

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Gulf Power Company for authority to receive common equity contributions and to issue and sell securities during the year ending March 31, 1990.	)	DOCKET NO. 890051-EI
	)	ORDER NO. 20867
	)	ISSUED: 3-9-89

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD  
 BETTY EASLEY  
 GERALD L. GUNTER  
 JOHN T. HERNDON

ORDER AUTHORIZING THE RECEIPT OF EQUITY CONTRIBUTIONS AND ISSUANCE OF SECURITIES

BY THE COMMISSION:

On January 12, 1989, Gulf Power Company (Gulf or utility) filed an application with the Florida Public Service Commission seeking authorization to receive common equity contributions from the Southern Company (Gulf's parent company) and to issue and sell long-term securities that will total not more than \$75 million, along with a maximum at any one time of \$50 million in short-term debt during the twelve-month period ending March 31, 1990. Gulf's application was filed pursuant to Section 366.04, Florida Statutes, and Chapter 25-8, Florida Administrative Code.

Concerning the expenditure of the above funds, Gulf stated in its application that the net proceeds to be received from these additional funds will be added to the utility's general funds and will be used for working capital requirements and for other general business purposes, including the financing of the utility's construction program. The net proceeds received may also be used to repay previously issued short-term unsecured promissory notes and to refund outstanding, high cost long-term debt and preferred stock. Subject to market conditions, Gulf may refinance such long-term obligations with new issuances of long-term debt and/or preferred stock. The net proceeds may also be used to reimburse the treasury for expenditures against which securities have not been issued. The utility is engaged in a continuous construction program to accommodate existing and estimated future loads of the system. Total construction additions during 1989 are estimated to cost \$69,152,000.

Having reviewed the application, it is the finding of this Commission that the receipt, issuance and sale of the above-discussed securities, within the limits described, will not impair Gulf's ability to perform its services as a public utility, are for lawful utility purposes within Gulf's corporate power, and that the application should be granted subject to the conditions hereinafter stated.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the application of Gulf Power Company for authorization to receive common equity contributions and to issue and sell long-term

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debt and securities, not to exceed \$75 million, and to incur a maximum at any one time of \$50 million in short-term debt during the twelve-month period ending March 31, 1990, is approved. It is further

ORDERED that Gulf Power Company shall file a consummation report in compliance with Rule 25-8.009, Florida Administrative Code, within ninety (90) days after the issuance of any long-term securities, pursuant to the authorization conferred by this Order. It is further

ORDERED that the foregoing authorization is without prejudice to the authority of this Commission with respect to rates, services, accounts, valuations, estimates or determinations of costs, or any other matter whatsoever now pending or which may come before this Commission, as provided in Section 366.041, Florida Statutes.

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

  
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STEVE TRIBBLE, Director  
Division of Records and Reporting

( S E A L )

MRC