



Attorneys and Counselors at Law
123 South Calhoun Street
P.O. Box 391 32302
Tallahassee, FL 32301
P: (850) 224-9115
F: (850) 222-7560
ausley.com

April 30, 2024

VIA EMAIL

Suzanne Hawkes
Division of Accounting and Finance
Florida Public Service Commission
Room 160B – Gerald L. Gunter Bldg.
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
shawkes@psc.state.fl.us

Re: Peoples Gas System, Inc.; SGT Annual Report per 25-7.100

Dear Ms. Hawkes:

On behalf of Peoples Gas System, Inc., please find attached its SeaCoast Gas Transmission Annual Report required by Rule 25-7.100, Florida Administrative Code.

Sincerely,

A handwritten signature in blue ink that reads 'V. Ponder'.

Virginia Ponder

VLP/ne
Attachment

Balance Sheets

SeaCoast Gas Transmission, LLC*

December 31, 2023

	Bal at beg of Yr	Bal at end of Yr
Assets		
Current assets:		
Cash and cash equivalents	291,796	238,988
Accounts receivable	2,660,521	2,702,595
Inventory	-	-
Prepayments and other assets	51,362	27,634
Lease receivable	98,875,813	98,553,256
Total current assets	\$ 101,879,492	\$ 101,522,472
Property, plant and equipment		
Utility plant in service	97,278,553	96,542,753
Construction work in progress	335,221	337,389
Less accumulated depreciation	(15,526,272)	(17,463,243)
Total property, plant and equipment, net	\$ 82,087,502	\$ 79,416,899
Other assets:		
Deferred income taxes	-	7,615,283
Deferred charges and other assets	-	-
Total other assets	\$ -	\$ 7,615,283
Total assets	\$ 183,966,994	\$ 188,554,654
Liabilities and Capital		
Current liabilities:		
Notes payable	-	-
Accounts payable	334,797	306,042
Interest accrued	-	711,658
Taxes accrued	35,157	(88,894)
Other current liabilities	148,360	(120,563)
Total current liabilities	\$ 518,314	\$ 808,243
Other liabilities:		
Deferred income tax	-	38,281,190
Advances from associated companies	137,040,000	147,100,000
Deferred credits and other liabilities	-	-
Long-term debt	-	-
Total long-term liabilities	\$ 137,040,000	\$ 185,381,190
Capital		
Retained earnings	46,408,680	2,365,220
Additional paid in capital	-	-
Total capital	\$ 46,408,680	\$ 2,365,220
Total liabilities and capital	\$ 183,966,994	\$ 188,554,654

*Prior to January 1, 2023, SeaCoast Gas Transmission (SGT) was a subsidiary of TECO Pipeline Holdings (TPH), which was a subsidiary of TECO Energy, Inc. Accordingly, income tax was recorded on the books of TPH. On January 1, 2023, the assets and liabilities of TPH were transferred to SGT and TPH was dissolved. SGT is a wholly owned subsidiary of a newly formed gas operations holding company, TECO Gas Operations, Inc., a wholly owned subsidiary of TECO Energy. The 2023 financial statements include the effect of this change, including income tax expense, deferred taxes and changes to retained earnings.

Income Statement

SeaCoast Gas Transmission, LLC*
For the Years Ended December 31, 2023 and 2022

	2023	2022
Revenues		
Operating revenues	29,016,382	27,672,331
Total Revenues	\$ 29,016,382	\$ 27,672,331
Expenses		
Operation expenses	3,411,582	2,278,810
Maintenance expenses	329,372	175,087
Depreciation and amortization	1,936,971	1,892,770
Taxes, other than income	2,698,358	1,179,522
Total Expenses	\$ 8,376,284	\$ 5,526,189
Income from operations	\$ 20,640,099	\$ 22,146,142
Other income (expense)		
Allowance for funds used during construction	-	-
Other income	(3,683)	(8,074)
Total other income	\$ (3,683)	\$ (8,074)
Interest charges		
Interest expense	8,732,427	-
Total interest charges	\$ 8,732,427	\$ -
Provision for income taxes	3,017,553	-
Net income	\$ 8,886,435	\$ 22,138,068

*Prior to January 1, 2023, SeaCoast Gas Transmission (SGT) was a subsidiary of TECO Pipeline Holdings (TPH), which was a subsidiary of TECO Energy, Inc. Accordingly, income tax was recorded on the books of TPH. On January 1, 2023, the assets and liabilities of TPH were transferred to SGT and TPH was dissolved. SGT is a wholly owned subsidiary of a newly formed gas operations holding company, TECO Gas Operations, Inc., a wholly owned subsidiary of TECO Energy. The 2023 financial statements include the effect of this change, including income tax expense, deferred taxes and changes to retained earnings.

Statement of Changes in Capital

SeaCoast Gas Transmission, LLC*

December 31, 2023

Balance at December 31, 2022		\$	46,408,680
Net income			8,886,435
Dividends to parent period Jan-Sept 2023			(6,642,369)
Dividends to parent period 2022			(16,299,376)
Adjustment related to TECO Pipeline Holdings transfer			(29,988,150)
Balance at December 31, 2023		\$	2,365,220

*Prior to January 1, 2023, SeaCoast Gas Transmission (SGT) was a subsidiary of TECO Pipeline Holdings (TPH), which was a subsidiary of TECO Energy, Inc. Accordingly, income tax was recorded on the books of TPH. On January 1, 2023, the assets and liabilities of TPH were transferred to SGT and TPH was dissolved. SGT is a wholly owned subsidiary of a newly formed gas operations holding company, TECO Gas Operations, Inc., a wholly owned subsidiary of TECO Energy. The 2023 financial statements include the effect of this change, including income tax expense, deferred taxes and changes to retained earnings.