



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: January 22, 1999
TO: Division of Records and Reporting
FROM: Division of Water and Wastewater (Lingo) *H*
RE: Docket No. 981147-WS, Investigation into potential overearnings in Highlands County by Highlands Ridge Associates, Inc.

The above-referenced utility provided the attached irrevocable standby letter of credit in response to Commission Order No. PSC-98-1623-FOF-WS, issued December 7, 1998. The Division of Legal Services advises that the letter of credit complies with the conditions set forth in said Order; therefore, please place the attached correspondence from the utility and the letter of credit into the appropriate docket file. Thank you.

- ACK _____
- AFA _____
- APP _____
- CAF _____
- CMU _____
- CTR _____
- EAG _____
- LEG _____
- LIN _____
- OPC _____
- RCH _____
- SEC 1
- WAS _____
- OTH _____

attachments: Letter from Highlands Ridge Associates, Inc. dated 01/14/99
 First Union National Bank irrevocable standby letter of credit no. SM407415
cc w/atrch: Division of Legal Services (Brubaker)
cc w/o atrch: Division of Water and Wastewater (Hill, Chase, Rieger, TLDavis)

DOCUMENT NUMBER-DATE

00886 JAN 22 1999

PSC-RECORDS/REPORTING



Highlands Ridge

January 14, 1999

RECEIVED

JAN 19 1999

Florida Public Service Commission
Division of Water and Wastewater

Ms. Jenni Lingo
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

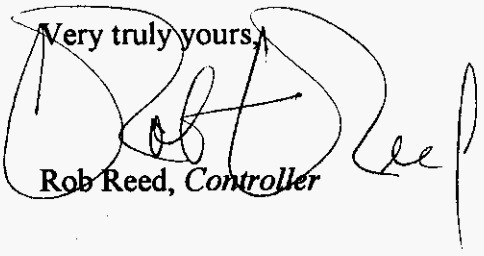
Re: *Letter of Credit*

Dear Ms. Lingo,

Enclosed is an original Irrevocable Letter of Credit drawn on First Union National Bank pursuant to the Commission's Order. We are prepared to have our meeting on February 3rd, but please be sure to confirm the meeting a few days before to make sure nothing has changed.

We look forward to an efficient conclusion to your investigation. Please let us know if there is anything you need prior to our meeting.

Very truly yours,


Rob Reed, *Controller*

**FIRST
UNION**

FIRST UNION NATIONAL BANK
IRREVOCABLE STANDBY LETTER OF CREDIT
01/11/99

STATE OF FLORIDA PUBLIC SERVICE
COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399 0850
ATTN: MS. JENNIE LINGO

EXPIRY DATE: 01/08/2000
LETTER OF CREDIT NO. SM407415
PLACE OF EXPIRY: OUR COUNTERS

GENTLEMEN:

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT IN YOUR FAVOR, FOR THE ACCOUNT OF HIGHLANDS RIDGE ASSOCIATES INC. 3003 FAIRWAY VISTA DRIVE AVON PARK, FL. 33825 IN THE AGGREGATE OF: USD18,576.00 (EIGHTEEN THOUSAND FIVE HUNDRED SEVENTY SIX 00/100) AVAILABLE BY PAYMENT OF YOUR DRAFT(S) AT SIGHT DRAWN ON OURSELVES WHEN ACCOMPANIED BY THE FOLLOWING DOCUMENT(S):

A WRITTEN STATEMENT PURPORTEDLY SIGNED BY AN AUTHORIZED OFFICIAL OF THE STATE OF FLORIDA PUBLIC SERVICE COMMISSION FOR THE PURPOSES OF DRAWING UNDER THIS LETTER OF CREDIT. "I FURTHER CERTIFY THAT THE AMOUNT OF THE DRAFT IS PAYABLE PURSUANT TO THE COMMISSION'S ORDER NO. PSC-98-1623-FOF-WS ISSUED DECEMBER 7, 1998 IN DOCKET NO. 981147-WS, INVESTIGATION INTO POTENTIAL OVEREARNINGS IN HIGHLANDS COUNTY BY HIGHLANDS RIDGE ASSOCIATES, INC."

ALL BANKING CHARGES OTHER THAN OURS ARE FOR BENEFICIARY'S ACCOUNT.

DRAFT(S) DRAWN UNDER THIS CREDIT MUST STATE ON THEIR FACE "DRAWN UNDER FIRST UNION NATIONAL BANK IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER SM407415 DATED 01/11/99."

WE HEREBY AGREE WITH YOU THAT DRAFT(S) DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS CREDIT SHALL BE DULY HONORED IF PRESENTED TOGETHER WITH DOCUMENT(S) AS SPECIFIED AND THE ORIGINAL OF THIS CREDIT, AT OUR OFFICE LOCATED AT 200 SOUTH BISCAYNE BOULEVARD, 12TH FLOOR, MIAMI, FLORIDA 33131 FL 6042 ATTN: INTERNATIONAL SUPPORT SERVICES, ON OR BEFORE 01/08/2000.

EXCEPT AS OTHERWISE EXPRESSLY STATED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, ESTABLISHED BY THE INTERNATIONAL CHAMBER OF COMMERCE, AS IN EFFECT ON THE DATE OF ISSUANCE OF THIS CREDIT.

SINCERELY,



AUTHORIZED SIGNATURE
FIRST UNION NATIONAL BANK

FIRST
MIAMI, FL
UNION

PLEASE DIRECT ALL INQUIRES REGARDING THIS TRANSACTION
TO OUR INT'L CUSTOMER SUPPORT DEPT. AT (305) 789-6975