STATE OF CALIFORNIA GAVIN NEWSOM, *Governor*

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

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November 13, 2026

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Ratesetting

TO PARTIES OF RECORD IN APPLICATION 25-12-004:

This is the proposed decision of Administrative Law Judge Eric Fredericks. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's December 17, 2026, Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

The Commission may hold a Ratesetting Deliberative Meeting to consider this item in closed session in advance of the Business Meeting at which the item will be heard. In such event, notice of the Ratesetting Deliberative Meeting will appear in the Daily Calendar, which is posted on the Commission's website. If a Ratesetting Deliberative Meeting is scheduled, *ex parte* communications are prohibited pursuant to Rule 8.2(c)(4).

/s/ MICHELLE COOKE
Michelle Cooke
Chief Administrative Law Judge

MLC:cg7
Attachment

Decision **PROPOSED DECISION OF ALJ ERIC FREDERICKS**
(Mailed 11/13/2026)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Joint Application of Wild Goose Storage, LLC (U911G) and Lodi Gas Storage, L.L.C. (U912G) for an Order under Public Utilities Code Sections 829 and 853 to Exempt from Commission Authorization the Encumbrance of the Assets of Wild Goose Storage, LLC and Lodi Gas Storage, L.L.C. and the Issuance of a Corporate Guarantee, or in the Alternative for Authorization for the Same Relief under Sections 830 and 851.	Application 25-12-004

DECISION GRANTING EXEMPTIONS TO PERMIT ENCUMBRANCE OF UTILITY ASSETS OF WILD GOOSE STORAGE, LLC AND LODI GAS STORAGE, L.L.C.

Summary

This decision grants the requests of Wild Goose Storage, LLC and Lodi Gas Storage L.L.C. for exemptions under California Public Utilities Code Sections 853(b) and 829(c) to encumber their utility assets and issue corporate guarantees to secure the debt refinancing of their affiliates. This proceeding is closed.

1. Background

On December 8, 2025, Wild Goose Storage, LLC (Wild Goose) and Lodi Gas Storage, L.L.C. (Lodi), collectively referred to as Joint Applicants, filed Application (A.) 25-12-004 for an order exempting Joint Applicants from the

statutory requirements to obtain Commission authorization to permit the encumbrance of their utility assets (Public Utilities (Pub. Util.) Code Section 851) and the issuance of corporate guarantees (Pub. Util. Code Section 830) to secure the debt financing of Joint Applicants' affiliates. The Joint Applicants' affiliates that are impacted by this application are Rockpoint Gas Storage, Inc. (RGSI),[1] Rockpoint Gas Storage Partners LP (RGSP LP);[2] Rockpoint Gas Storage US, LLC (RGS US LLC);[3] AECO Gas Storage Partnership (AECO),[4] Swan Equity Sub-Aggregator LP;[5] and Swan GP LLC (collectively "Parent Affiliates").[6] Joint Applicants request exemptions pursuant to Pub. Util. Code Section 829(c) and Section 853(b). If the Commission decides not to grant exemptions, the Joint Applicants alternatively request that the Commission authorize the proposed encumbrances and corporate guarantees under Pub. Util. Code Section 830 and Section 851.

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[1] The Application notes that RGSI is the newly created affiliate of Brookfield Infrastructure Holdings (Canada), that owns 40% of the shares of Swan Equity Aggregator LP and BIF II CalGas LLC (Delaware), the operating companies that own the Joint Applicants, respectively. RGSI was created as part of an initial public offering. RGSI holds 40% of the operating companies. Brookfield retains a majority of RGSI's voting shares. (Application at 2, fn. 2; 8–10.)

[2] Rockpoint Gas Storage Partners LP (formerly Niska Gas Storage Gas Partners LP) is an entity within the Brookfield group of affiliated companies. AECO was originally part of the Niska storage companies when they were acquired from EnCana Corporation. Wild Goose and AECO are indirect subsidiaries of RGSP LP.

[3] Rockpoint Gas Storage, LLC and Wild Goose are both direct subsidiaries of RGS US LLC.

