## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of transportation service agreement with Florida Public Utilities Company by Peninsula Pipeline Company, Inc. DOCKET NO. 20240050-GU ORDER NO. PSC-2024-0270-PAA-GU ISSUED: July 26, 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

## NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING FIRM TRANSPORTATION SERVICE AGREEMENT

## BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

### Background

On March 28, 2024, Peninsula Pipeline Company, Inc. (Peninsula) filed a petition for approval of a firm transportation service agreement between Peninsula and Florida Public Utilities Company (FPUC) (jointly, the parties). The transportation agreement will permit Peninsula to provide transportation service for FPUC along the Pioneer Supply Header Pipeline (Pioneer Header), therefore allowing FPUC to continue serving customers in Palm Beach County, provide reinforcement, and allow for future expansion. FPUC is a local distribution company (LDC) subject to our regulatory jurisdiction pursuant to Chapter 366, Florida Statutes (F.S.). Peninsula operates as an intrastate natural gas transmission company as defined by Section 368.103(4), F.S.<sup>1</sup>

Peninsula provides gas transportation service only; it does not engage in the sale of natural gas to customers. By Order No. PSC-07-1012-TRF-GP (2007 Order), Peninsula received our approval for an intrastate gas pipeline tariff that allows it to construct and operate intrastate

<sup>&</sup>lt;sup>1</sup> Order No. PSC-06-0023-DS-GP, issued January 9, 2006, in Docket No. 20050584-GP, *In re: Petition for declaratory statement by Peninsula Pipeline Company, Inc. concerning recognition as a natural gas transmission company under Section 368.101, F.S., et seq.* 

pipeline facilities and to actively pursue agreements with natural gas customers.<sup>2</sup> Pursuant to the 2007 Order, Peninsula is allowed to enter into gas transmission agreements that meet certain criteria without our prior approval.<sup>3</sup> However Peninsula is requesting our approval of this proposed agreement as it does not fit any of the enumerated criteria.<sup>4</sup> Additionally, Peninsula and FPUC are subsidiaries of Chesapeake Utility Corporation, and agreements between affiliated companies must be approved by us pursuant to Section 368.105, F.S., and the 2007 Order.

The Pioneer Header was constructed by Florida City Gas (FCG) to provide itself and other local distribution companies (LDC) and industrial customers with natural gas supply in the area in and around Palm Beach County. Currently, pursuant to a transportation agreement between FCG and FPUC, FCG provides transportation service on the Pioneer Header pipeline to FPUC.

The Pioneer Header is being transferred from FCG to Peninsula. This sale of the asset does not require our review; however, the sale will not take place until after our approval of the transportation service agreement between FCG and Peninsula addressed in Docket No. 20240051-GU. Following the transfer of the Pioneer Header from FCG to Peninsula, Peninsula would own the pipeline. Pursuant to the petition in this docket, Peninsula is seeking our approval of a transportation agreement with FPUC to provide natural gas transportation service along the Pioneer Header to FPUC. The proposed transportation agreement and project map are shown as Attachments A and B to this Order.

During the evaluation of the petition, our staff issued a data request to the parties for which responses were received on June 14 and on June 19, 2024. We have jurisdiction over this matter pursuant to Sections 366.05(1), 366.06, and 368.105, F.S.

### Decision

The parties have proposed a firm transportation agreement that is the subject of this docket to maintain and enhance service to the West Palm Beach area currently provided by FCG. The parties state that the proposed agreement will allow Peninsula to serve FPUC with 900 dekatherms per day of firm transportation at three delivery points. The parties further assert that this level of service is needed for FPUC to serve current customers and expand into serving potential new customers with the addition of two delivery points.

The proposed firm transportation agreement between FPUC and Peninsula is contingent on the transfer of the Pioneer Header from FCG to Peninsula. This transfer will be completed following our review and approval of the transportation service agreement between FCG and Peninsula addressed in Docket No. 20240051-GU.

Paragraph 11 of the petition in this docket states that the proposed monthly reservation charge that FPUC would pay to Peninsula is similar to the rate FPUC is currently paying to FCG.

