

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for authority
to issue and sell securities
during 12 months ending 6/30/97
by City Gas Company of Florida

DOCKET NO. 960547-GU
ORDER NO. PSC-97-0553-FOF-GU
ISSUED: May 15, 1997

The following Commissioners participated in the disposition of this matter:

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

ORDER GRANTING APPLICATION
FOR MODIFICATION OF AUTHORITY TO ISSUE
AND SELL SECURITIES

BY THE COMMISSION:

Pursuant to Order No. PSC-96-0846-FOF-GU, issued July 2, 1996 (as amended in Order No. PSC-96-0846A-FOF-GU, issued July 9, 1996), in Docket No. 960547-GU, we approved City Gas Company of Florida's (City Gas), a division of NUI Corporation (NUI), (Company) application to issue and sell equity securities, long-term debt obligations, and short-term indebtedness, not to exceed \$80 million in the aggregate, during the twelve-month period ending June 30, 1997.

On March 24, 1997, City Gas filed an application for modification of its authority to issue and sell securities during the twelve-month period ending June 30, 1997. City Gas requests authority for NUI to apply a portion of the proceeds of the securities for the acquisition of a 49% interest in T.I.C. Enterprises, Inc. (TIC). Subsequent to the transaction, NUI intends to convert TIC into a limited liability company.

The Company asserts that TIC can provide marketing expertise that facilitates NUI's utility-related activities. Moreover, NUI maintains that the acquisition of TIC will not impair City Gas's ability to provide reasonable service at reasonable rates.

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The Company's assertions appear reasonable. Therefore, we approve City Gas's application for modification of authority to issue and sell securities during the twelve months ending June 30, 1997. However, we retain jurisdiction to disallow any of the costs associated with this transaction for rate making purposes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the application of NUI Corporation, doing business as City Gas Company of Florida, to modify its authority to issue and sell equity securities, long-term debt obligations, and short-term indebtedness, not to exceed \$80 million in the aggregate, during the twelve months ending June 30, 1996, as discussed above, is approved. It is further

ORDERED that NUI Corporation, doing business as City Gas Company of Florida, is, hereby, authorized to issue short-term indebtedness up to, but not exceeding, 25 percent of the par value of the other outstanding securities of NUI Corporation, doing business as City Gas Company of Florida. It is further

ORDERED that NUI Corporation, doing business as City Gas Company of Florida, shall file a consummation report in compliance with Rule 25-8.009, Florida Administrative Code, within 90 days after the end of any fiscal year in which it issues securities.

By ORDER of the Florida Public Service Commission, this 15th day of May, 1997.



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 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.