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October 27, 1998

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

HAND DELIVERY

RECEIVED 11:50
98 OCT 27 PM 4:33
REGULATORY AND
REPORTING

Re: Docket No. 950495-WS

Dear Ms. Bayo:

Enclosed herewith for filing in the above-referenced docket on behalf of Florida Water Services Corporation ("Florida Water") are sixteen copies of Surety Rider/Bond No. 5723757 issued by Safeco Insurance Company of America, effective June 4, 1998, in the amount of \$3,553,766. This bond is filed pursuant to Order No. PSC-98-0770-PCO-WS issued June 4, 1998 in the above-referenced docket reducing Florida Water's appeal bond from \$5,864,375 to \$3,553,766, as security for vacation of the automatic stay pending the appeal of the final order to the First District Court of Appeal. On June 10, 1998, the First District Court of Appeal issued its opinion resolving the issues on appeal in Southern States Utilities, Inc. v. Florida Public Service Commission, 23 Fla.L. Weekly D1413 (Fla. 1st DCA, June 10, 1998).¹ On August 21, 1998, the First District issued its mandate in the appeal remanding the case back to the Commission. The case remains pending before the Commission.

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

RECEIVED & FILED
[Signature]
FPSC-BUREAU OF RECORDS

¹Corrected Opinion mailed August 5, 1998.

DOCUMENT NUMBER-DATE

12018 OCT 27 88

REG-RECORDS/REPORTING

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- manual ltr.*



SURETY RIDER

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
FIRST NATIONAL INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA

To be attached to and form a part of

Bond No. 5723757

Type of Bond: BOND FOR SECURITY OF REFUNDS STATE OF FLORIDA

dated effective 01/08/1996
(MONTH-DAY-YEAR)

executed by FLORIDA WATER SERVICES CORPORATION, as Principal,
(PRINCIPAL)

and by SAFECO INSURANCE COMPANY OF AMERICA, as Surety,

in favor of FLORIDA PUBLIC SERVICE COMMISSION
(OBLIGEE)

In consideration of the mutual agreements herein contained the Principal and the Surety hereby consent to changing

THE AMOUNT OF BOND LIABILITY:

FROM \$5,864,375
TO \$3,553,766

Nothing herein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated.

This rider is effective 06/04/1998
(MONTH-DAY-YEAR)

Signed and Sealed 09/15/1998
(MONTH-DAY-YEAR)

FLORIDA WATER SERVICES CORPORATION
(PRINCIPAL)

By: _____
(PRINCIPAL)

SAFECO INSURANCE COMPANY OF AMERICA
(SURETY)

By: Linda K. Downing
(ATTORNEY-IN-FACT) LINDA K. DOWNING

John F. Watson, Jr.
John F. Watson, Jr.
Fl. Licensed Res. Agent
262-82-4572



POWER OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

No. 9219

KNOW ALL BY THESE PRESENTS:

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint

***** LINDA K. DOWNING *****

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 4th day of January, 19 93

R.A. Pierson
R.A. PIERSON, SECRETARY

Dan D. McLean
DAN D. McLEAN, PRESIDENT

CERTIFICATE

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, R. A. Pierson, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 15th day of September, 19 98



[Signature]