[4] AECO is a subsidiary of RGSP LP. RGSP LP is the direct parent of Rockpoint Gas Storage Canada Ltd., which is the owner and operator of the Countess, Suffield, and Warwick storage facilities in Canada.

[5] Swan Equity Sub-Aggregator LP and Swan GP LLC are Parent Affiliates of Rockpoint Gas Storage Partners LP.

[6] Several affiliated entities will be borrowers under the new credit agreement along with Lodi and Wild Goose.

The Joint Applicants seek authority to implement the following, collectively referred to as the 2025 Refinancing:

a. A new $350 million Revolving Credit Facility (RCF) to provide the borrowers with loans, letters of credit, and swingline loans, replacing the existing Asset Based Loan Credit Agreement (ABL Credit Agreement or ABL), which has been repaid and terminated; [7]
b. Minor amendments to the existing $1.25 billion Term Loan B Credit Agreement (TLB Credit Agreement or TLB);
c. The provision of the assets of Joint Applicants as security for the new RCF and the revised TLB; and
d. The issuance of corporate guarantees by Joint Applicants for the new RCF and the revised TLB.

Separately, Joint Applicants have terminated the existing Intercompany Credit Agreement, along with the security agreements and corporate guarantees that supported the former ABL and the Intercompany Credit Agreement.

1.1. Description and Background of the 2025 Refinancing

Approval of the 2025 Refinancing authorizes the Joint Applicants to pledge their physical and financial assets, the accounts receivable owned by their customers, and the proprietary natural gas in their respective storage facilities. Approval of the 2025 Refinancing also authorizes the Joint Applicants to offer a corporate guarantee to secure the debt of their affiliates. The pledge and guarantee provide the Joint Applicants with access to lower-cost financing for their operations and working capital requirements, which allows the Joint

[7] In D.25-04-033, the Commission granted the Joint Applicants' request to extend the ABL Credit Agreement to June 20, 2031, and increase its borrowing limit to $350 million. The ABL Credit Agreement has since been repaid and terminated.

Applicants to conduct their business more efficiently and provide service at more attractive rates.

In Decision (D.) 17-10-014, the Commission granted a similar request by the Joint Applicants to exempt from Pub. Util. Code Sections 830 and 851 an ABL Credit Agreement, Term Loan Agreement, and Intercompany Agreement. In D.18-10-029, D.21-11-020, D.24-05-049, and D.25-04-033 the Commission granted the Joint Applicants' requests to exempt extensions to similar financing transactions. Under the terms of the transaction approved in D.25-04-033, the Joint Applicants' ABL Credit Agreement would expire on June 20, 2031, and the TLB would mature on September 18, 2031.[8]

The 2025 Refinancing will replace the ABL Credit Agreement with the RCF and amend the TLB, making a total of approximately $1.6 billion available in financial resources.[9] The RCF provides a revolving line of credit, letters of credit, and swingline loans, with a maximum availability of $350 million. According to the Joint Applicants, Rockpoint and its affiliates continue to experience the effects of inflation and heightened natural gas market volatility, and Rockpoint was able to obtain a more favorable interest rate through the 2025 Refinancing.[10]

1.2. Description of the Joint Applicants and Related Corporate Affiliates

The Joint Applicants are both certified working gas storage facilities. Wild Goose began commercial operations in April 1999 and is certified to provide 1,200 million cubic feet per day (MMcf/d) of withdrawal capacity, 650 MMcf/d of injection capability, and 75 billion cubic feet (Bcf) of working gas storage

[8] D.25-04-033 at 13.

[9] Application at 18-19, 32.

