

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Peoples Gas System, Inc. for Authority to Issue and Sell Securities During Year Ending December 31, 1989.)	DOCKET NO. 881538-GU
)	ORDER NO. 20716
)	ISSUED: 2-9-89

The following Commissioners participated in the disposition of this matter:

MICHAEL MCK. WILSON, Chairman
 THOMAS M. BEARD
 BETTY EASLEY
 JOHN T. HERNDON

ORDER GRANTING AUTHORITY TO PEOPLES GAS SYSTEM, INC.
TO ISSUE DEBT IN 1989

BY THE COMMISSION:

Pursuant to Section 366.04, Florida Statutes, an application was filed on November 23, 1988, by Peoples Gas System, Inc. (Peoples) seeking authority to issue and sell up to \$15 million in long-term debt securities and have outstanding a maximum of \$30 million in new long-term and short-term debt securities during calendar year 1989.

According to Peoples, the long-term debt securities will be in the form of first mortgage bonds, debentures, convertible debentures, notes, installment contracts, and/or obligations underlying industrial development revenue bonds. The maturities of these debt securities would be up to thirty years. The sale of the long-term debt securities would be through private or public offerings. Actual interest rates will be determined by market conditions at the time of the sale.

The application indicates that short-term securities will be sold to commercial banks and/or through the commercial paper market at cost rates consistent with comparable interest rates at the time of sale. The proceeds will be used for working capital requirements, funding of Peoples' construction program, repayment of short-term obligations, and the potential refund of long-term obligations if economically feasible. Expenditures for People's fiscal 1989 construction budget are estimated to be approximately \$23.3 million.

Having reviewed the application, we find that it should be granted. It is, therefore,

ORDERED by the Florida Public Service Commission that the application of Peoples Gas System, Inc. for authority to issue and sell securities as described herein is granted. It is further

ORDERED that Peoples Gas System, Inc. shall file a consummation report in compliance with Rule 25-8.009, Florida Administrative Code, within ninety (90) days after issuance of the securities authorized by this Order. It is further

ORDERED that the foregoing authorization is without prejudice to the authority of this Commission with respect to

DOCUMENT NUMBER-DATE
 01549 FEB -9 1989
 FPSC-RECORDS/REPORTING

ORDER NO. 20716
DOCKET NO. 881538-GU
PAGE 2

rates, service, accounts, valuation, estimates or determinations of costs, or any other matter whatsoever now pending or which may come before this Commission, as provided in Section 366.04, Florida Statutes.

By ORDER of the Florida Public Service Commission,
this 9th day of FEBRUARY, 1989.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

MRC

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.