<sup>&</sup>lt;sup>2</sup> Order No. PSC-07-1012-TRF-GP, issued December 21, 2007, in Docket No. 070570-GP, In re: Petition for approval of natural gas transmission pipeline tariff by Peninsula Pipeline Company, Inc.

<sup>&</sup>lt;sup>3</sup> Peninsula Pipeline Company, Inc., Intrastate Pipeline Tariff, Original Vol. 1, Original Sheet No. 11, Section 3.

<sup>&</sup>lt;sup>4</sup> Peninsula Pipeline Company, Inc., Intrastate Pipeline Tariff, Original Vol. 1, Original Sheet No. 12, Section 4.

In the parties' joint responses to our staff's first data request, the parties clarified that the rates have been calculated using the same methodology. However, the proposed monthly reservation charge is higher than the current rate because Peninsula has factored in activation of two additional delivery points to provide service to FPUC.

The proposed agreement would be effective for 20 years after its date of execution, and extended on a year-to-year basis after this initial term, unless either party chooses to terminate via written notice submitted 90 days prior to the expiration of the current term. Either party may request modification of the rates or terms of the agreement, to be made effective in the next renewed term, no less than 120 days before the expiration of the current term. However, the parties acknowledge that any amendments to the proposed agreements would require our approval.

FPUC would recover its monthly reservation charge payments to Peninsula through the purchased gas adjustment<sup>5</sup> (PGA) and swing service rider. The PGA allows FPUC to periodically adjust the price of natural gas supplied to its customers to reflect the actual cost of gas purchased and delivered on behalf of the customers. The swing service rider allows FPUC to recover intrastate capacity costs from their transportation customers and is a cents per therm charge that is included in the monthly customer gas bill of transportation customers. In a bill calculation provided by FPUC, a residential RES-3 customer using 21 therms would see an increase of \$0.07.

Based on the parties' representations, we hereby approve Peninsula's transportation service agreement with FPUC, dated March 18, 2024, included as Attachment A to this Order. The agreement is reasonable and meets the requirements of Section 368.105, F.S. Furthermore, the agreement benefits FPUC's current and potential future customers through the activation of two additional delivery points.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Peninsula Pipeline Company, Inc.'s transportation service agreement with Florida Public Utilities Company, dated March 18, 2024, is hereby approved. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

<sup>&</sup>lt;sup>5</sup> Docket No. 2024003-GU, In re: Purchased gas adjustment (PGA) true-up.

By ORDER of the Florida Public Service Commission this 26th day of July, 2024.

MAN

ADAM J. TEITZMAN Commission Olerk 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.

RPS

## 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 that is available under Section 120.57, 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 will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on <u>August 16, 2024</u>.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

# ATTACHMENT A

## Transportation Service Agreement – Pioneer Supply Header Pipeline

#### PENINSULA PIPELINE COMPANY, INC. FIRM TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT is entered into this March 18, 2024, by and between Peninsula Pipeline Company, Inc., a corporation of the State of Delaware (herein called "Company" or "PPC"), and Florida Public Utilities Company, a corporation of the State of Florida (herein called "Shipper" or "FPUC"). PPC and FPUC are sometimes referred to herein individually as a "Party" and collectively as "Parties."

#### WITNESSETH

WHEREAS, Shipper desires to obtain Firm Transportation Service ("FTS") from Company; and

WHEREAS, Company desires to provide FTS to Shipper, in accordance with the terms hereof;

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Company and Shipper do covenant and agree as follows:

#### ARTICLE I DEFINITION

Unless otherwise defined in this Agreement, all definitions for terms used herein have the same meaning as provided in Company's Tariff (as hereinafter defined).

"In-Service Date" means the effective date of Company's acquisition of the Pioneer Supply Header Pipeline.

#### ARTICLE II OUANTITY & UNAUTHORIZED USE

2.1 The Maximum Daily Transportation Quantity ("MDTQ") and the Maximum Hourly Transportation Percentage ("MHTP") shall be set forth on Exhibit A attached hereto. The applicable MDTQ shall be the largest daily quantity of Gas, expressed in Dekatherms, which Company is obligated to transport on a firm basis and make available for delivery for the account of Shipper under this Agreement on any one GasDay.

