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September 12, 2023

VIA: ELECTRONIC FILING

Mr. Adam J. Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket 20230100; Application for Authority to Issue and Sell Securities for 12 months ending December 31, 2024, by Peoples Gas System, Inc.

Dear Mr. Teitzman:

Attached for filing in the above-styled matter is Peoples Gas System, Inc.'s Amended Application for Authority to Issue and Sell Securities for the year ending December 31, 2024.

Paragraph 6(d) of the original September 1, 2023 filing is amended to reflect the anticipated interest rates for debt securities. This filing is otherwise identical to the original filing.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink that reads 'Malcolm N. Means'.

Malcolm N. Means

MNM/nc
Attachment

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of
Peoples Gas System, Inc. for) DOCKET NO. 20230100
authority to issue and sell)
securities pursuant to Section 366.04,) Filed: September 12, 2023
Florida Statutes and Chapter 25-8,)
Florida Administrative Code)
_____)

**AMENDED APPLICATION OF
PEOPLES GAS SYSTEM, INC.
FOR AUTHORITY TO ISSUE AND SELL SECURITIES**

Pursuant to Section 366.04, Florida Statutes and Rule 25-8.001, et seq., Florida Administrative Code, Peoples Gas System, Inc. (“PGS”) files this Application for authority to issue and/or sell securities for the company’s fiscal period of 12 months ending December 31, 2024, and says:

1. The exact name of the company and the address of its principal business office are as follows: Peoples Gas System Inc., 702 North Franklin Street, Tampa, Florida, 33602.
2. Peoples Gas System, Inc., a Florida corporation, was organized in 2023.
3. PGS’s local gas distribution activities are subject to regulation by the Florida Public Service Commission (“FPSC” or “Commission”) under Chapter 366, Florida Statutes.
4. The names and addresses of persons authorized to receive notices and communications with respect to this Application are as follows:

J. Jeffry Wahlen
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Malcolm N. Means
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Paula K. Brown
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Manager, Regulatory Coordination
Tampa Electric Company
P. O. Box 111
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(813) 228-1444

5. As of December 31, 2022, the date of the balance sheet submitted with this Application, the following information is shown for each class and series of capital stock and funded debt. Please note this is the allocated portion of Tampa Electric's funded debt as of December 31, 2022. As stated in note 11, on January 1, 2023, a new corporate entity, Peoples Gas System Inc., was formed and is a wholly owned subsidiary of a newly formed gas operations holding company, TECO Gas Operations Inc., which is a subsidiary of TECO Energy Inc. As part of this transaction, PGS issued 100 shares of common stock to TEC, which were subsequently distributed to TECO Energy, Inc. and then contributed to TECO Gas Operations, Inc.

(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	7,500 shares, \$1.00 par value	None	None	None	None	None
Funded Debt:						
Unsecured Notes:						
3.875% Series, due 2024	37,500,000	37,500,000	None	None	None	None
2.40% Series, due 2031	115,000,000	115,000,000	None	None	None	None
6.15% Series, due 2037	60,000,000	60,000,000	None	None	None	None
4.10% Series, due 2042	50,000,000	50,000,000	None	None	None	None
4.35% Series, due 2044	10,000,000	10,000,000	None	None	None	None
4.20% Series, due 2045	20,000,000	20,000,000	None	None	None	None
4.30% Series, due 2048	75,000,000	75,000,000	None	None	None	None
4.45% Series, due 2049	25,000,000	25,000,000	None	None	None	None
3.625% Series, due 2050	25,000,000	25,000,000	None	None	None	None
3.45% Series, due 2051	115,000,000	115,000,000	None	None	None	None
5.00% Series, due 2052	37,500,000	37,500,000	None	None	None	None
Total Funded Debt	\$570,000,000	\$570,000,000				

6. Statement of Proposed Transactions

- (a) Peoples Gas System, Inc. 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 period covered by this Application. PGS 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 Peoples Gas System, Inc. In connection with this application, PGS confirms that the capital raised pursuant to this application will be used in connection with the activities of regulated gas activities of PGS, and not the unregulated activities of the utility or its affiliates.

The equity securities may take the form of common stock, or options or rights with respect to the foregoing with such par values, terms and conditions, and conversion rights as may be permitted by Peoples Gas System, Inc.'s Articles of Incorporation, as the same 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 one to 100 years, and may be issued in both domestic and international markets.

The issuance and/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 or placement, sale through agents, or distribution to security holders of Peoples Gas System, Inc., or affiliated companies.

