BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| In re: Application for authority to issue and sell securities for 12 months ending December 31, 2025, by Tampa Electric Company. | DOCKET NO. 20240131-EI  ORDER NO. PSC-2024-0478-FOF-EI  ISSUED: November 21, 2024 |

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman

ART GRAHAM

GARY F. CLARK

ANDREW GILES FAY

GABRIELLA PASSIDOMO

FINAL ORDER GRANTING TAMPA ELECTRIC COMPANY

AUTHORITY TO ISSUE AND SELL SECURITIES

BY THE COMMISSION:

Tampa Electric Company (“TECO” or “Company”) filed an application with the Florida Public Service Commission (“Commission”) on August 29, 2024, pursuant to Section 366.04, Florida Statutes (“F.S.”), and Chapter 25-8, Florida Administrative Code, for authority to issue and/or sell securities for the 12-month fiscal period ending December 31, 2025.

Proper notice of TECO’s application was provided in the Florida Administrative Register on October 21, 2024. A final hearing took place on November 5, 2024.

We have jurisdiction over this matter pursuant to Section 366.04, F.S.

1. Proposed Transactions

TECO seeks the authority to issue, sell, and/or exchange equity securities and issue, sell, exchange, and/or assume long-term or short-term debt securities and/or to assume liabilities or obligations as guarantor, endorser, or surety during the 2025 calendar year. TECO also seeks authority to enter into interest rate swaps or other derivative instruments related to debt securities. Any exercise of the requested authority will be for the benefit of the Company. TECO confirms that capital raised pursuant to this application will be used in connection with the activities of the Company’s regulated electric activities and not the unregulated activities of TECO or its affiliates.

The equity securities may take the form of preferred stock, preference stock, common stock, or options or rights with respect to the foregoing with such par values, terms and conditions, conversion, and relative rights and preferences as is permitted by the Company’s Restated Articles of Incorporation, which may be amended to permit the issuance of any such securities. The long-term debt securities may take the form of first mortgage bonds, debentures, notes, bank borrowings, convertible securities, or options, rights, interest rate swaps, or other derivative instruments with respect to the foregoing, with maturities ranging from 1 to 100 years, and may be issued in both domestic and international markets.

The issuance or sale of equity securities and long-term debt requested may be through negotiated underwritten public offering, public offering at competitive bidding, direct public or private sale, sale through agents, or distribution to security holders of the Company or affiliated companies.

Short-term debt may take the form of commercial paper, short-term tax-exempt notes, borrowings under bank credit facilities, or other bank borrowings. Short-term debt sold in the commercial paper market may bear an interest rate as determined by the market price on the date of issuance and will mature not more than one year from the date of issuance.

The amount of all equity and long-term debt securities issued, sold, exchanged, or assumed as well as liabilities and obligations assumed or guaranteed as guarantor, endorser, or surety will not exceed in the aggregate $1.1 billion during the 2025 calendar year, including any amounts issued to retire existing long-term debt securities. The maximum amount of short-term debt, as described above, outstanding at any one time, will be $1.2 billion.

With respect to equity and long-term debt securities and liabilities and obligations to be assumed or guaranteed as grantor, endorser, or surety, the amount of $200 million is needed for potential long-term emergency funding; and the amount of $900 million is needed based on projected short-term debt levels and for other purposes (e.g., swaps, refinancings, etc.). With respect to short-term debt, the amount of up to $1.2 billion at any time outstanding is needed to enable the Company to fully draw existing short-term credit facilities including what may be needed to avail TECO of short-term emergency funding and other purposes.

The interest rate that TECO could pay on debt securities will vary depending upon market conditions and the type and terms of debt instrument. Present estimates of interest rates for the aforementioned debt securities, based upon current trading levels of unsecured short-term debt and 30-year notes of the Company are 4.30% and 5.50%, respectively. Actual dividend rates for the equity securities and interest rates will be determined at the time of the issuance and/or sale of the applicable securities.

1. Purpose of Issuance

Proceeds from any sale of securities will be added to the Company’s general funds and used for working capital requirements and other general business purposes in connection with electric regulated activities, including financing of TECO’s capital investments or the acquisition of additional properties or businesses. The net proceeds received from the sale of securities may also be used for the repurchase or repayment of debt or equity securities of the Company.

1. Construction

Although the 2025 business plan is still preliminary, TECO estimates that construction expenditures during the 12 months ending December 31, 2025, will be $1.617 billion.

1. Reimbursement of the Treasury

Among the general business purposes for which any net proceeds may be used is the reimbursement of the treasury for expenditures by the Company against which securities will not have been issued in advance.