2.2 If, on any Day, the Shipper utilizes transportation quantities, as measured at the Point(s) of Delivery, in excess of the established MDTQ, as shown on Exhibit A, such unauthorized use of transportation quantities (per Dekatherm) shall be billed at a rate of 2.0 times the rate to be charged for each Dekatherm of the MDTQ as set forth on Exhibit A of this Agreement.

#### ARTICLE III FIRM TRANSPORTATION SERVICE RESERVATION CHARGE

3.1 The Monthly Reservation Charge for Firm Transportation Service provided under this Agreement shall be as set forth in Exhibit A of this Agreement and shall be charged to the Shipper beginning on the In-Service Date and shall thereafter be assessed in accordance with the terms and conditions set forth herein.

3.2 If, at any time after the Execution Date (as herein defined) and throughout the term of this Agreement, the Company is required by any Governmental Authority (as that term is defined in Section 9.10) asserting jurisdiction over this Agreement and the transportation of Gas hereunder, to incur additional capital expenditures with regard to the service provided by Company under this Agreement, other than any capital expenditures required to provide transportation services to any other customer on the pipeline system serving Shipper's facility, but including, without limitation, mandated relocations of Company's pipeline facilities serving Shipper's facility and costs to comply with any changes in pipeline safety regulations, then Shipper's Monthly Reservation Charge shall be adjusted and Exhibit A updated accordingly, and the new Monthly Reservation Charge shall be implemented immediately upon the effective date of such action, subject to Commission approval of the amendment. If Shipper does not agree to the adjusted Monthly Reservation Charge, Company shall no longer be required to continue to provide the service contemplated in this Agreement.

3.3 If, during the term of this Agreement, any Governmental Authority should increase any present tax or levy any additional or eliminate any existing tax impacting amounts billed and paid for service provided by Company under this Agreement, such change take effect for purposes of billing and payment under this Agreement effective as of the effective date of such modification to tax or levy. Should an action of a Governmental Authority result in a situation where Company otherwise would be required to provide transportation service at rates that are not just and reasonable, the Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section E of the Rules and Regulations of Company's Tariff.

#### ARTICLE IV TERM AND TERMINATION

4.1 Subject to all other provisions, conditions, and limitations hereof, this Agreement shall be effective upon its date of execution by both Parties (the "Execution Date") and shall continue in full force for an initial period of twenty (20) years from the In-Service Date ("Initial Term"). After the Initial Term, the Agreement shall be extended on a year-to-year basis (each a "Renewed Term" and, all Renewed Terms together with the Initial Term, the "Current Term"), unless either Party gives written notice of termination to the other Party, not less than (90) days prior to the expiration of the Current Term. This Agreement may only be terminated earlier in accordance with the provisions of this Agreement and the Parties' respective rights under applicable law.

4.2 If, at any time after the Execution Date and throughout the term of this Agreement, the Company makes any operational modification to the points of delivery or delivery points through modifications by the Company or requests by the Shipper or other third party shippers, then Company or Shipper may request the opportunity to negotiate a modification of the rates or terms of this Agreement, and the Parties shall negotiate in good faith a modification to the Agreement.

4.3 No less than 120 days before the expiration of the Current Term, either Party may request the opportunity to negotiate a modification of the rates or terms of this Agreement to be effective with the subsequent Renewed Term. Neither Party is obligated to, but may, agree to any mutually acceptable modification to the Agreement for the subsequent Renewed Term. In the event the Parties reach agreement for a modification to the Agreement for the subsequent Renewed Term, such agreed upon modification ("Agreement Modification") shall be set forth in writing and signed by both Parties prior to the expiration of the Current Term.

4.4 Any portion of this Agreement necessary to resolve monthly balancing and operational controls under this Agreement, shall survive the expiration or termination of this Agreement until such time as such monthly balancing and operational controls have been resolved.