The short-term debt may take the form of short-term tax-exempt notes, borrowings under bank credit facilities, or other bank borrowings.

(b) The amount of all equity and long-term debt securities issued, sold, exchanged, or assumed and liabilities and obligations assumed or guaranteed as guarantor, endorser, or surety will not exceed in the aggregate \$750 million during the period covered by this Application, 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 \$500 million.

(c) 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 \$750 million is needed based on the projected long-term debt levels and for other purposes including, but not limited to, the refinancing of outstanding short-term borrowings, the potential long-term emergency funding, the potential for unforeseen business and capital expenditures, and for other general corporate purposes. With respect to short-term debt, the amount of up to \$500 million at any time outstanding is needed to enable PGS to fully draw existing short-term credit facilities including what may be needed to avail the company of short-term emergency funding, the potential for unforeseen

business and capital expenditures, and for other general corporate purposes.

- (d) The interest rate that Peoples Gas System Inc. could pay on debt securities will vary depending on the type and terms of debt instrument, including the term of the debt along with market conditions at the time of the debt offering. Based on the estimates provided in the minimum filing requirements in the Peoples Gas System, Inc. petition for a base rate increase, the estimated interest rates for the abovementioned debt securities are 5.54% for long-term debt and 4.85% for short-term debt. Actual dividend rates for the aforementioned equity securities and interest rates will be determined at the time of the issuance and/or sale of the applicable securities.

7. Purpose of Issuance

Proceeds from any sale of securities will be added to Peoples Gas System Inc.'s general funds and used for working capital requirements and for other general business purposes, including financing of PGS'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 Peoples Gas System, Inc.

(a) Construction

Although the 2024 business plan is still preliminary, PGS currently estimates that construction expenditures during the 12 months ending December 31, 2024, will be \$362 million for maintenance and expansion. There are no capital requirements for major generating plants and transmission lines requiring certification of need:

<u>Projects (Millions)</u>	<u>Actual Capital to date</u>	<u>2024 Amount</u>
Not Applicable	-	-

(b) 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 Peoples Gas System Inc. against which securities will not have been issued in advance.

(c) 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 in paragraph 6, which matures from time to time on a regular basis. Subject to market conditions, the company may refund such short-term debt with new short-term debt, long-term debt or preferred or preference stock.

In addition, the company 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. Recognizing that changes in market conditions could make such refunding transactions feasible, the company is requesting 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.

8. Peoples Gas System, Inc. submits 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 Peoples Gas System, Inc. as a public utility, is compatible with the public interest and is reasonable, necessary, and appropriate. In support thereof, Peoples Gas System, Inc. states that the proposed issuance and sale of securities and the proposed application of funds derived therefrom, as described in paragraphs 6 and 7 above, are consistent with similar actions PGS in the past has found to be lawful, reasonable, necessary, and appropriate for the conduct of its business. Peoples Gas System, Inc. further states that this application for authority to issue and sell securities is consistent in its objectives with those of applications PGS has filed, and this Commission has found to be lawful, reasonable, necessary, and appropriate, on numerous occasions in the past.

9. The names and addresses of counsel who will pass upon the legality of the proposed issuances are: David M. Nicholson, General Counsel, Tampa Electric Company, Tampa, Florida; Michelle V. Szekeres, Associate General Counsel, Tampa Electric Company, Tampa, Florida; Holland & Knight LLP, Tampa, Florida; and/or Locke Lorde LLP, Boston, Massachusetts and/or such other counsel as the Company may deem necessary in connection with any of the proposed issuances.
10. A Registration Statement with respect to each public offering of securities hereunder that is subject to and not exempt from the registration requirements of the Securities Act of 1933, as amended, will be filed with the Securities and Exchange Commission, 100 F St. N.E., Washington, D.C. 20549.
11. There is no measure of control or ownership exercised by or over People Gas System, Inc. as to any other public utility except as noted below.

On April 14, 1981, the shareholders of Tampa Electric (“Tampa Electric”) approved a restructuring plan under which Tampa Electric and its subsidiaries became separate wholly owned subsidiaries of the holding company TECO Energy, Inc. PGS became an operating division of Tampa Electric in 1997 when TECO Energy, Inc. purchased Peoples Gas System, Inc. and merged that corporation into Tampa Electric. On July 1, 2016, TECO Energy, Inc. became a wholly owned subsidiary of Emera US Holdings Inc., a wholly owned subsidiary of Emera Inc. On May 24, 2021, the new corporate entity, Peoples Gas System, Inc., was formed and on January 1, 2023 became a wholly owned subsidiary of a newly formed gas operations holding company, TECO Gas Operations, Inc., which is a subsidiary of TECO Energy, Inc.

