

STATE OF FLORIDA

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DIVISION OF THE COMMISSION CLERK &  
ADMINISTRATIVE SERVICES  
BLANCA S. BAYÓ  
DIRECTOR  
(850) 413-6770 (CLERK)  
(850) 413-6330 (ADMIN)

Public Service Commission

April 27, 2006

Ms. Laura Atkinson  
Compass Bank  
5500 SW College Road  
Ocala, Florida 34474

**Re: Docket No. 050862-WU- Application for staff-assisted rate case by County-Wide Utility Co. - Escrow Account Documents**

Dear Ms. Atkinson:

Enclosed are the signature cards and escrow agreement for establishment of an escrow account for County-Wide Utility Co. Both documents have been signed by Blanca S. Bayó, the Commission's designated agent for such matters.

Please call me if you have any questions.

Sincerely,

Kay Flynn, Chief  
Chief of Records

Enclosure

cc: Rosanne Gervasi, Esq., Office of the General Counsel  
Troy Rendell, Division of Economic Regulation  
Dirk Leeward, County-Wide Utility Co.

DOCUMENT NUMBER - DATE  
03718 APR 27 06  
FPSC-COMMISSION CLERK



# NON-PERSONAL DEPOSIT ACCOUNT SIGNATURE CARD

Date 04/19/2006	Prepared By Laura B. Atkinson	State, Branch No. & Cost Center FL 829 67503
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[X] New Account      [ ] Change Authorized Signers\*\*      [ ] Name Change\*\*

\*\* New Resolution is required

The undersigned agree(s) to the terms of the Non-Consumer Account Agreement and acknowledge(s) receipt of a copy of the Agreement and a current interest and service charge schedule or disclosure.

ONLY ONE ACCOUNT PER CARD  
USE BLACK MEDIUM POINT PEN

ACCOUNT NAME COUNTY-WIDE UTILITY CO., INC. AND <u>FL Public Service Commission</u>			
TAXPAYER IDENTIFICATION NUMBER 59-2605992	NO. SIG. REQUIRED 1	BANK NO. 065	ACCOUNT NO. <b>REDACTED</b>

**Present At Opening**

Yes No

Name DIRK J LEEWARD Title PRESIDENT

Signature

Name BLANCA S. BAYO Title DIRECTOR

Signature

Name JAMES K LEEWARD Title V.P.

Signature

Name \_\_\_\_\_ Title \_\_\_\_\_

Signature \_\_\_\_\_

**TAXPAYER IDENTIFICATION NUMBER CERTIFICATION**  
For the Account Owner/Business

Individual/Sole Proprietor       Corporation  
 Partnership       Other \_\_\_\_\_

(Refer to the Non-Consumer Account Agreement for a complete explanation of Backup Withholding Regulations.)  
Under penalties of perjury, I certify that:

- The Internal Revenue Service has not advised me that I am currently subject to backup withholding unless I check this block.
- I am a U.S. person (including a U.S. resident alien) unless I check this block.
- The number shown above is the correct Taxpayer Identification Number for tax reporting purposes; OR
  - A Taxpayer Identification Number has been applied for (If number is not provided within 60 days, the account will be closed. If a withdrawal of \$500 or more is made prior to the Bank's receipt of this number, the Bank will withhold 28% from interest payments.); OR
  - All owners of this account are nonresident aliens (or this is a foreign entity) who have (has) provided the appropriate completed Form W-8; OR
  - Based on Internal Revenue Service regulations, I am a U.S. exempt payee and not subject to Backup Withholding.

**Authorized Signature**

Data Entry (Bag)

## NON-PERSONAL DEPOSIT ACCOUNT SIGNATURE CARD

Date 04/19/2006	Prepared By Laura B. Atkinson	State, Branch No. & Cost Center FL 829 67503
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  Change Authorized Signers\*\*     
  Name Change\*\*

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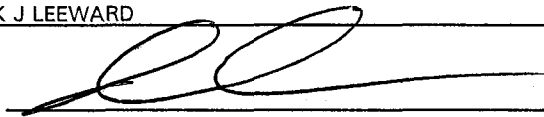
**ONLY ONE ACCOUNT PER CARD  
USE BLACK MEDIUM POINT PEN**

ACCOUNT NAME COUNTY-WIDE UTILITY CO., INC. AND <i>FL Public Service Commission</i>			
TAXPAYER IDENTIFICATION NUMBER 59-2505992	NO. SIG. REQUIRED 1	BANK NO. 065	ACCOUNT NO. <b>REDACTED</b>

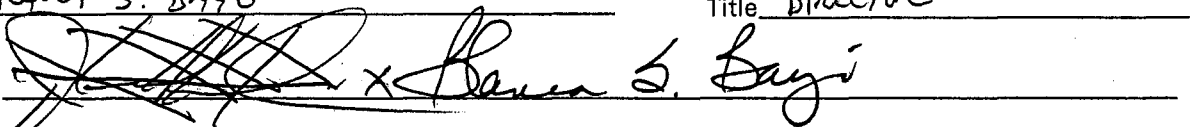
**Present At  
Opening**

Yes No

Name DIRK J LEEWARD Title PRESIDENT

Signature 

Name BLANCA S. BAYO Title DIRECTOR

Signature 

Name JAMES K. LEEWARD Title V.P.

