

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for authority to issue and sell securities for 12 months ending December 31, 2026, by Peoples Gas System, Inc.

DOCKET NO. 20250101-GU
ORDER NO. PSC-2025-0403-FOF-GU
ISSUED: October 27, 2025

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman
GARY F. CLARK
ANDREW GILES FAY
GABRIELLA PASSIDOMO SMITH

FINAL ORDER GRANTING PEOPLES GAS SYSTEM, INC.
AUTHORITY TO ISSUE AND SELL SECURITIES

BY THE COMMISSION:

Peoples Gas System, Inc. (PGS or Company) filed an application with this Commission on August 14, 2025 pursuant to Section 366.04, Florida Statutes (F.S.), and Chapter 25-8, Florida Administrative Code (F.A.C.), for authority to issue and/or sell securities for the 12-month fiscal period ending December 31, 2026.

PGS includes a balance sheet within its application showing information for each class and series of capital stock and funded debt as of December 31, 2024, shown below:

(a) Brief description	(b) Amount authorized (face value and number of shares)	(c) Amount outstanding (exclusive of any amount held in the treasury)	(d) Amount held as reacquired securities	(e) Pledged by applicant	(f) Amount owned by affiliated corporations	(g) Amount held in any fund
Common Stock	100 shares, \$1.00 par value	None	None	None	None	None
Funded Debt:						
Unsecured Notes:						
5.42% Series, due 2028	350,000,000	350,000,000	None	None	None	None
5.63% Series, due 2033	350,000,000	350,000,000	None	None	None	None
5.94% Series, due 2053	225,000,000	225,000,000	None	None	None	None
Total Funded Debt	\$925,000,000	\$925,000,000				

Notice of PGS's application was given in the Florida Administrative Register on September 25, 2025. A final hearing took place on October 7, 2025.

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

I. Proposed Transactions

PGS seeks 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 calendar year 2026. The Company also requests authority to enter into interest rate swaps or other derivative instruments related to debt securities during calendar year 2026. PGS confirms in its application that any exercise of its requested authority will be for the benefit of the Company. PGS further states in its application that capital raised pursuant to this application will be used in connection with activities of regulated gas activities of PGS, and not the unregulated activities of the Company or its affiliates.

The amount of all equity and long-term debt securities issued, sold, exchanged, or assumed liabilities and obligations assumed or guaranteed, as guarantor, endorser, or surety will not exceed the aggregate amount of \$400 million during 2026, including any amounts issued to retire existing long-term debt securities. The maximum amount of short-term debt outstanding at any one time will be \$500 million. PGS states its estimated interest rates for debt securities are 6.10% for long-term debt and 4.60% for short-term debt.

II. Purposes of Issuance

PGS confirms in its application that proceeds of any sale of securities will be added to PGS's general funds and used for working capital requirements and for other general business purposes. PGS also notes that the net proceeds from the sale of securities may also be used for the repurchase or repayment of debt or equity securities of PGS.

A. Construction

While PGS's 2026 business plan is still preliminary, the Company currently estimates that construction expenditures during the calendar year of 2026 will be \$475 million for maintenance and expansion. There are no capital requirements for major generating plants and transmission lines requiring certification of need.

B. Reimbursement of the Treasury

PGS states that among its general business purposes for which any proceeds may be used is the reimbursement of the treasury for expenditures by the Company against which securities will not have been issued.

C. Refunding Obligations

PGS lists one of its purposes for issuing the securities mentioned in its application as repayment of previously issued short-term debt, which matures from time to time on a regular basis. PGS states it may refund such short-term debt with new short-term debt, long-term debt or equity securities based on market conditions.

PGS states that it continues 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, and it requests authority to issue long-term debt and/or equity securities within a limitation that provides the Company with sufficient flexibility to respond to refunding or refinancing opportunities.

III. Conclusion

The Company confirms that the proposed issuance and sale of securities is for lawful objectives within the corporate purposes of PGS, is necessary for the proper performance of PGS as a public utility, is compatible with the public interest, and is reasonable, necessary, appropriate. PGS further mentions that the proposed issuance and sale of securities and the proposed application of funds are consistent with similar actions of PGS in the past that were found lawful, reasonable, necessary, and appropriate for the conduct of its business.

Having reviewed PGS's application, we find that the transactions described in its application will not impair the ability of PGS to perform the services of a public utility. These transactions are for such lawful purposes within PGS's corporate powers and, as such, the application is granted.

Our approval of the proposed issuance and/or sale of securities does not indicate specific approval of any rates, terms, or conditions associated with this 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 Peoples Gas System, Inc. for authority to issue and sell securities during the twelve months ending on December 31, 2026 is hereby granted. It is further

ORDERED that that Peoples Gas Systems, Inc.'s request to issue, sell, exchange, or otherwise incur during 2026 up to \$400 million of any combination of equity securities and long-term debt securities and other long-term obligations is hereby granted. It is further

ORDERED that Peoples Gas Systems, Inc.'s request to issue, sell, exchange, or otherwise incur at any time during 2026 up to \$500 million outstanding of short-term debt securities and other short-term obligations is hereby granted. It is further

ORDERED that Peoples Gas Systems, Inc. will file a consummation report with us in compliance with Rule 25-8.009, Florida Administrative Code within 90 days after the close of the 2025 calendar year. It is further

ORDERED that this docket shall remain open until May 7, 2027 to monitor the issuance and/or sale of securities until Peoples Gas Systems, Inc. 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 27th day of October, 2025.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

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

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.