[10] *Id.* at 19.

capacity. Lodi began commercial operations in 2002 and is certified to provide 500 MMcf/d of withdrawal capacity, 400 MMcf/d of injection capability, and 17 Bcf of working gas storage capacity. The Commission subsequently granted Lodi a Certificate of Public Convenience and Necessity to construct and operate the Kirby Hills facility, which has 17.5 Bcf of certificated working gas storage capacity and a maximum firm injection and withdrawal capacity of 300 MMcf/d.[11]

The Commission authorized the transfer of Lodi and Wild Goose to Brookfield Infrastructure Fund (Brookfield) in D.14-12-013 and D.16-06-014, respectively. After acquiring the Joint Applicants, Brookfield rebranded its portfolio of gas storage facilities (comprising of Wild Goose, AECO, Salt Plains, Lodi, Tres Palacios, and Warwick, at the time) as Rockpoint Gas Storage (Rockpoint). Rockpoint now manages and operates both the Wild Goose and Lodi facilities. The combined and consolidated financial statements of Rockpoint for the fiscal year ending March 31, 2025, and the first quarterly financial statement of RGSI for the period ending September 30, 2025, were attached to the instant application as Exhibits Joint Applicants (JA)-16 and JA-17.[12]

On July 28, 2025, Brookfield Infrastructure Holdings (Canada) Inc. incorporated RGSI to hold a minority interest in the operating companies that are the direct parents of Wild Goose and Lodi.[13]

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[11] *Id.* at 5-6.

[12] Exhibit JA-16 contains the combined consolidated statements of the Rockpoint Gas Storage entities, including Swan Equity Aggregator LP, BIF II CalGas (Delaware) LLC, and the Warwick facility. RGSI was not in existence during the period covered by those statements. (Application at 46.)

[13] Application at 8.

RGSI holds 40 percent of the limited partner units of Swan Equity Aggregator LP, which owns Wild Goose, and 40 percent of the common shares of BIF II CalGas (Delaware) LLC, the direct parent of Lodi. Brookfield controls the remaining 60 percent of each through direct ownership.[14]

On October 15, 2025, RGSI conducted an initial public offering (IPO) of Class A shares. According to the Joint Applicants, Brookfield retains a majority of RGSI's voting shares and the ability to appoint a majority of the directors of the operating companies' general partner.[15]

Under an Exchange Agreement executed as part of the IPO, Brookfield may not exercise exchange rights that would result in a change of control of the operating companies without first obtaining any necessary Commission approval.[16]

Brookfield has filed A.26-01-004 seeking Commission authorization under Pub. Util. Code Section 854 for an indirect transfer of control of Wild Goose and Lodi through a proposed divestment of its interest in RGSI.[17] This decision makes no determination on any issue in that proceeding.

1.3. Procedural Background

On January 21, 2026, the assigned Administrative Law Judge (ALJ) granted the Public Advocates Office at the California Public Utilities Commission's (Cal Advocates) motion for party status.

[14] *Id.* at 8-9.

[15] *Id.* at 9-10.

[16] *Id.* at 10-11.

[17] Exhibit WGL-1 at 2-3.

A prehearing conference was held on March 13, 2026, to address the issues of law and fact, determine the need for hearing, set the schedule for resolving the matter, and address other matters as necessary.

On May 20, 2026, the assigned Commissioner issued a Scoping Memo and Ruling (Scoping Memo) categorizing the proceeding as ratesetting and confirming that evidentiary hearings were not required.
The Scoping Memo directed the Joint Applicants to file additional testimony on the topic of whether the Joint Applicants' shareholders will bear the full financial responsibility and risk associated with the proposed guarantees and encumbrances. The Scoping Memo also allowed for intervenor rebuttal testimony. The Joint Applicants served additional testimony on June 23, 2026. No intervenor rebuttal testimony was served. No party opposed the relief requested.

1.4. Submission Date

This matter was submitted on November 12, 2026, the date Exhibit WGL-1 was admitted into the evidentiary record.

2. Issues Before the Commission

The issues to be determined or otherwise considered are:

1. Should the Commission, pursuant to Pub. Util. Code Section 829(c), grant Joint Applicants exemptions from Pub. Util. Code Section 830 to permit the issuance of corporate guarantees to secure debt financing for their affiliates?
2. Should the Commission, pursuant to Pub. Util. Code Section 853(b), grant Joint Applicants exemptions from Pub. Util. Code Section 851 to permit the encumbrance of their utility assets?
3. If the Commission does not grant exemptions from Sections 830 and 851, should the proposed refinancing transaction be approved subject to the provisions of those statutes?