1. Refunding Obligations

One of the purposes of issuing the securities referred to herein will be to repay previously issued short-term debt, of the type described above in Section I, which matures from time to time on a regular basis. Subject to market conditions, TECO may refund such short-term debt with new short-term debt, long-term debt, or preferred or preference stock.

In addition, the Company is continuing to monitor and evaluate market conditions in anticipation of refunding or refinancing long-term obligations where it is legally and economically feasible to do so. Recognizing that changes in market conditions could make such refunding transactions feasible, TECO seeks authority to issue long-term debt and/or preferred or preference stock within a limitation that provides the Company with sufficient flexibility to respond to refunding or refinancing opportunities.

1. Representations

TECO states that the proposed issuance and sale of securities is for lawful objectives within the corporate purposes of the Company, is necessary for the proper performance by the Company as a public utility, is compatible with the public interest, and is reasonable, necessary, and appropriate. TECO states that the proposed issuance and sale of securities and the proposed application of funds derived therefrom are consistent with similar actions the Company has historically found to be lawful, reasonable, necessary, and appropriate for the conduct of its business. TECO further submits that this application for authority to issue and sell securities is consistent in its objectives with those of applications the Company has filed and which this Commission found to be lawful, reasonable, necessary, and appropriate, on numerous occasions in the past.

A Registration Statement with respect to each public offering of securities herein that is subject to and not exempt from the registration requirements of the Securities Act of 1933, as amended, will be filed with the U.S. Securities and Exchange Commission, 100 F St. N.E., Washington, D.C. 20549.

There is no measure of control or ownership exercised by or over the Company as to any other public utility except as follows: On April 14, 1981, TECO’s shareholders approved a restructuring plan under which the Company and its subsidiaries became separate wholly-owned subsidiaries of a holding company, TECO Energy, Inc. Then on July 1, 2016, TECO Energy, Inc. became a wholly-owned subsidiary of Emera US Holdings Inc., which is itself a wholly-owned subsidiary of Emera Incorporated. And on April 1, 2024, TECO Energy, Inc. distributed its investment in TECO to TECO Holdings, Inc. in a transaction intended to qualify as a tax-free reorganization. TECO Holdings, Inc. is also an indirect, wholly-owned subsidiary of Emera Incorporated.

1. Conclusion

Having reviewed TECO’s application and hearing from all those present, we find that the transactions described in this application will not impair the ability of the Company to perform the services of a public utility. These transactions are for such lawful purposes within the Company’s corporate powers and, as such, the application is granted.

This Commission’s approval of the proposed issuance and/or sale of securities does not indicate specific approval of any rates, terms, or conditions associated with the issuance. Such matters are properly reserved for our review within the context of a rate proceeding. Our approval of the issuance of securities constitutes approval only as to the legality of the issue. In approving the subject financing, we retain the right to disallow any of the costs incurred for ratemaking purposes.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Application of Tampa Electric Company for Authority to Issue and Sell Securities pursuant to Section 366.04, Florida Statutes, and Chapter 25-8, Florida Administrative Code, is GRANTED as set forth herein. It is further

ORDERED that Tampa Electric Company is authorized to issue, sell, exchange, and/or assume any combination of long-term debt securities and equity securities and/or assume liabilities or obligations as guarantor, endorser, or surety in an aggregate amount not to exceed $1.1 billion during the 2025 calendar year, for the purposes and in the manner described in the Company’s application. It is further

ORDERED that Tampa Electric Company is authorized to issue, sell, exchange, and/or assume any combination of short-term debt securities in an amount such that the aggregate principal outstanding at any time, including any such sale, shall not exceed $1.2 billion during the 2025 calendar year, for the purposes and in the manner described in the Company’s application. It is further

ORDERED that Tampa Electric Company may enter into interest rate swaps, refinancings, or other derivative instruments related to debt securities during the 2025 calendar year. It is further

ORDERED that Tampa Electric Company will file a Consummation Report, pursuant to Rule 25-8.009, Florida Administrative Code, with this Commission within 90 days after the end of the 2025 calendar year. It is further

ORDERED that this docket shall remain open until May 1, 2026, to monitor the issuance and/or sale of securities until Tampa Electric Company submits, and Commission staff reviews, Tampa Electric Company’s Consummation Report, at which time the docket shall be closed administratively.

By ORDER of the Florida Public Service Commission this 21st day of November, 2024.

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|  | /s/ Adam J. Teitzman |
|  | ADAM J. TEITZMAN  Commission 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.

CMM

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission (“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 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.