

MEMORANDUM

ORIGINAL

July 15, 1998

TO: DIVISION OF RECORDS AND REPORTING (BAYO)
FROM: DIVISION OF LEGAL SERVICES (BRUBAKER) JSB
RE: DOCKET NO. 970381-SU - APPLICATION FOR TRANSFER OF
CERTIFICATE NO. 495-S FROM SANDALHAVEN UTILITY, INC. TO
CHP UTILITY, INC. IN CHARLOTTE COUNTY, CANCELLATION OF
CERTIFICATION NO. 495-S, AND EXEMPTION FROM FLORIDA
PUBLIC SERVICE COMMISSION REGULATION.

Please place the attached letter dated May 18, 1998, in the above-referenced docket file. CMS should reflect that this letter was received in Legal Services on May 20, 1998.

JSB/lw

Attachment

cc: Division of Water and Wastewater (Redeman)

ACK _____
AFA _____
APP _____
CAF _____
CMU _____
CTR _____
EAG _____
LEG _____
LIN _____
OPC _____
RCH _____
SEC I
WAS _____
OTH _____

DOCUMENT NUMBER-DATE

07491 JUL 16 88

FPSC-RECORDS/REPORTING



WELLBAUM & MCLENNON, P.A.

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R. W. WELLBAUM, JR.
THOMAS P. MCLENNON*
*ALSO ADMITTED IN ILLINOIS

May 18, 1998

Ms. Jennifer Brubaker
Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: SANDALHAVEN/CHP UTILITIES, INC.

Dear Ms. Brubaker:

I am in receipt of a copy of Robert L. Underwood's letter to you regarding transfer of the utility assets of CHP Utilities, Inc. to Cape Haze Utility, Inc.

All reserve funds and other utility assets were paid out pursuant to the transfer which is being rescinded. The best interest of the customers will be served by accounting for those funds through the appropriate application process and seek reimbursement. Hopefully, proper notices under the rules will be forwarded to the customers prior to any transfer, and the customers be given the opportunity to comment.

Your continued cooperation in this matter is appreciated.

Sincerely,

WELLBAUM & MCLENNON, P.A.


Thomas P. McLennon

TPM/bb

cc: Mr. Robert L. Underwood
537 East Park Avenue
Tallahassee, FL 32301

cc: Customers

MAY 20 1998

LEGAL DIVISION

RECEIVED

ROBERT L. UNDERWOOD, P.A. MAY 11 9 15 AM '98
LAW OFFICES

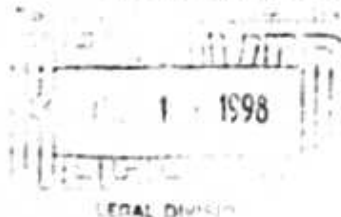
Robert L. Underwood, III*
John A. Swanson†
Carl A. Bertoch †, Of Counsel

ADMINISTRATION
MAIL ROOM
207941 Park Avenue
Tallahassee, FL 32301
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* Licensed in D.C. and Florida only
† Licensed in NC only
‡ Licensed in Florida & Ohio only

Jennifer Brubaker
Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399




Re: CHP Utility Inc., Doc

Dear Mrs. Brubaker,

On May 1, we filed a Joint Motion with the Commission to rescind the Order providing for the transfer of the "Sandalhaven Utility System" to CHP Utility, Inc. Upon your action on this Motion, we intend to transfer the utility assets of CHP Utility, Inc. (not-for profit) to Cape Haze Utility Inc. (a new profit corporation). The ownership/control of Cape Haze Utility will be the same as the original transfers. If the ownership of that entity changes in a manner requiring a filing with the Public Service Commission, we will file the appropriate application with the Commission. The reason for the transfer to a new corporation is that the old corporate entity is no longer in existence.

We would appreciate any guidance or input on this matter and await your action on our Motion.

Respectfully submitted,


Robert L. Underwood

Attachments:
Copy of Corporate Charter of
Cape Haze Utility, Inc.

cc: Rob Spade
Dean Beckstead
Tom McLennon



COPY

FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

April 2, 1998

ROBERT L. UNDERWOOD
3900 CITY OF OAKS WYND
RALEIGH, NC 27612

The Articles of Incorporation for CAPE HAZE UTILITY, INC. were filed on March 31, 1998 and assigned document number P98000030533. Please refer to this number whenever corresponding with this office regarding the above corporation. The certification you requested is enclosed.