Signature 

Name \_\_\_\_\_ Title \_\_\_\_\_

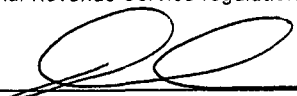
Signature \_\_\_\_\_

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For the Account Owner/Business

Individual/Sole Proprietor       Corporation  
 Partnership       Other \_\_\_\_\_

(Refer to the Non-Consumer Account Agreement for a complete explanation of Backup Withholding Regulations.)  
Under penalties of perjury, I certify that:

1. The Internal Revenue Service has not advised me that I am currently subject to backup withholding unless I check this block.
2. I am a U.S. person (including a U.S. resident alien) unless I check this block.
3.  The number shown above is the correct Taxpayer Identification Number for tax reporting purposes; OR
  - A Taxpayer Identification Number has been applied for (If number is not provided within 60 days, the account will be closed. If a withdrawal of \$500 or more is made prior to the Bank's receipt of this number, the Bank will withhold 28% from interest payments.); OR
  - All owners of this account are nonresident aliens (or this is a foreign entity) who have (has) provided the appropriate completed Form W-8; OR
  - Based on Internal Revenue Service regulations, I am a U.S. exempt payee and not subject to Backup Withholding.

Authorized Signature 

Branch Copy

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made by and between Compass Bank (the "Bank"), the Florida Public Service Commission ("FPSC") and County-Wide Utility Co., Inc., a Florida corporation, (the "Utility"), upon the following terms, conditions, and considerations:

### WITNESSETH:

WHEREAS, by action of the FPSC in Docket No. 050862-WU at its Agenda Conference held on April 4, 2006, the FPSC authorized the Utility to collect increased rates on an emergency basis from its customers, and

WHEREAS, as a condition of such authority, the Utility is required to provide security for those emergency rates that generate per customer collections in excess of those collections resulting from the application of rates that are approved under the Utility's rate case, and

WHEREAS, the Bank has agreed to hold such funds in an interest bearing escrow account.

Now therefore, in consideration of Ten Dollars and the mutual covenants herein, the parties agree as follows:


1. The foregoing representations are true and correct.
2. The Utility and FPSC shall open a joint interest bearing escrow account. The total excess of the revenues generated by the emergency rates over those previously in existence for the Utility shall be deposited by the Utility in the escrow account not later than the tenth of the following month and in accordance with the requirements of the FPSC Order to be issued in Docket No. 050862-WU.
3. When the balance in the escrow account exceeds \$10,000, it shall bear interest at the prevailing rate which is currently 2.25% Annual Percentage Yield, which is a variable rate. Utility shall pay all fees required to maintain the escrow account.
4. The Utility is authorized to withdraw funds from this account for the purpose of paying bulk service water charges to the City of Ocala (the "City") and for payments to Bank for payment of interest on the \$690,000 debt on that loan from the Bank to the Utility. Each month after receipt of the bill for bulk water service charges from the bill for loan payments from the Bank, the Utility will provide those bills to the Bank. The Bank will release funds from the escrow account in an amount equal to the amount of the bill from the City for such bulk services, and the amount of the interest payment to the Bank on such loan. To the extent the funds on deposit in the escrow account are less than the amount of any bill for bulk service presented by the Utility to the Bank, or the bill for interest payments due to the Bank, the Bank shall release all funds available in the escrow account and the Utility will be responsible for securing the remaining funds for payment of the bills from the City of Ocala, from the Bank or from other sources.

5. An order of the FPSC reflected its April 4, 2006 decision and requiring this security will be issued on approximately April 24, 2006. That order will be provided to the Bank within 20 days of issuance and before the first deposit or request for withdrawal is made.
6. The Director of the Division of the Commission Clerk and Administrative Services of the FPSC and the Utility shall be signatories to the escrow account. Signature cards executed by the Director of the Division of the Commission Clerk and Administrative Services of the FPSC and the Utility shall designate the appropriate authorized signature for each. Except as otherwise provided for herein, both signatures shall be required to withdraw funds from the account.
7. The Bank shall forward regular monthly statements (including cancelled checks) to the Utility and shall mail a copy of the monthly statement account statement to the FPSC.
8. If the FPSC orders a refund to the customers, interest earned on funds in the escrow account shall be distributed to those customers who paid such monies that generated the deposits into the escrow account and if a partial refund, also to the Utility. The method of distribution shall be as set forth in Rule 25-30.360, F.A.C.
9. The balance of funds remaining in the Escrow Account shall be disposed of in accordance with the Commission's final order issued in Docket No. 050862-WU immediately after issuance and the account closed thereafter.
10. The Bank may, without reason, withdraw from this Agreement upon thirty (30) days written notice to the FPSC and to the Utility. If the Bank does not receive a disbursement order signed by both the FPSC and the Utility within such 30 days, the Bank shall deposit all funds with the Circuit Court of Marion County, Florida.
11. 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).
12. This escrow account is established pursuant to the FPSC decision reached in Docket No. 050862-WU at its April 4, 2006 Agenda Conference for the benefit of the Utility's customers.
13. The information concerning the escrow account shall be available from the Bank to the FPSC and its representative at all times.
14. This escrow account is established by the direction of the Florida Public Service Commission for the purpose(s) set forth in its order requiring such account. Pursuant to *Cosentino v. Elson*, 263 So. 2d 253 (Fla. 3<sup>rd</sup> DCA 1972), escrow accounts are not subject to garnishment.

[Signature Page Follows]

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

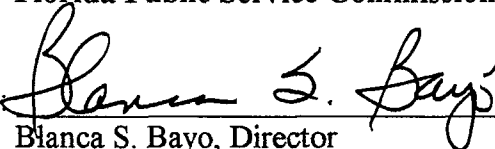
**County-Wide Utility Co., Inc.**

By:   
Dirk J. Leeward, President  
4/19/06  
Date

**Compass Bank**

By: \_\_\_\_\_  
Russell Branson, City President  
\_\_\_\_\_  
Date

**Florida Public Service Commission**

By:   
Blanca S. Bayo, Director  
Division of The Commission Clerk and Administrative Services  
4/26/06  
Date