4. Have Joint Applicants demonstrated that the proposed encumbrance of their respective assets will not impair their ability to provide safe and reliable services through the financing period, and that the refinancing does not adversely affect public interest?

3. Legal Framework

Pub. Util. Code Section 830 requires a utility to obtain Commission approval before assuming any obligation or liability with respect to the obligations of its parent or affiliate if those obligations have a term of more than 12 months. In this case, the Joint Applicants will provide corporate guarantees related to the refinancing transaction undertaken by their affiliates for more than 12 months. Therefore, the 2025 Refinancing is subject to Pub. Util. Code Section 830.

Similarly, Pub. Util. Code Section 851 requires Commission approval before a utility encumbers its property. Because the Joint Applicants seek to provide their physical and financial assets to serve as collateral for the 2025 Refinancing, the 2025 Refinancing is also subject to Pub. Util. Code Section 851.

However, Pub. Util. Code Section 829(c) and Section 853(b) authorize the Commission to exempt public utilities from these requirements if the Commission finds that the application of the pre-approval requirements "is not necessary in the public interest." Under both statutes, the Commission may impose conditions, rules, or requirements deemed necessary in connection with the grant of such exemptions.

4. Discussion

As discussed below, we find good cause exists to grant the Joint Applicants' request for exemptions under Pub. Util. Code Section 829(c) and Section 853(b). We, therefore, grant the Joint Applicants' request for exemptions under Pub. Util. Code Section 829(c) and Section 853(b).

4.1. Public Interest When Shareholders Bear the Risk

The Joint Applicants are Independent Gas Storage Providers that operate using market-based rates, not a cost-of-service, rate-of-return regulatory framework. They do not have any captive ratepayers, so their shareholders bear the risk of the proposed transaction. Moreover, RGSI, Wild Goose, Lodi, and the other borrowers under the RCF and TLB Credit Agreement are each fully liable for repayment, both as corporate guarantors and through the assets they pledge as collateral. [18] The Joint Applicants further explain that, even if a change of control is approved in A.26-01-004, the financial risk of the 2025 Refinancing would remain with the shareholders of RGSI and its affiliates rather than with any customers or ratepayers.[19] The 2025 Refinancing and the RGSI IPO do not change the management, operations, capital structure, or leverage of Wild Goose or Lodi.[20] Based on these factors, we conclude that the 2025 Refinancing poses a low financial risk to the public.

We are further persuaded that the public may accrue an economic benefit from the financial transactions at issue. The 2025 Refinancing involves pooling several companies' assets in the Rockpoint group of companies to serve as security for a refinancing transaction.[21] Because the Joint Applicants can draw on the group's pooled assets, they can obtain more advantageous interest rates and access to larger amount of funding than if they were only drawing on their individual assets. The Joint Applicants can then use this better financing for their operations and working capital requirements, which allows them to conduct

[18] Ex. Wild Goose/Lodi-1 at 1-3.

[19] *Id.* at 3.

[20] Application at 29.

[21] *Id.* at 19.

business more efficiently and provide service to customers at potentially lower rates, resulting in lower costs for end-users. The Rockpoint group's financial stability is further reflected in its 2025 credit ratings of BB (stable) from Standard & Poor's and B1 (positive) from Moody's.[22]

4.2. Public Interest in Safe and Reliable Service

While recognizing the financial benefits of the 2025 Refinancing, the Commission also notes that the proposed transaction involves the encumbrance of utility assets to serve as security for loans to affiliates. As such, the Commission must determine whether granting an exemption from Pub. Util. Code Section 830 and Section 851 would impair the Joint Applicants' ability to provide safe and reliable services under all reasonably foreseeable circumstances. To make this determination, the Commission has considered whether the loans would cover the operating, safety, and regulatory needs of the Rockpoint storage companies, including Wild Goose and Lodi.[23]

The Joint Applicants provided confidential estimates of their operational expenses for 2026 and their costs for compliance with safety and emissions regulations.[24] The Joint Applicants also state that these expenses and their revenues can fluctuate significantly throughout the year based on natural gas markets, weather events, seasonal demands, and individual customer requirements. According to the Joint Applicants, the funds available through the 2025 Refinancing are necessary to address a potential cash flow shortfall.[25]

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[22] *Id.* at 29-30.