4.5 In the event Shipper fails to pay for the service provided under this Agreement or otherwise fails to meet Company's standards for creditworthiness set forth in Section C of the Rules and Regulations of the Company's Tariff or otherwise violates the Rules and Regulations of Company's Tariff, or defaults on this Agreement, Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section D of the Rules and Regulations of Company's Tariff.

#### ARTICLE V

#### **COMPANY'S TARIFF PROVISIONS**

5.1 Company's Tariff approved by the Commission, including any amendments thereto approved by the Commission during the term of this Agreement ("Company's Tariff"), is hereby incorporated into this Agreement and made a part hereof for all purposes, except to the extent otherwise expressly provided herein. In the event of any conflict between Company's Tariff and the specific provisions of this Agreement, the latter shall prevail, in the absence of a Commission Order to the contrary.

#### ARTICLE VI REGULATORY AUTHORIZATIONS AND APPROVALS

6.1 Company's obligation to provide service is conditioned upon receipt and acceptance of any necessary regulatory authorization to provide Firm Transportation Service for Shipper in accordance with the Rules and Regulations of Company's Tariff.

#### ARTICLE VII DELIVERY POINT(S) AND POINT(S) OF DELIVERY

7.1 The Delivery Point(s) for all Gas delivered for the account of Shipper into Company's pipeline system under this Agreement, shall be as set forth on Exhibit A attached hereto.

7.2 The Point(s) of Delivery shall be as set forth on Exhibit A attached hereto.

7.3 Shipper shall cause Transporter to deliver to Company at the Delivery Point(s) on the Transporter's system, the quantities of Gas to be transported by Company hereunder. Company shall have no obligation for transportation of Shipper's Gas prior to receipt of such Gas from the Transporter at the Delivery Point(s), nor shall Company have any obligation to obtain capacity on Transporter for Shipper or on Shipper's behalf. The Company shall deliver such quantities of Gas received from the Transporter at the Delivery Point(s) for Shipper's account to Company's Point(s) of Delivery identified on Exhibit A.

#### ARTICLE VIII SCHEDULING AND BALANCING

8.1 Shipper shall be responsible for nominating quantities of Gas to be delivered by the Transporter to the Delivery Point(s) and delivered by Company to the Point(s) of Delivery. Shipper shall promptly provide notice to Company of all such nominations. Imbalances between quantities (i) scheduled at the Delivery Point(s) and the Point(s) of Delivery, and (ii) actually delivered by the Transporter and/or Company hereunder, shall be resolved in accordance with the applicable provisions of the Delivery Point Operator's tariff as set forth in Section 8.2 below, as such provisions, and any amendments to such provisions, are approved by the Commission.

8.2 Florida City Gas is the Delivery Point Operator ("DPO") for all Delivery Points on the Pioneer Supply Header Pipeline, which will be administered in accordance with the provisions of the Transportation Service Provider's FERC Tariff and Florida City Gas's FPSC Natural Gas Tariff ("DPO's Tariff"), as applicable. Resolution of Monthly Receipt or Delivery Imbalances at the Delivery Points shall be in accordance with DPO's Tariff as set forth on sheet number 65 through 67. By executing this Agreement, FPUC expressly agrees it will be bound by the referenced tariff pages including the daily and monthly balances of the DPO's Tariff as it may be updated from time to time. 8.3 The Parties hereto recognize the desirability of maintaining a uniform rate of flow of Gas to Shipper's facilities over each Gas Day throughout each Gas Month. Therefore, Company agrees to receive from the Transporter for Shipper's account at the Delivery Point(s) and deliver to the Point(s) of Delivery up to the MDTQ as described in Exhibit A, subject to any restrictions imposed by the Transporter and to the provisions of Article IX of this Agreement, and Shipper agrees to use reasonable efforts to regulate its deliveries from Company's pipeline system at a daily rate of flow not to exceed the applicable MDTQ for the Gas Month in question, subject to any additional restrictions imposed by the Transporter or by Company pursuant to Company's Tariff.