12. Required Exhibits.

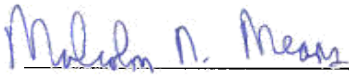
The following exhibits required by Rule 25-8.003, Florida Administrative Code, are either attached hereto or incorporated by reference herein and made a part hereof:

- (a) Exhibit A: Items 1 through 5 are being satisfied through the 2022 Annual Report of Natural Gas Utilities.
- (b) Exhibit B: Projected Financial Information (Sources and Uses of Funds Statements and Construction Budgets)

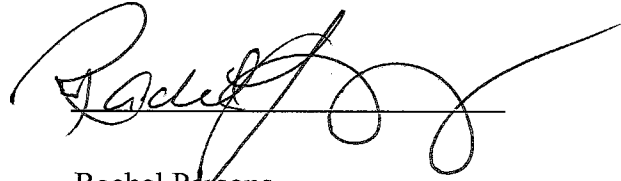
WHEREFORE, Peoples Gas System, Inc. respectfully requests that the Commission enter its Order approving their applications for authority to issue and sell securities during the 12-month period ending December 31, 2024, in the amounts specified in paragraph 12 and 20, above.

DATED this 12th day of September 2023.

PEOPLES GAS SYSTEM, INC.



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Head of Financial Performance

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Report of Independent Auditors

To the Board of Directors of Tampa Electric Company

We have audited the financial statements of the Peoples Gas System division of Tampa Electric Company (the “Company”), which comprise the comparative balance sheets as of December 31, 2022 and 2021, and the related statements of income and retained earnings for the years then ended and the related notes to the financial statements, included on pages 6 to 11 in the accompanying Annual Report of Natural Gas Utilities (collectively referred to as the “financial statements”) filed with the Florida Public Service Commission as required by Rule 25-7.135(2).

In our opinion, the accompanying financial statements present fairly, in all material respects, the regulatory basis financial position of the Company as of December 31, 2022 and 2021, and the results of its regulatory basis operations for the years then ended on the basis of the financial reporting provisions of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases described in the opening paragraph preceding the notes.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities of the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Regulatory Basis of Accounting

We draw attention to the opening paragraph preceding the notes to the financial statements. As described in the opening paragraph preceding the notes to the financial statements, the financial statements have been prepared by the Company on the basis of the financial reporting provisions of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a basis of accounting other than U.S. generally accepted accounting principles, to meet the requirements of the FERC. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these regulatory basis financial statements in accordance with the financial reporting provisions of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases as described in the opening paragraph in the notes; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Restriction on Use

Our report is intended solely for the information and use of the Company and the Florida Public Service Commission and is not intended to be and should not be used by anyone other than these specified parties.

April 24, 2023

A handwritten signature in black ink that reads 'Ernst & Young LLP'.

ANNUAL REPORT OF NATURAL GAS UTILITIES

IDENTIFICATION

01 Exact Legal Name of Respondent Peoples Gas System, a Division of Tampa Electric Company		02 Year of Report 2022
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) 702 N. Franklin Street Tampa, Florida 33602		
05 Name of Contact Person Rosemary Barbour		06 Title of Contact Person Controller
07 Address of Contact Person (Street, City, State, Zip Code) P.O Box 2562 Tampa, Florida 33601-2562		
08 Telephone of Contact Person, Including Area Code (813) 228 - 4191		09 Date of Report (Mo., Day, Yr) Dec. 31, 2022

ATTESTATION

I certify that I am the responsible accounting officer of
Peoples Gas System;
 that I have examined the following report; that to the best of my knowledge,
 information, and belief, all statements of fact contained in the said report are true
 and the said report is a correct statement of the business and affairs of the above-
 named respondent in respect to each and every matter set forth therein during the
 period from January 1, 2022 to December 31, 2022, inclusive.

I also certify that all affiliated transfer prices and affiliated cost allocations
 were determined consistent with the methods reported to this Commission on the
 appropriate forms included in this report.

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing
 with the intent to mislead a public servant in the
 performance of his or her official duty shall be guilty of a
 misdemeanor of the second degree, punishable as provided in
 S. 775.082 and S. 775.083.

Rosemary Barbour
 Signature

4/24/23
 Date

Rosemary Barbour
 Name

Controller
 Title

