

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application by City Gas
Company of Florida for authority
to issue and sell securities
during the 12 months ending
September 30, 2001.

DOCKET NO. 001084-GU
ORDER NO. PSC-00-2148-PAA-GU
ISSUED: November 13, 2000

The following Commissioners participated in the disposition of
this matter:

J. TERRY DEASON, Chairman
E. LEON JACOBS, JR.
LILA A. JABER
BRAULIO L. BAEZ

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING AUTHORITY TO ISSUE AND SELL SECURITIES

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service
Commission that the action discussed herein is preliminary in
nature and will become final unless a person whose interests are
substantially affected files a petition for a formal proceeding,
pursuant to Rule 25-22.029, Florida Administrative Code.

City Gas Company of Florida (City Gas), a division of NUI
Corporation (NUI), filed an application on August 9, 2000, seeking
Commission approval pursuant to Section 366.04, Florida Statutes,
and Chapter 25-8, Florida Administrative Code, to issue and sell
securities for the twelve months ending September 30, 2001. Notice
of City Gas' application was given in the Florida Administrative
Weekly on September 22, 2000. City Gas filed an amendment to its
original application on September 7, 2000, which increased the
dollar amount of its authority to \$125 million in common stock,
long-term debt, short-term debt, or any combination thereof.
Additionally, on September 13, 2000, City Gas clarified by letter
that it proposes to issue, during fiscal year 2001, short-term debt

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to be sold in the commercial paper market, the total amount of commercial paper not to exceed \$125 million.

NUI states that proceeds from the issuance of debt for which NUI seeks authority will be used to enable NUI to perform its obligation to manage and operate its utility businesses so as to continue to provide reliable and economic service to its customers in its rapidly growing service areas. The purposes for which NUI seeks issuance of the described securities are consistent with and will not impair the proper performance by City Gas as a public utility. NUI alleges that the issuance of these securities is for a lawful object within its corporate purposes, and is reasonable, necessary and appropriate to provide reliable and economic service to its customers in its rapidly growing service area.

Having reviewed the application, it is the finding of this Commission that the issuance and sale of the aforementioned securities will not impair the ability of City Gas to perform the services of a public utility. These transactions are for such lawful purposes within City Gas' corporate powers and, as such, the application is granted subject to the conditions stated herein.

Our approval of the proposed issuance of securities by City Gas does not indicate specific approval of any rates, terms or conditions associated with the issuance. Such matters are properly reserved for review by the Commission within the context of a rate proceeding.

City Gas requested authorization beginning October 1, 2000. However, the matter was not decided until October 17, 2000. Accordingly, the authority to issue and sell securities begins on the date of our decision, October 17, 2000.

Based on the foregoing, it is

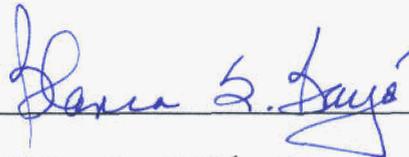
ORDERED by the Florida Public Service Commission that the application by City Gas Company of Florida, a division of NUI Corporation, to issue and sell securities, is approved for the period beginning October 17, 2000, and ending September 30, 2001. It is further

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ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that this docket remain open pending the submission of the consummation report by City Gas Company of Florida.

By ORDER of the Florida Public Service Commission this 13th Day of November, 2000.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, 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 will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on December 4, 2000.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.