#### ARTICLE IX MISCELLANEOUS PROVISIONS

9.1 Notices and Other Communications. Any notice, request, demand, statement, or payment provided for in this Agreement, unless otherwise specified, shall be sent to the Parties hereto at the following addresses:

Company:

Peninsula Pipeline Company, Inc. 500 Energy Lane, Suite 200 Dover, Delaware 19901 Attention: Contracts

Shipper:

Florida Public Utilities Company 208 Wildlight Avenue Yulee, Florida 32097 Attention: Contracts

9.2 <u>Headings.</u> All article headings, section headings and subheadings in this Agreement are inserted only for the convenience of the Parties in identification of the provisions hereof and shall not affect any construction or interpretation of this Agreement.

9.3 Entire Agreement. This Agreement, including the Exhibit attached hereto, sets forth the full and complete understanding of the Parties as of the Execution Date, and it supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereof. No Party shall be bound by any other obligations, conditions, or representations with respect to the subject matter of this Agreement.

9.4 <u>Amendments.</u> Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing signed by the Party against which enforcement of the termination, amendment, supplement, waiver or modification shall be sought. A change in (a) the place to which notices pursuant to this Agreement must be sent or (b) the individual designated as the Contact Person pursuant to Section 9.1 shall not be deemed nor require an amendment of this Agreement provided such change is communicated in accordance with Section 9.1 of this Agreement. Further, the Parties expressly acknowledge that the limitations on amendments to this Agreement set forth in this section shall not apply to or otherwise limit the effectiveness of amendments that are or may be necessary to comply with the requirements of, or are otherwise approved by, the Commission or its successor agency or authority.

9.5 <u>Severability</u>. If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided, however, that if such severability materially changes the economic benefits of this Agreement to either Party, the Parties shall negotiate in good faith an equitable adjustment in the provisions of this Agreement.

9.6 <u>Waiver</u>. No waiver of any of the provisions of this Agreement shall be deemed to be, nor shall it constitute, a waiver of any other provision whether similar or not. No single waiver shall constitute a continuing waiver, unless otherwise specifically identified as such in writing. No waiver shall be binding unless executed in writing by the Party making the waiver.

9.7 <u>Attorneys' Fees and Costs</u>. In the event of any litigation between the Parties arising out of or relating to this Agreement, the prevailing Party shall be entitled to recover all costs incurred and reasonable attorneys' fees, including attorneys' fees in all investigations, trials, bankruptcies, and appeals.

9.8 <u>Independent Parties.</u> Company and Shipper shall perform hereunder as independent parties. Neither Company nor Shipper is in any way or for any purpose, by virtue of this Agreement, a partner, joint venturer, agent, employer or employee of the other. Nothing in this Agreement shall be for the benefit of any third person for any purpose, including, without limitation, the establishing of any type of duty, standard of care or liability with respect to any third person.

9.9 Assignment and Transfer. No assignment of this Agreement by either Party may be made without the prior written approval of the other Party (which approval shall not be unreasonably withheld) and unless the assigning or transferring Party's assignee or transferee shall expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring Party. Upon such assignment or transfer, as well as assumption of the duties and obligations, the assigning or transferring Party shall furnish or cause to be furnished to the other Party a true and correct copy of such assignment or transfer and the assumption of duties and obligations.

9.10 Governmental Authorizations; Compliance with Law. This Agreement shall be subject to all valid applicable state, local and federal laws, orders, directives, rules and regulations of any governmental body, agency or official having jurisdiction over this Agreement and the transportation of Gas hereunder ("Governmental Authority"). Company and Shipper shall comply at all times with all applicable federal, state, municipal, and other laws, ordinances and regulations. Company and/or Shipper will furnish any information or execute any documents required by any duly constituted federal or state regulatory authority in connection with the performance of this Agreement. Each Party shall proceed with diligence to file any necessary applications with any Governmental Authorities for any authorizations necessary to carry out its obligations under this Agreement. In the event this Agreement or any provisions herein shall be found contrary to or in conflict with any applicable law, order, directive, rule or regulation, the latter shall be deemed to