[23] D.17-10-014 at 10-12.

[24] Application at 31-32.

[25] *Id.* at 31.

Upon review of the confidential estimates provided by the Joint Applicants, we find that the RCF and TLB Credit Agreement, totaling $1.6 billion, together account for the projected operational, safety, and regulatory needs of the Rockpoint family of companies.

The Joint Applicants state that Rockpoint will make this funding available, as needed, to the extent the Joint Applicants' earnings are insufficient to cover their expenses. This statement is supported by Rockpoint's allocation of funds to Wild Goose and Lodi from August 1, 2024, through August 31, 2025, and by the use of letters of credit under the ABL Credit Agreement during that period to collateralize natural gas purchases for both companies.[26] Rockpoint's prior provision of funds and letters of credit to Wild Goose and Lodi, together with the resources available under the 2025 Refinancing, provides reasonable assurance that funds will be available for the Joint Applicants' operational, safety, and regulatory obligations when operating revenues are insufficient. Thus, the public interest does not necessitate applying the pre-approval requirements of Pub. Util. Code Section 830 and Section 851 to the Joint Applicants' request.

4.3. Conclusion

Based on the foregoing, we grant the Joint Applicants' request for exemptions under Pub. Util. Code Section 829(c) and Section 853(b), and the Joint Applicants are authorized to encumber their utility assets and issue corporate guarantees to secure the debt refinancing of their affiliates as part of the 2025 Refinancing.

Because we grant the Joint Applicants' requests for exemptions under Pub. Util. Code Section 829(c) and Section 853(b), the Joint Applicants' alternative

[26] *Id.* at 33; Exhibit JA-10-C.

request for authority to conduct the proposed encumbrance pursuant to Pub. Util. Code Section 830 and Section 851 is moot.

5. Summary of Public Comment

Rule 1.18 allows any member of the public to submit written comment in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(a) requires that all written public comment submitted prior to the submission of the proceeding are part of the administrative record of the proceeding. Rule 1.18(b) requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding. There are no public comments on the Docket Card concerning the Joint Applicants' requests.

6. Procedural Matters

Pursuant to General Order 66-D and Rule 11.4, the Joint Applicants filed a December 8, 2025, motion for leave to file under seal the highlighted portions of the application and Exhibits JA-2-C, JA-4-C, JA-6-C, JA-8-C, and JA-10-C, as well as the entirety of Exhibit JA-1-C. The Joint Applicants represent that the information is proprietary and commercially sensitive, and that disclosure could place the Joint Applicants at an unfair business disadvantage. The Commission has granted similar requests in the past, including in this applicant's prior financing proceedings,[27] and does so here.

This decision affirms all rulings made by the ALJ and assigned Commissioner in this proceeding. All motions not ruled on are deemed denied.

7. Comments on Proposed Decision

The proposed decision of ALJ Fredericks in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments

[27] *See, e.g.,* D.24-05-049 at 3.

were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _____, and reply comments were filed on _____ by _____.

8. Assignment of Proceeding

Darcie L. Houck is the assigned Commissioner and Eric Fredericks is the assigned ALJ in this proceeding.

Findings of Fact

1. The Joint Applicants seek exemptions from applicable statutory requirements to authorize them to issue corporate guarantees and provide assets as security for debt financing of their affiliates through agreements and undertakings.

2. Under the terms of the transaction approved in D.25-04-033, the Joint Applicants' ABL Credit Agreement would expire on June 20, 2031. The ABL Credit Agreement and Intercompany Credit Agreement have since been terminated.

3. The 2025 Refinancing will replace the ABL Credit Agreement with a $350 million RCF maturing October 14, 2030, and amend the $1.25 billion TLB Credit Agreement maturing September 17, 2031.

