


MACFARLANE FERGUSON & MCMULLEN

ATTORNEYS & COUNSELORS AT LAW EST. 1884

One Tampa City Center, Suite 2000
201 N. Franklin Street
P.O. Box 1531 (33601)
Tampa, FL 33602
813.273.4200 Fax: 813.273.4396

WWW.MFMLEGAL.COM
EMAIL: INFO@MFMLEGAL.COM

625 Court Street, Suite 200
P.O. Box 1669 (33757)
Clearwater, FL 33756
727.441.8966 Fax: 727.442.8470

In Reply Refer to:
Tampa
ab@macfar.com

May 14, 2021

VIA E-PORTAL FILING

Tripp Coston, Economic Supervisor
Division of Economics
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850


In Re: Petition for Approval of Tariff Modifications for Liquefied Natural Gas
Service by Peoples Gas System, Docket No. 20200093-GU
- Administrative Approval of the Revised Tariff Sheet
Numbers 7.406 and 7.406-1

Dear Mr. Coston:

Attached for administrative approving and filing on behalf of Peoples Gas System, please find the Revised Tariff Sheet Numbers 7.406 and 7.406-1 in regard to the above matter. Once an Order has been entered, we request you placing an official approval stamp on the attached tariff sheets and forwarding our office a copy.

Your assistance in this matter is greatly appreciated.

Very truly yours,


Andrew M. Brown

AB/plb

cc: Walt Trierweiler, Esq. (wtrierwe@psc.state.fl.us)
Richard Gentry, Esq. (gentry.richard@leg.state.fl.us)
Stephanie Morse, Esq. (morse.stephanie@leg.state.fl.us)
Ms. Paula K. Brown
Ms. Kandi Floyd
Derrick MacDonald, CPA
Thomas R. Fariior, Esq.

LIQUIFIED NATURAL GAS SERVICE Rate Schedule LNG

Availability:

This rate schedule is available to any Customer for the purchase of Liquefied Natural Gas ("LNG") service from Peoples Gas System throughout the service areas of the Company.

Applicability:

Applicable to Customers requesting liquified natural gas services through storage of LNG, regasification of LNG to natural gas, and/or non-pipeline distribution of LNG ("LNG Service") for customer market segments including, but not limited to: (1) use as a transportation fuel, including marine markets, rail, auto, jet propulsion and other transportation customers, (2) use to increase system reliability, peak shaving and to increase resiliency of their facilities, (3) Customers that cannot be served by pipeline by PGS for any reason, including without limitation, time to construct the pipeline, cost of constructing pipeline, remote location, reliability/resilience and intermittent demand and (4) LNG loaded by ISO containers and exported to foreign markets pursuant to a valid export license. LNG Service under this Schedule is contingent upon arrangements mutually satisfactory to the Customer and Company for the design, location, construction, ownership, and operation of facilities required for the Company's provision of LNG Service. Service under this Rate Schedule is contingent upon the Company and the Customer entering a mutually satisfactory LNG Service Agreement.

Peoples' entry into an LNG Service Agreement with a Customer and the provision of LNG services pursuant to the LNG rate schedule with that Customer will not cause any additional costs to the Company's other rate classes.

Rate:

LNG Service facilities installed under the provisions of this schedule shall be owned, operated and maintained by the Company unless otherwise agreed to in an agreement for services between the parties. The rate for LNG Service supplied hereunder shall consist of a Monthly Services Charge and the transportation and delivery of natural gas under the Company's applicable Rate Schedules for General Service, Interruptible Service or Wholesale Service.

Monthly Services Charge:

The Monthly Services Charge shall be set forth in the agreement between the parties and unless otherwise specified in the agreement shall be billed in monthly installments over the term of this Agreement. The rate structure of the Monthly Services Charge shall be designed to recover the cost of service required to provide LNG Service to Customer. The rate structure includes, but is not limited to depreciation, return on capital, taxes and operational expenses, fuel used to operate facilities and electric costs to operate the facility. As used in this schedule, LNG Service facility costs to be recovered means the total installed cost of such LNG facilities, as determined by Company, which may include but are not limited to compressors, heat exchangers, pumps, aftercoolers, filters, drivers, control valves (JT), vacuum insulated piping, instrumentation, vaporizers, fire protection equipment, safety equipment, monitoring equipment, truck scales, vent and flare systems, waste water disposal systems, instrument air, power, communications, N2 systems, quality monitoring equipment, storage, controls, piping, metering,

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Issued On:

Effective:

Continued from Sheet No. 7.406

propane injection, and any other related appurtenances, including any redundancy necessary to provide reliable LNG Service, before any adjustment for accumulated depreciation, a contribution in aid of construction, etc. The agreement between Company and Customer may require a commitment by the Customer to purchase LNG Service for a minimum period of time, to take or pay for a minimum amount of LNG Service, to make a contribution in aid of construction, to furnish a guarantee, such as a surety bond, letter of credit, other means of establishing credit, and/or to comply with other provisions as determined appropriate by the Company.

The Customer's monthly minimum charge under this Rate Schedule shall be the Monthly Services Charge.