control, but nothing in this Agreement shall prevent either Party from contesting the validity of any such law, order, directive, rule, or regulation, nor shall anything in this Agreement be construed to require either Party to waive its respective rights to assert the lack of jurisdiction of any governmental agency other than the Commission, over this Agreement or any part thereof. In the event of such contestation, and unless otherwise prohibited from doing so under this Section 9.10, Company shall continue to transport and Shipper shall continue to take Gas pursuant to the terms of this Agreement. In the event any law, order, directive, rule, or regulation shall prevent either Party from performing hereunder, then neither Party shall have any obligation to the other during the period that performance under the Agreement is precluded. If, however, any Governmental Authority's modification to this Agreement or any other order issued, action taken, interpretation rendered, or rule implemented, will have a material adverse effect on the rights and obligations of the Parties, including, but not limited to, the relative economic position of, and risks to, the Parties as reflected in this Agreement, then, subject to the provisions of Sections 3.2 and 3.3 of this Agreement, the Parties shall use reasonable efforts to agree upon replacement terms that are consistent with the relevant order or directive, and that maintain the relative economic position of, and risks to, the Parties as reflected in this Agreement as of the Execution Date. As used herein, "Governmental Authority" shall mean any United States federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, court, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

> (i) If any Governmental Authority asserting jurisdiction over the pipeline facility contemplated in this Agreement, issues an order, ruling, decision or regulation not covered by Section 3.2 or 3.3 of this Agreement (including denial of necessary permits or amendments to existing permits) related to the operation, maintenance, location, or safety and integrity compliance, including any new or revised enforceable regulatory classification of the pipeline facility, as applicable, which is not reasonably foreseeable as of the Execution Date and which results in a materially adverse effect on either Party's rights and benefits under this Agreement, each Party shall use commercially reasonable efforts and shall cooperate with the other Party to pursue all necessary permits, approvals and authorizations, if any, of such applicable Governmental Authority, and to amend the terms and conditions of this Agreement, in each case as may be reasonably required in order that provision of firm transportation service under this Agreement shall continue; provided that neither Party shall be required to take any action pursuant to this Section which is reasonably likely to have a materially adverse effect on such Party's rights and benefits under this Agreement.

(ii) If the Parties are unable or unwilling to reach agreement pursuant to this Section 9.10, Company shall have the right to terminate this Agreement, without any further obligations to Shipper, upon one hundred twenty (120) days' prior written notice to Shipper.

9.11 <u>Applicable Law and Venue.</u> This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida, without regard for conflict of laws provisions. The venue for any action, at law or in equity, commenced by either

Party against the other and arising out of or in connection with this Agreement shall be in a court of the State of Florida having jurisdiction.

9.12 <u>Counterparts.</u> This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original instrument as against any Party who has signed it.

Attachment A Page 10 of 11

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives.

COMPANY Peninsula Pipeline Company, Inc. SHIPPER Florida Public Utilities Company

By:\_\_\_\_\_Bill Hancock

By: Jeff Sylvester

Jeffrey S. Sylvester

Title: Assistant Vice President

Title: President and Chief Operating Officer

Date: \_\_\_\_\_

William Hancock

Date: \_\_\_\_

#### **EXHIBIT A TO**

#### **FIRMTRANSPORTATION SERVICE AGREEMENT**

#### BETWEEN

#### PENINSULA PIPELINE COMPANY, INC. AND

#### FLORIDA PUBLIC UTILITIES COMPANY

#### DATED

#### March 18, 2024

Description of Transporter Delivery Point(s)

1. Interconnect with Florida Gas Transmission at or near Pioneer Road

Description of Point(s) of Delivery

1. At or near the intersection of SR 80 east and Seminole Pratt Whitney Road

2. At or near the intersection of Benoist Farm Road and Pioneer Road

3. At or near the intersection of Palms West Parkway and Southern Boulevard

Total MDTQ (Dekatherms) Dt/Day MHTP:

**Total Monthly Reservation Charge:** (Dekatherm) This charge is subject to adjustment pursuant to the terms of this Agreement.

## ATTACHMENT B

Pioneer Pipeline Map

