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RECORDS AND
REPORTING

April 19, 2000

BY HAND DELIVERY

Ms. Blanca Bayo, Director
Division of Records and Reporting
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

ORIGINAL

Re: Docket 990817-WS

Dear Ms. Bayo:

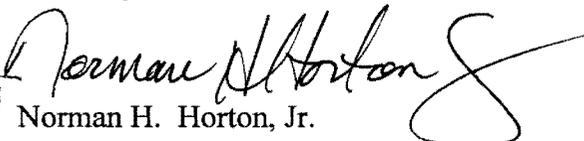
Enclosed please find the original and two copies of the Amendment of Settlement Agreement executed by Florida Water Services Corporation and Florida Public Utilities Company in the captioned docket.

Upon acceptance of the Settlement Agreement, as amended, Florida Public Utilities Company's protest may be considered to be withdrawn.

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Please call me if you have any questions.

Sincerely,


Norman H. Horton, Jr.

FPSC-BUREAU OF RECORDS

NHH/amb
-Enclosure

cc: Mr. Patrick Foster
Parties of Record

DOCUMENT NUMBER-DATE

04805 APR 198

FPSC-RECORDS/REPORTING

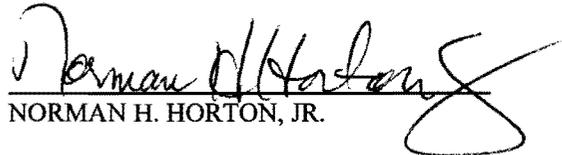
AFA
APP
CAF
CNU
OTR
EAG
LEG
MAB
ORB
PRA
SEC
WAW
CIT

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that true and correct copies of the Amendment of Settlement Agreement between Florida Public Utilities Company and Florida Water Services Corporation in Docket No. 990817-WS have been served by Hand Delivery(*) and/or U. S. Mail this 19th day of April, 2000 upon the following:

Patricia A. Christensen, Esq.*
Division of Legal Services
Room 370, Gunter Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Matt Feil, Esq.
Florida Water Services Corporation
P.O. Box 609520
Orlando, FL 32860-9520


NORMAN H. HORTON, JR.

AMENDMENT OF SETTLEMENT AGREEMENT

WHEREAS, on January 6, 2000, Florida Public Utilities Company ("FPUC") and Florida Water Services Corporation ("Florida Water") filed a Settlement Agreement in Docket No. 990817-WS; and

WHEREAS, the parties desire to modify and clarify that Agreement;

NOW, THEREFORE, the Parties have agreed to the following amendments to the Settlement Agreement.

1. The Parties agree that the legal description of the southerly city limits of the City of Fernandina Beach which the parties agree is the boundary between the companies is as set forth in Attachment A hereto.
2. The parties agree to delete paragraph 4 of the Settlement Agreement.
3. All other provisions of the Settlement Agreement included as Attachment B are herewith reaffirmed.

CL Stevi
On behalf of Florida Public Utilities Company

Justin Street vice president
On behalf of Florida Water Services Corp.

3/20/00
Date

4-14-00
Date

Sections 10 and 11

Begin at center channel line of the Intracoastal Waterway and intersection of the center channel line of drainage canal, which services the Fernandina Beach Municipal Airport; thence run in a Northeasterly direction along said center channel line to the intersection of the South line of Section 11, Township 2 North, Range 28 East; thence run N 80° 24' E, along the South line of Section 11, Township 2 North, Range 28 East, to the center line of S.R. 105-A (Amelia Rd.); thence run S 10° 01' W, a distance of 300 feet more or less to the South line of said Section 11; thence run N 80° 24' E along said South line of Section 11 to the Easterly right-of-way line of the Amelia Island Parkway; thence run N 14° 48'30" E, 600.92 feet; thence run N 12°01'39" E 2,336.52 feet; thence run N 89°37'29" E 237.70 feet; thence run N 87° 33'04" E, 699.08 feet; thence run S 10° 00'07" W, 652.89 feet; thence run S 78°25'09" E, 154.37 feet; thence run S 11°20'10" W, 910.35 feet; thence run N 86° 07'18" E, 719.19 feet, more or less to low water line of the Atlantic Ocean, said point of ending is also the Southeast corner of Section 10, Township 2 North, Range 28 East.

SETTLEMENT AGREEMENT

WHEREAS, Florida Public Utilities Company ("FPUC") and Florida Water Services Corporation ("Florida Water") are public utilities providing water and wastewater services respectively on portions of Amelia Island; and

WHEREAS, on June 23, 1999, Florida Water filed an application with the Florida Public Service Commission to extend its territory on Amelia Island; and

WHEREAS, on July 21, 1999, FPUC filed an objection to the application for extension; and

WHEREAS, the Parties have now resolved their dispute and have reached an agreement as to the boundary between the utilities and the service areas of the respective companies.

NOW, THEREFORE, the Parties have entered into the following agreement:

1. The Parties agree that the boundary between Florida Public Utilities Company and Florida Water Services Corporation is the southerly city limits of the City of Fernandina Beach as said boundary exists as of the date of this agreement.
2. FPUC does not object to the extension requested by Florida Water to add Craney Island to its certificated territory as that area is described in attachment A hereto.
3. With the exception of Craney Island, Florida Water will not add service territory nor provide service to customers north of the southerly boundary of the City of Fernandina Beach and FPUC will not add areas or serve customers south of that boundary or in the area described as Craney Island.
4. Neither Party believes that it has any customers in the other party's service area as agreed to herein but in the event there are, then those customers would continue to receive service from the current provider of service.

