Union Bank  
(Name of Bank)

Known

By: Steve Adell V.P.  
(Person's name and title)

Date: 2-1-99

STATE OF FL  
COUNTY OF Lake

The foregoing instrument was acknowledged before me on 2-1-99, by Steve Harlan, as known of known, ( ) who is personally known to me or ( ) who produced \_\_\_\_\_ as identification.

Notary Public State of Florida  
PAMELA A. RUTHERFORD  
Commission # CC746536  
Expires 6/7/2002

Pamela A Rutherford  
Print Pamela A Rutherford  
Notary Public  
My Commission Expires: 6-7-2002  
My Commission Number is: CC 746536

FLORIDA PUBLIC SERVICE COMMISSION

By: Blanca S. Bayo  
Blanca Bayo, Director

Date: 2/10/99

STATE OF FLORIDA  
COUNTY OF LEON

The foregoing instrument was acknowledged before me on 2/10/99, by Blanca Bayo, as Director of Records and Reporting of the Florida Public Service Commission, () who is personally known to me or () who produced \_\_\_\_\_ as identification.

H. Ruthe Potami  
Print H. Ruthe Potami  
Notary Public, State of Florida  
My Commission Expires:  
My Commission Number is:



H. Ruthe Potami  
MY COMMISSION # CC777298 EXPIRES  
September 22, 2002  
BONDED THRU TROY FAIN INSURANCE, INC.



# New Deposit Account Application

NEW DEPOSIT ACCOUNT APPLICATION  
FIRST UNION NATIONAL BANK

Org. Loc. Branch Visit No. Sold By Referred By  
003 223 00074 039020106362 A010874

Product Type Account Number  
1 COMM MONEY MKT INV  
2  
3  
4

REDACTED

Name/Address  
SOUTHLAKE UTILITIES INC  
710 AVENIDA CUARTA, SUITE 204  
CLERMONT FL 34711  
Tax ID No. T502144120  
of First Name Date of Birth

CERTIFICATION - Under penalties of perjury, I certify that:  
(1) The number shown on this form is my correct Taxpayer Identification Number (or that I am waiting for a number to be issued to me) and  
(2) I am not subject to backup withholding because: (a) I am exempt from backup withholding; or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the IRS has notified me that I am no longer subject to backup withholding.  
CERTIFICATION INSTRUCTIONS - You must cross out item (2) above if you were notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. Refer to back for W8 certification.

SIGNATURE CARD - The words I, me and my which also mean we, us and our, if more than one customer, mean the person(s) signing this agreement. It is agreed that First Union will recognize the signatures below in the payment of funds or in the transaction of other business for the account(s). I/We agree to the terms and conditions of the First Union Deposit Agreement for this account(s) and authorize First Union to establish my/our account(s). I/We hereby acknowledge receipt of a Deposit Agreement, Schedule of Fees and Rate Disclosures, if applicable.

If checked, I/we request a First Union Banking Card for access to the indicated accounts. I/We agree to the terms and conditions of the First Union Card Agreement.

Refer to back for Right of Survivorship provisions for NC, TN, and VA accounts. The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Signature	(SEAL)	Title*	Date
X Blanca S. Bayo		Director FRAC/EAR	2/10/99
X			

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