BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| In re: Application for authority to issue debt security during calendar year 2017, pursuant to Section 366.04, F.S., and Chapter 25-8, F.A.C., by Florida City Gas. | DOCKET NO. 160227-GUORDER NO. PSC-16-0559-FOF-GUISSUED: December 15, 2016 |

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman

LISA POLAK EDGAR

ART GRAHAM

RONALD A. BRISÉ

JIMMY PATRONIS

FINAL ORDER GRANTING APPROVAL FOR AUTHORITY TO ISSUE DEBT SECURITY

BY THE COMMISSION:

Florida City Gas, a division of Pivotal Utility Holdings, Inc. (FCG or Company), filed an application on October 26, 2016 seeking Commission approval pursuant to Section 366.04, Florida Statutes (F.S.), and Chapter 25-8, Florida Administrative Code (F.A.C.), to issue short-term debt securities for the twelve month period ending December 31, 2017. Notice of FCG’s application was given in the Florida Administrative Register on November 23, 2016.

 Florida City Gas is a division of Pivotal Utility Holdings, Inc. (Pivotal Utilities), which is a wholly-owned subsidiary of Southern Gas Company. FCG seeks authority to finance its on-going cash requirements through its participation and borrowings from and investments in Southern Gas Company’s Utility Money Pool. The Company will make short-term borrowings annually from the Utility Money Pool, not to exceed $800 million according to limits that are consistent, given the seasonal nature of the Company’s business and its anticipated cash demands, with the Company’s capitalization. The maximum aggregate borrowings by Pivotal Utilities’ three utilities from the Utility Money Pool during 2017 will not exceed $800 million. FCG’s share of these borrowings will not exceed $250 million.

It appears that FCG has complied with the requirements of Section 366.04, F.S., and Chapter 25-8, F.A.C., in applying for the authority to issue debt securities. Having reviewed the application, it is the finding of this Commission that the issuance of the aforementioned debt securities will not impair the ability of Florida City Gas to perform the services of a public utility. Therefore, FCG’s application is hereby granted as set forth in the body of this Order.

 Our approval of the proposed issuance of short-term debt securities by FCG 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.

 Based on the foregoing, it is

 ORDERED by the Florida Public Service Commission that the application by Florida City Gas, a division of Pivotal Utility Holdings, Inc., to issue short-term debt securities, is approved as set forth in the body of this Order. It is further

 ORDERED that the maximum aggregate borrowings by Pivotal Utility Holdings, Inc.’s three utilities from Southern Gas Company’s Utility Money Pool during 2017 shall not exceed $800 million. It is further

 ORDERED that the maximum amount of borrowings by Florida City Gas from Southern Gas Company’s Utility Money Pool during 2017 shall not exceed $250 million. It is further

 ORDERED that Florida City Gas shall file a consummation report in compliance with Rule 25-8.009, Florida Administrative Code, within 90 days of the end of the fiscal year in which it issues any securities authorized by this Order. It is further

 ORDERED that this docket shall remain open to monitor the issuance of debt securities until Florida City Gas submits and Commission staff has reviewed, the consummation report, at which time it shall be closed administratively.

 By ORDER of the Florida Public Service Commission this 15th day of December, 2016.

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|  | /s/ Carlotta S. Stauffer |
|  | CARLOTTA S. STAUFFERCommission Clerk |

Florida Public Service Commission

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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

WDT

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 Office of Commission Clerk, 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 Office of Commission Clerk, 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.