Special Conditions:

1. All charges listed above are subject to applicable federal, state, or local taxes.
2. LNG Services provided hereunder shall be available only in connection with LNG that
 - a. will be consumed in the State of Florida, or
 - b. if not consumed in Florida,
 - i. will not be vaporized for further transportation in interstate commerce by pipeline after its delivery to Customer by the Company pursuant to this Rate Schedule, and
 - ii. will not be involved in a gas exchange or gas transportation by displacement transaction that would be deemed to circumvent the Federal Energy Regulatory Commission's jurisdiction, under the Natural Gas Act, over the interstate transportation of gas by pipeline.
3. The rates set forth under this schedule shall be subject to the operation of the Company's Tax and Fee Adjustment Clause set forth on Sheet No. 7.101-5.
4. Service under this schedule shall be subject to the Rules and Regulations set forth in this tariff.

**LIQUIFIED NATURAL GAS SERVICE
Rate Schedule LNG**

Availability:

This rate schedule is available to any Customer for the purchase of Liquefied Natural Gas ("LNG") service from Peoples Gas System throughout the service areas of the Company.

Applicability:

Applicable to Customers requesting liquefied natural gas services through ~~liquefaction of natural gas~~, storage of LNG, regasification of LNG to natural gas, and/or non-pipeline distribution of LNG ("LNG Service") for customer market segments including, but not limited to: (1) use as a transportation fuel, including marine markets, rail, auto, jet propulsion and other transportation customers, (2) use to increase system reliability, peak shaving and to increase resiliency of their facilities, (3) Customers that cannot be served by pipeline by PGS for any reason, including without limitation, time to construct the pipeline, cost of constructing pipeline, remote location, reliability/resilience and intermittent demand and (4) LNG loaded by ISO containers and exported to foreign markets pursuant to a valid export license. LNG Service under this Schedule is contingent upon arrangements mutually satisfactory to the Customer and Company for the design, location, construction, ownership, and operation of facilities required for the Company's provision of LNG Service. Service under this Rate Schedule is contingent upon the Company and the Customer entering a mutually satisfactory LNG Service Agreement.

~~Service under this Rate Schedule is contingent upon the Company and the Customer entering a mutually satisfactory LNG Service Agreement.~~ Peoples' entry into an LNG Service Agreement with a Customer and the provision of LNG services pursuant to the LNG rate schedule with that Customer will not cause any additional costs to the Company's other rate classes.

Rate:

LNG Service facilities installed under the provisions of this schedule shall be owned, operated and maintained by the Company unless otherwise agreed to in an agreement for services between the parties. The rate for LNG Service supplied hereunder shall consist of a Monthly Services Charge and the transportation and delivery of natural gas under the Company's applicable Rate Schedules for General Service, Interruptible Service or Wholesale Service.

Monthly Services Charge:

The Monthly Services ~~Charge~~ Fee shall be set forth in the agreement between the parties and unless otherwise specified in the agreement shall be billed in monthly installments over the term of this Agreement. The rate structure of the Monthly Services ~~Charge~~ Fee shall be designed to recover the cost of service required to provide LNG Service to Customer. The rate structure includes, but is not limited to depreciation, return on capital, taxes and operational expenses, fuel used to operate facilities and electric costs to operate the facility. As used in this schedule, LNG Service facility costs to be recovered means the total installed cost of such LNG facilities, as determined by Company, which may include but are not limited to ~~blowers, chillers, condensate removal equipment, compressors, heat exchangers, driers, pumps, interstage and aftercoolers, heavy~~

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~~constituent knockout equipment, filters, turbo-expanders, liquid/vapor separators, distillation columns, fractionators, drivers, control valves (JT), vacuum insulated piping, condensers, accumulators,~~ instrumentation, vaporizers, fire protection equipment, safety equipment, monitoring equipment, truck scales, vent and flare systems, waste water disposal systems, instrument air, power, communications, ~~fuel gas,~~ N2 systems, ~~gas constituent removal equipment,~~ quality monitoring equipment, storage, controls, piping, metering,

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propane injection, and any other related appurtenances, including any redundancy necessary to provide reliable LNG Service, before any adjustment for accumulated depreciation, a contribution in aid of construction, etc. The agreement between Company and Customer may require a commitment by the Customer to purchase LNG Service for a minimum period of time, to take or pay for a minimum amount of LNG Service, to make a contribution in aid of construction, to furnish a guarantee, such as a surety bond, letter of credit, other means of establishing credit, and/or to comply with other provisions as determined appropriate by the Company.

The Customer's monthly minimum charge under this Rate Schedule shall be the Monthly Services Reservation Charge.

Special Conditions:

1. All charges listed above are subject to applicable federal, state, or local taxes.
2. LNG Services provided hereunder shall be available only in connection with LNG that
 - a. will be consumed in the State of Florida, or
 - b. if not consumed in Florida,
 - i. will not be vaporized for further transportation in interstate commerce by pipeline after its delivery to Customer by the Company pursuant to this Rate Schedule, and
 - ii. will not be involved in a gas exchange or gas transportation by displacement transaction that would be deemed to circumvent the Federal Energy Regulatory Commission's jurisdiction, under the Natural Gas Act, over the interstate transportation of gas by pipeline.
3. The rates set forth under this schedule shall be subject to the operation of the Company's Tax and Fee Adjustment Clause set forth on Sheet No. 7.101-5.
4. Service under this schedule shall be subject to the Rules and Regulations set forth in this tariff.