

GATLIN, SCHIEFELBEIN & COWDERY, P.A.

Attorneys at Law

The Mahan Station
1709-D Mahan Drive
Tallahassee, Florida 32308

B. KENNETH GATLIN
WAYNE L. SCHIEFELBEIN
KATHRYN G.W. COWDERY

TELEPHONE (904) 877-5609
TELECOPIER (904) 877-9031
E-MAIL: bkgatlin@nettally.com

ORIGINAL
FILE COPY

May 21, 1997

Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

HAND DELIVERY

RE: Docket No. 951056-WS
Application for rate increase in Flagler County by PALM
COAST UTILITY CORPORATION

Dear Ms. Bayo:

Pursuant to the Commission's vote on Item 38 of the May 19, 1997 agenda conference, enclosed on behalf of Palm Coast Utility Corporation for filing in the above docket are an original and 15 copies of a surety bond in the updated amount of \$1,395,580.00.

Please acknowledge receipt of the foregoing by stamping the enclosed extra copy of this letter and returning same to my attention. Thank you for your assistance.

Sincerely,

Wayne L. Schiefelbein

Wayne L. Schiefelbein

951056-WS

ACK
AFA 1 WLS/pav
APP 1 cc w/ encl:
CAF _____
CMB _____
CTR _____
EAC _____
ED _____
L 3
S _____
R _____

Bobbie Reyes
Steve Reilly
Al Hadeed
Richard Melson

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

05110 MAY 21 97

FPSC-RECORDS/REPORTING

copy to docket file

Increase/Decrease
Rider

Insurance Company of North America
 Century Indemnity Company



CIGNA companies

INSURANCE COMPANY OF NORTH AMERICA

(SURETY)

PHILADELPHIA, PENNSYLVANIA

To be attached to and form part of Bond No. K04332106-00582 dated the 4TH day of
APRIL, 19 96, and on behalf of PALM COAST UTILITY CORPORATION

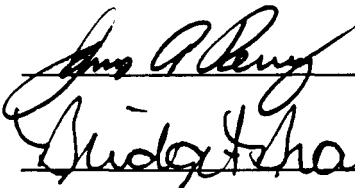
In favor of FLORIDA PUBLIC SERVICE COMMISSION

It is understood and agreed that the penal sum of the attached bond, as set forth in the opening
~~decrease~~
paragraph thereof, is hereby increased from SEVEN HUNDRED NINETY-SIX THOUSAND TWO HUNDRED
AND NO/100----- (\$ 796,200.00) DOLLARS
to ONE MILLION THREE HUNDRED NINETY-FIVE THOUSAND (\$ 1,395,580.00) DOLLARS,
~~decrease~~ FIVE HUNDRED EIGHTY AND NO/100-----
said increase being applicable only as to acts or omissions occurring on or after the 7TH day of
MAY, 19 97.

Nothing herein contained shall serve to waive, alter, modify or extend any of the terms and
conditions of the subject bond other than as herein expressly set forth. SUBJECT BOND WILL REMAIN
IN EFFECT DURING THE PENDENCY OF THE APPEAL AND WILL BE RELEASED OR TERMINATED UPON
SUBSEQUENT ORDER OF THE COMMISSION ADDRESSING THE POTENTIAL REFUND.

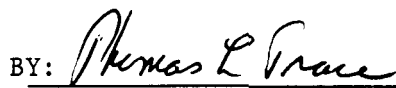
IN WITNESS WHEREOF, the Principal and Surety have caused this instrument to be duly signed and
sealed this 13TH day of MAY, 19 97.

Witness or Attest:

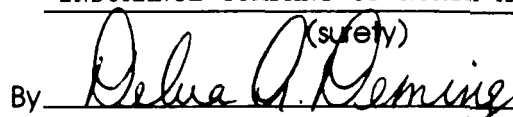


Judge Hammer

PALM COAST UTILITY CORPORATION

BY: 

INSURANCE COMPANY OF NORTH AMERICA

By  (surety)
DEBRA A. DEMING, Attorney-in-fact

Power of Attorney

INSURANCE COMPANY OF NORTH AMERICA



673420

Know all men by these presents: That INSURANCE COMPANY OF NORTH AMERICA, a corporation of the Commonwealth of Pennsylvania, having its principal office in the City of Philadelphia, Pennsylvania, pursuant to the following Resolution, adopted by the Board of Directors of the said Company on December 5, 1983, to wit:

*RESOLVED. That pursuant to Articles 3.18 and 5.1 of the By-Laws, the following Rules shall govern the execution for the Company of bonds, undertakings, recognizances, contracts and other writings in the nature thereof:

- (1) That the President, any Senior Vice President, any Vice President, and Assistant Vice President, or any Attorney-in-Fact, may execute for and on behalf of the Company any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof, the same to be attested when necessary by the Corporate Secretary, or any Assistant Corporate Secretary, and the seal of the Company affixed thereto; and that the President, any Senior Vice President, any Vice President or any Assistant Vice President may appoint and authorize any other Officer (elected or appointed) of the Company, and Attorneys-in-Fact to so execute or attest to the execution of all such writings on behalf of the Company and to affix the seal of the Company thereto.
- (2) Any such writing executed in accordance with these Rules shall be as binding upon the Company in any case as though signed by the President and attested to by the Corporate Secretary.
- (3) The signature of the President, or a Senior Vice President, or a Vice President, or an Assistant Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to this Resolution, and the signature of a certifying Officer and the seal of the Company may be affixed by facsimile to any certificate of any such power, and any such power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company.
- (4) Such other Officers of the Company, and Attorneys-in-Fact shall have authority to certify or verify copies of this Resolution, the By-Laws of the Company, and any affidavit or record of the Company necessary to the discharge of their duties.
- (5) The passage of this Resolution does not revoke any earlier authority granted by Resolutions of the Board of Directors adopted on June 9, 1953, May 28, 1975 and March 23, 1977.

does hereby nominate, constitute and appoint **GLENN J. PELLETIERE, VIVIAN CARTI, DEBRA A. DEMING, BETTY CALDERON,** all of the City of New York, State of NEW YORK-----

, each individually if there be more than one named, its true and lawful attorney-in-fact, to make, execute, seal and deliver on its behalf, and as its act and deed any and all bonds, undertakings, recognizances, contracts and other writings in the nature thereof in penalties not exceeding Ten Million DOLLARS (\$10,000,000) each, and the execution of such writings in pursuance of these presents shall be as binding upon said Company, as fully and amply as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its principal office.

IN WITNESS WHEREOF, the said **William Jungreis**, Vice-President, has hereunto subscribed his name and affixed the corporate seal of the said **INSURANCE COMPANY OF NORTH AMERICA** this 15th day of May 1996



INSURANCE COMPANY OF NORTH AMERICA

William Jungreis

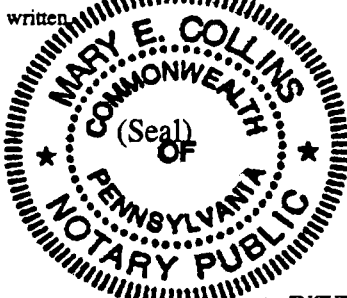
William Jungreis

Vice President

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF PHILADELPHIA ss.

On this 15th day of May, A.D. 1996, before me, a Notary Public of the Commonwealth of Pennsylvania in and for the County of Philadelphia came **William Jungreis**, Vice-President of the **INSURANCE COMPANY OF NORTH AMERICA** to me personally known to be the individual and officer who executed the preceding instrument, and he acknowledged that he executed the same, and that the seal affixed to the preceding instrument is the corporate seal of said Company; that the said corporate seal and his signature were duly affixed by the authority and direction of the said corporation, and that Resolution, adopted by the Board of Directors of said Company, referred to in the preceding instrument, is now in force.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Philadelphia the day and year first above written



NOTARIAL SEAL
MARY E. COLLINS, Notary Public
City of Philadelphia, Phila. County
My Commission Expires June 22, 1998

Mary E. Collins

Notary Public

I, the undersigned, Secretary of **INSURANCE COMPANY OF NORTH AMERICA**, do hereby certify that the original POWER OF ATTORNEY, of which the foregoing is a substantially, true and correct copy, is in full force and effect.

In witness whereof, I have hereunto subscribed my name as Secretary, and affixed the corporate seal of the Corporation, this 13TH day of MAY 19 97.



Debra H. Paziora

Debra H. Paziora

Secretary

THIS POWER OF ATTORNEY MAY NOT BE USED TO EXECUTE ANY BOND WITH AN INCEPTION DATE AFTER May 15, 1998. 1690

THIS DOCUMENT PRINTED ON RED BACKGROUND

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

State of New York,

County of New York

} ss.:

On the 13TH day of MAY, in the year 1997, before me personally came DEBRA A. DEMING to me known, who, being by me duly sworn, did depose and say, that he resides in STATEN ISLAND, NY; that he is the ATTORNEY-IN-FACT of the INSURANCE COMPANY OF NORTH AMERICA, the corporation described in, and which executed the within instrument; that he knew the seal of said corporation; that the seal affixed to said instrument was such corporate seal; that it was so affixed by order of the Board of Directors of said corporation, and that he signed his name thereto by like order.

BETTY CALDERON
Notary Public, State of New York
No. 01CA5026772
Commission Expires April 25, 1998

Betty Calderon
Notary Public