4. The pooled assets involved in the 2025 Refinancing make it possible for the Joint Applicants to borrow larger sums at more favorable interest rates under better terms. This provides the Joint Applicants with access to lower-cost financing for their operations and working capital requirements, which allows the Joint Applicants to conduct their business more efficiently and provide service to their customers at potentially lower rates.

5. The 2025 Refinancing does not change the Joint Applicants' management, operations, or capital structure.

6. The Joint Applicants are natural gas storage providers with no captive ratepayers, and their shareholders bear all the financial risks of the 2025 Refinancing.

7. The Joint Applicants have shown that they do not operate in a rate-of-return regulatory framework and do not have captive ratepayers.

8. Brookfield retains a controlling interest in the operating companies that own Wild Goose and Lodi, and RGSI, which is partially publicly held, owns the remaining 40 percent of those operating companies.

9. The Commission has a duty to review the Joint Applicants' request for exemptions and ensure that granting any such request will not impair the Joint Applicants' ability to provide safe and reliable services and that the 2025 Refinancing transactions have no adverse safety impacts in order to grant the requested exemptions.

10. The 2025 Refinancing is sufficient to allow the Joint Applicants to continue to provide safe and reliable service and to comply with present and anticipated environmental quality and safety regulations for underground storage providers.

11. The 2025 Refinancing has no adverse safety and reliability impacts relating to the Joint Applicants and their customers.

12. Pub. Util. Code Section 829(c) and Section 853(b) allow the Commission to grant exemptions from the requirements of Sections 830 and 851 if application of those provisions to the proposed transaction is not necessary in the public interest.

13. There are no factual issues in dispute in the application.

14. No party opposes the granting of the Joint Applicants' requested relief.

15. The application of Pub. Util. Code Section 830 and Section 851 with respect to the Joint Applicants' 2025 Refinancing is not necessary in the public interest.

16. The Joint Applicants' alternative request for authority to conduct the proposed encumbrance pursuant to Pub. Util. Code Section 830 and Section 851 is moot.

17. The information contained in Exhibits JA-2-C, JA-4-C, JA-6-C, JA-8-C, and JA-10-C, as well as the entirety of Exhibit JA-1-C, is proprietary and commercial sensitive.

Conclusions of Law

1. The Joint Applicants' request for exemptions under Pub. Util. Code Section 829(c) and Section 853(b) should be granted.

2. The Joint Applicants should be authorized to encumber their utility assets and issue corporate guarantees to secure the debt refinancing of their affiliates as part of the 2025 Refinancing.

3. The Joint Applicants' December 8, 2025 motion for leave to file confidential material under seal should be granted.

4. This proceeding should be closed.

O R D E R

IT IS ORDERED that:

1. The request of Wild Goose Storage, LLC and Lodi Gas Storage, L.L.C. for exemption under Section 853(b) and Section 829(c) of the California Public Utilities Code is granted.

2. Wild Goose Storage, LLC and Lodi Gas Storage, L.L.C. are authorized to encumber their utility assets and issue guarantees associated with the following refinancing transactions:

   a. A $350 million Revolving Credit Facility with a maturity date of October 14, 2030;

b. Amendments to the previously approved $1.25 billion Term Loan B Credit Agreement with a maturity date of September 17, 2031; and

c. Associated corporate guarantees, pledges, and security agreements, including the October 29, 2025, Guaranty Supplement and Security Agreement Supplement to the Term Loan B Credit Agreement.

3. The Joint Applicants' December 8, 2025, motion for leave to file under seal is granted. The confidential, unredacted versions of the application and Exhibits JA-1-C, JA-2-C, JA-4-C, JA-6-C, JA-8-C, and JA-10-C shall remain under seal for three years from the effective date of this decision. During this three year period, this information shall not be publicly disclosed except on further Commission order or Administrative Law Judge ruling. If Wild Goose Storage, LLC or Lodi Gas Storage, L.L.C. believe further protection is needed after that period, they may file a motion showing good cause for extending this order by no later than 30 days before the expiration of this order.

4. Application 25-12-004 is closed.

This order is effective today.

Dated _____, at San Francisco, California