

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for) DOCKET NO. 960044-GU
authority to issue securities by) ORDER NO. PSC-96-0326-FOF-GU
West Florida Natural Gas) ISSUED: March 6, 1996
Company.)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

**FINAL ORDER GRANTING AUTHORITY TO WEST FLORIDA
NATURAL GAS COMPANY TO ISSUE SECURITIES**

BY THE COMMISSION:

Pursuant to Section 366.04, Florida Statutes, West Florida Natural Gas Company (WFNG or the Company) filed an application on January 10, 1996, requesting authorization to issue long-term debt in an amount not to exceed \$5 million during the 12 months ending December 31, 1996. The Company also seeks authority to renew short-term debt in an amount not to exceed \$3.0 million.

According to WFNG, the long-term debt securities will be used to fund capital expenditures, including system and improvement. The Company plans to issue \$5 million in Series C Bonds with interest only payable for the first five years. Interest will be paid semiannually and will be fixed at approximately 7.30%.

In addition, the Company requests authority to renew its existing revolving line of credit. The line of credit and issuance of the associated promissory notes were previously approved by Order No. PSC-95-0706-FOF-GU, in Docket No. 950476-GU. This line is used to supplement cash flow during periods when disbursements exceed receipts. The existing line of credit expires on October 31, 1996, and the company anticipates it will be renewed at that time. The interest rate will float at the lender bank's prime plus 1/2 percent. The outstanding balance will not exceed \$3.0 million at any time.

We find WFNG's request for authority to issue securities to be reasonable and comport with the applicable provisions of Florida Statutes and Florida Administrative Code.

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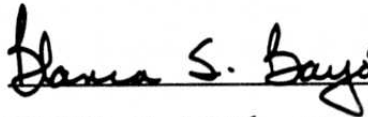
Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that the application of West Florida Natural Gas Company to issue securities as described herein is granted. It is further

ORDERED that West Florida Natural Gas Company shall file a consummation report in compliance with Rule 25-8.009, Florida Administrative Code, within ninety (90) days after the end of the fiscal year in which it issues 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 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 6th day of March, 1996.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

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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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 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 and/or wastewater 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.