5. The parties endorse approval of this Agreement by the FPSC and neither will recommend that the Commission modify or amend the Agreement. Neither party will protest or appeal an Order of the FPSC approving this Agreement.

CC Stern Sr U.P.
On behalf of Florida Public Utilities Company

Charles Sweet Vice President
On behalf of Florida Water Services Corp.

ATTACHMENT A

A portion of Section 19, "Craney Island", and a portion of Section 6 and 49, all in Township 2 North, Range 28 East, Nassau County, Florida, being more particularly described as follows:

Commence at the Northwest corner of said Section 6; thence S89°48'01"E, along the Northerly line of said Section 6, a distance of 1,143.72 feet; thence S23°19'40"W, 1,135.18 feet, to the Point of Beginning; Continue S23°19'40"W, 111.15 feet; thence S00°10'48"W, 327.86 feet; thence S09°53'05"E, 496.61 feet; thence S74°39'00"W, 281.30 feet; thence N78°01'26"W, 168.67 feet; thence S21°48'05"W, 80.78 feet; thence N68°11'55"W, 26.93 feet; thence N04°05'08"E, 70.18 feet; thence N78°41'24"W, 50.99 feet; thence S26°33'54"W, 44.72 feet; thence N83°53'04"W, 140.80 feet; thence N39°28'21"W, 110.11 feet; thence S49°23'55"W, 92.20 feet; thence S86°11'09"W, 150.33 feet; thence S12°31'44"E, 184.39 feet; thence S52°56'29"E, 265.50 feet; thence S40°42'33"E, 395.76 feet; thence S28°15'22"E, 30.83 feet; thence S01°20'01"W, 284.50 feet; thence S50°37'47"W, 46.38 feet; thence S14°48'00"E, 63.24 feet; thence S68°30'21"W, 49.57 feet; thence S44°11'53"W, 109.78 feet; thence S39°52'47"E, 49.14 feet; thence S38°05'15"W, 53.44 feet; thence S64°51'40"W, 59.41 feet; thence S29°31'42"W, 73.29 feet; thence S64°12'35"E, 57.34 feet; thence S04°07'01"E, 225.67 feet; thence S19°15'12"W, 75.00 feet; thence S13°01'15"E, 53.04 feet; thence S19°15'12"W, 85.26 feet; thence N02°57'43"W, 87.20 feet; thence N78°34'19"W, 62.01 feet; thence S25°20'49"W, 88.59 feet; thence S10°00'00"E, 67.54 feet; thence S51°06'36"W, 44.72 feet; thence S65°28'19"W, 261.52 feet; thence N69°31'03"W, 94.43 feet; thence S49°20'09"W, 94.17 feet; thence S74°34'09"E, 141.93

feet; thence S44°16'05"E 52.74 feet; thence
 S04°49'42"W, 113.69 feet; thence S52°23'53"E, 69.62
 feet; thence N75°32'52"E, 56.74 feet; thence
 S28°04'35"E, 64.20 feet; thence S12°21'19"W, 248.98
 feet; thence S36°22'50"W, 134.63 feet; thence
 S08°46'24"W, 57.66 feet; thence S48°13'44"W, 114.05
 feet; thence S36°54'27"W, 59.38 feet; thence
 S51°09'37"W, 73.70 feet; thence S01°32'06"W, 63.56
 feet; thence S13°16'09"W, 54.31 feet; thence
 S05°24'52"W, 54.62 feet; thence S38°34'53"W, 99.52
 feet; thence S57°45'16"W, 43.99 feet; thence
 N20°53'50"W, 165.67 feet; thence N24°47'58"W, 100.27
 feet; thence N41°09'56"W, 102.29 feet; thence
 N33°19'15"W, 100.28 feet; thence N27°46'17"W, 100.02
 feet; thence N39°13'10"E, 20.24 feet; thence
 N39°26'44"W, 94.05 feet; thence N15°56'27"W, 100.65
 feet; thence N25°31'47"W, 100.00 feet; thence
 N22°22'49"W, 100.10 feet; thence N32°15'03"W, 100.82
 feet; thence N22°03'09"W, 95.72 feet; thence
 N07°35'42"W, 100.32 feet; thence N12°20'27"W, 100.00
 feet; thence N14°27'34"W, 100.08 feet; thence
 N01°34'37"W, 101.73 feet; thence N16°00'07"W, 100.22
 feet; thence N16°23'39"W, 94.90 feet; thence
 N05°55'55"W, 100.32 feet; thence N07°10'22"E, 101.12
 feet; thence N08°05'08"W, 110.67 feet; thence
 N02°37'48"E, 37.66 feet; thence N04°06'05"W, 199.79
 feet; thence N04°53'01"W, 131.15 feet; thence
 N12°09'13"W, 160.18 feet; thence N05°01'54"E, 160.02
 feet; thence N13°25'31"W, 141.70 feet; thence
 N14°18'10"W, 154.82 feet; thence N05°30'37"W, 143.95
 feet; thence N05°35'10"W, 144.68 feet; thence
 N41°54'22"E, 128.72 feet; thence N39°39'37"W, 184.51
 feet; thence N08°26'08"W, 155.35 feet; thence
 N00°22'39"W, 103.87 feet; thence N02°17'02"E, 114.51
 feet; thence N59°55'35"E, 30.64 feet; thence
 N83°34'36"E, 2,119.07 feet to the Point of Beginning.

Containing 113.69 acres, more or less