PLEASE NOTE: COMPLIANCE WITH THE FOLLOWING PROCEDURES IS ESSENTIAL TO MAINTAINING YOUR CORPORATE STATUS. FAILURE TO DO SO MAY RESULT IN DISSOLUTION OF YOUR CORPORATION.

A CORPORATION ANNUAL REPORT MUST BE FILED WITH THIS OFFICE BETWEEN JANUARY 1 AND MAY 1 OF EACH YEAR BEGINNING WITH THE CALENDAR YEAR FOLLOWING THE YEAR OF THE FILING DATE NOTED ABOVE AND EACH YEAR THEREAFTER. FAILURE TO FILE THE ANNUAL REPORT ON TIME MAY RESULT IN ADMINISTRATIVE DISSOLUTION OF YOUR CORPORATION.

A FEDERAL EMPLOYER IDENTIFICATION (FEI) NUMBER MUST BE SHOWN ON THE ANNUAL REPORT FORM PRIOR TO ITS FILING WITH THIS OFFICE. CONTACT THE INTERNAL REVENUE SERVICE TO RECEIVE THE FEI NUMBER IN TIME TO FILE THE ANNUAL REPORT AT 1-800-829-3676 AND REQUEST FORM SS-4.

SHOULD YOUR CORPORATE MAILING ADDRESS CHANGE, YOU MUST NOTIFY THIS OFFICE IN WRITING, TO INSURE IMPORTANT MAILINGS SUCH AS THE ANNUAL REPORT NOTICES REACH YOU.

Should you have any questions regarding corporations, please contact this office at the address given below.

Pamela Hall, Document Specialist
New Filings Section

Letter Number: 698A00017695

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of CAPE HAZE UTILITY, INC., a Florida corporation, filed on March 31, 1998, as shown by the records of this office.

The document number of this corporation is P98000030533.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Second day of April, 1998



CR2EO22 (2-95)

A handwritten signature in cursive script, reading "Sandra B. Morham".

Sandra B. Morham
Secretary of State

**ARTICLES OF INCORPORATION
OF**

CAPE HAZE UTILITY, INC.

FILED
98 MAR 31 PM 2: 28
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLE I

NAME

The name of this corporation is CAPE HAZE UTILITY, INC.

ARTICLE II

DURATION

This corporation shall have perpetual existence unless sooner dissolved by law.

ARTICLE III

PURPOSE

The purpose of this corporation is to engage in any activities or business permitted under the laws of the United States and Florida.

ARTICLE IV

CAPITAL STOCK

The corporation is authorized to issue 1,000 shares of \$1.00 par value common stock.

ARTICLE V

AMENDMENT OF ARTICLES

The power to adopt, amend, alter or repeal the Articles of Incorporation of this corporation shall be vested in the Board of Directors by a unanimous vote.

ARTICLE VI

INITIAL REGISTERED OFFICE AND AGENT

The street address of the registered office of this corporation is 537 East Park Avenue, Tallahassee, Florida 32301. The initial registered agent of this corporation is Robert L. Underwood, whose mailing address is 537 East Park Avenue, Tallahassee, Florida 32301.

ARTICLE VII

INITIAL BOARD OF DIRECTORS

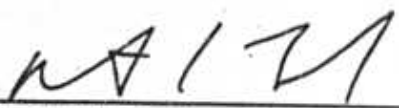
The names and addresses of the initial Directors and Officers of the Corporation, who shall hold such offices for the first year and/or until their successors are chosen and duly qualified, shall be:

Robert Spade
537 East Park Avenue
Tallahassee, Florida 32301

The name and address of the person signing these Articles of Incorporation is:

Robert L. Underwood
537 East Park Avenue
Tallahassee, FL 32301

IN WITNESS WHEREOF, the undersigned Incorporator has executed these Articles of Incorporation on the 26th day of March, 1998.



Robert L. Underwood
Incorporator

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS
WITHIN FLORIDA, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED

IN COMPLIANCE WITH SECTION 48.091, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED:

That CAPE HAZE UTILITY, INC., desiring to organize or qualify under the laws of the State of Florida, with its principal place of business at 337 East Park Avenue, Tallahassee, Florida 32301, has named as its agent ROBERT L. UNDERWOOD, located at 537 East Park Avenue, Tallahassee, FL 32301, to accept service of process within Florida.

Having been named to accept service of process for the above-stated Corporation, at the place designated in this Certificate, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all Statutes relative to the proper and complete performance of my duties.

DATED this 26th day of March, 19 98



Robert L. Underwood
Registered Agent

FILED
98 MAR 31 PM 2:28
SECRETARY OF STATE
TALLAHASSEE, FLORIDA