

ORIGINAL

M E M O R A N D U M

March 8, 1999

TO: DIVISION OF RECORDS AND REPORTING
FROM: DIVISION OF LEGAL SERVICES (MCRAE) *S.M.*
RE: DOCKET NO. 981258-WS - INVESTIGATION OF WATER AND
WASTEWATER RATES OF LAKE HAVEN UTILITY ASSOCIATION, LTD.
D/B/A LAKE WALES UTILITY CO., LTD. IN POLK COUNTY FOR
POSSIBLE OVEREARNINGS.

Please place the attached document entitled CORPORATE
UNDERTAKING dated March 8, 1999 in the docket file.

SAM/lw

Attachment

cc: Division of Water and Wastewater (Quijano, Merchant)

ACK _____

AFA _____

APP _____

CAF _____

CMH _____

CTR _____

EAG _____

LEG _____

LIN _____

OPC _____

POH _____

SEC 1 _____

WAS _____

OTH *eg Key* _____

DOCUMENT NUMBER-DATE

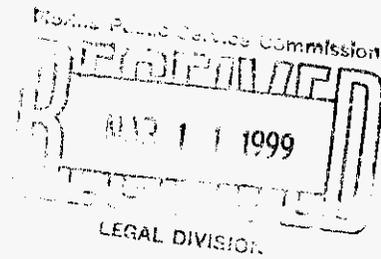
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FPSC-RECORDS/REPORTING

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CORPORATE UNDERTAKING REGISTRATION
MAIL ROOM



This CORPORATE UNDERTAKING made to be effective this 8th day of March, 1999 is being given by LAKE WALES UTILITY CO., LTD. ("Guarantor") with an address at P. O. Box 402279, Miami Beach, Florida 33140 to and for the benefit of FLORIDA PUBLIC SERVICE COMMISSION ("Guarantee") with an address at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850.

RECITALS:

(A) Lake Wales Utility Co., Ltd. (Lake Wales or utility) is a Class B utility providing water and wastewater service for approximately 84 residential and 15 general service water and wastewater customers in Polk County since 1962. The utility's systems are located in Fedhaven, Florida.

(B) Lake Wales Utility Co., Ltd. (Lake Wales or utility) became subject to the jurisdiction of the Florida Public Service Commission on May 14, 1996. In Order No. PSC-97-0567-FOF-WS, issued May 20, 1997, in Docket No. 961485-WS, the utility was granted grandfather certificates to provide water and wastewater service.

(C) The Florida Public Service Commission had a hearing on November 23, 1998 Docket No. 981258-WS.

(D) Pursuant to Order No. PSC-98-1570-FOF-W9 issued November 23, 1998, Lake Wales Utility Co., Ltd. was required to issue this Corporate Undertaking.

AGREEMENT:

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby agrees as follows:

1. Guarantor unconditionally, absolutely and irrevocably guarantees \$50,844.00 for any potential refund of water and wastewater revenues pursuant to the final ruling on the investigation of water and wastewater rates Docket No. 981258-WS.

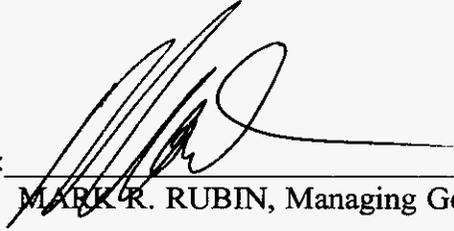
IN WITNESS WHEREOF, this guaranty shall be binding as of the date first set forth above.

LAKE WALES UTILITY CO., LTD.

WITNESSES:

Rae Yamada

Elio Nisrati

BY: 
MARK R. RUBIN, Managing General Partner