

November 20, 2024

**E-Portal**

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

**[New Filing]: Joint Petition of Florida Public Utilities Company and Florida City Gas for Approval of Tariff Changes to Standardize and Align the Companies' Transportation Service Programs and for Approval of a Flexible Gas Service Tariff for Florida City Gas**

Dear Mr. Teitzman:

Attached for filing, please find the Joint Petition of Florida Public Utilities Company and Florida City Gas for Approval of Tariff Changes to Standardize and Align the Companies' Transportation Service Programs and for Approval of a Flexible Gas Service Tariff for Florida City Gas, which is submitted on behalf of both referenced companies. Included with this filing are:

FPUC Tariff Sheets

|                 |                 |                 |
|-----------------|-----------------|-----------------|
| Sheet No. 6.028 | Sheet No. 6.575 | Sheet No. 8.117 |
| Sheet No. 6.029 | Sheet No. 6.576 | Sheet No. 8.154 |
| Sheet No. 6.030 | Sheet No. 6.577 |                 |
| Sheet No. 6.031 | Sheet No .6.578 |                 |
| Sheet No. 6.032 | Sheet No. 6.579 |                 |
| Sheet No. 6.350 | Sheet No .6.580 |                 |
| Sheet No. 6.451 | Sheet No. 6.600 |                 |
| Sheet No. 6.453 | Sheet No .6.601 |                 |
| Sheet No. 6.455 | Sheet No. 6.650 |                 |
| Sheet No. 6.475 | Sheet No.6.651  |                 |
| Sheet No. 6.500 | Sheet No.7.202  |                 |
| Sheet No. 6.526 | Sheet No.7.203  |                 |
| Sheet No. 6.550 | Sheet No. 7.204 |                 |

FCG Tariff Sheets

Sheet No. 1  
Sheet No. 2A  
Sheet No. 7B  
Sheet No. 20  
Sheet No. 23  
Sheet No. 24B  
Sheet No. 24E  
Sheet No. 24H  
Sheet No. 24K  
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Sheet No. 1A  
Sheet No. 7  
Sheet No. 7C  
Sheet No. 21  
Sheet No. 24  
Sheet No. 24C  
Sheet No. 24F  
Sheet No. 24I  
Sheet No. 24L  
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Sheet No. 2  
Sheet No. 7A  
Sheet No. 7D  
Sheet No. 22  
Sheet No. 24A  
Sheet No. 24D  
Sheet No. 24G  
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Thank you for your assistance with this filing.

Kind regards,

A handwritten signature in cursive script, appearing to read "Beth Keating", written over a horizontal line.

Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
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(850) 521-1706

Enclosure

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Joint Petition of Florida Public Utilities )  
Company and Florida City Gas for Approval of ) Docket No.  
Tariff Changes to Standardize and Align the )  
Companies' Transportation Service Programs )  
and to Implement a Flexible Gas Service Tariff ) Filed: November 20, 2024  
for Florida City Gas )

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**JOINT PETITION FOR APPROVAL OF TARIFF CHANGES TO STANDARDIZE AND  
ALIGN FLORIDA PUBLIC UTILITIES COMPANY'S AND FLORIDA CITY GAS'S  
TRANSPORTATION SERVICE TARIFFS AND TO IMPLEMENT A FLEXIBLE GAS  
SERVICE TARIFF FOR FLORIDA CITY GAS**

Pursuant to Rules 25-7.033, 25-9.005, and Rule 28-106.201, Florida Administrative Code, and consistent with Rule 25-9.033, Florida Administrative Code, and Section 366.06, Florida Statutes, Florida Public Utilities Company, ("FPUC"), as well as the Florida City Gas ("FCG") (herein, jointly, "Companies" or "Florida platform"), by and through undersigned counsel, hereby jointly file this petition requesting Florida Public Service Commission ("FPSC" or "Commission") approval of modifications to the Companies' transportation tariffs to standardize the terms and conditions under which the Companies will provide transportation services to Florida customers. This standardization also includes reinstating a Flexible Gas Service ("FGS") tariff for FCG. Approval of the requests set forth in this petition will further align the tariffs of the sister companies. In further support of this request, the Companies hereby state:

1. The Companies are natural gas local distribution companies subject to the Commission's jurisdiction under Chapter 366, Florida Statutes. The parent company of both FCG and FPUC is Chesapeake Utilities Corporation ("CUC"). Their principal business address is: /

208 Wildlight Avenue  
Yulee, Florida 32097

2. The name and mailing address of the persons authorized to receive notices are:

Beth Keating, Esquire  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe Street, Suite 601  
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3. The Companies are unaware of any material facts in dispute at this time, but the proceeding may involve disputed issues of material fact. The Companies' requests set forth herein do not involve reversal or modification of a Commission decision or proposed agency action, but instead involves modifications to previously approved company tariffs. This is a Petition representing an initial request to the Commission, which is the affected agency located at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399.

**I. BACKGROUND**

4. The Commission approved standardization and consolidation of tariffs of the subsidiaries of CUC operating Florida in a series of prior dockets with the final consolidation, including rates, taking place in the rate case addressed in Docket No. 20220067-GU. Since the acquisition of FCG in December 2023, the Companies have continued to provide natural gas sales and transportation service, as applicable, under each Company's separate tariff. The Companies' goal, however, is to ultimately arrive at a single consolidated tariff, including consolidated rates, which the Companies anticipate will be requested in a future filing with the Commission. Similar to the approach utilized by CUC and FPUC with the former Indiantown, Fort Meade, and

Florida Division of Chesapeake tariffs, the Companies intend to align the terms and conditions of the Companies' tariffs as much as possible prior to the next rate case so that the focus of a future rate proceeding can be the consolidation of the rates and rate structure.<sup>1</sup> To that end, the Companies have taken steps over the past few months to address inconsistencies between the Companies' two tariffs, consolidate programs, and allocate costs, where appropriate, across the Florida Public Utilities Company/Florida City Gas natural gas platform in Florida.<sup>2</sup>

5. This filing represents a significant step in an ongoing effort, by the Company, to reduce and eliminate business inconsistencies across the Companies' Florida platform. The Companies have not made, and do not propose to make, changes to customer rates, as reflected in the individual companies' rate schedules at this time. Rather, the Companies seek to standardize each entity's transportation service programs and align the program criteria across the Florida platform for purposes of consistency and to the extent possible given that FPUC and FCG still also provide natural gas sales service.

## **II. TRANSPORTATION SERVICE TARIFF STANDARDIZATION**

6. Both FPUC and FCG systems are partially unbundled. Both Companies provide larger residential and non-residential customers the option to purchase their natural gas supplies from Shippers where the customer is responsible for purchasing the gas from

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<sup>1</sup> See, for instance, Order No. PSC-14-0655-FOF-GU, allowing consolidation of the Companies' conservation program costs; Order No. PSC-15-0321-PAA-GU, approving modified PGA and transportation cost allocation methodology; and Order No. PSC-16-0422-TRF-GU, which approved modifications of that allocation methodology. See also, related Orders Nos. PSC-2019-0153-TRF-GU and PSC-2020-0013-TRF-GU.

<sup>2</sup> See, approved stipulations in Dockets Nos. 20240003-GU and 20240004-GU. Order pending.

Shippers<sup>3</sup> and making delivery to the Company at the Companies' city gates. Both Companies provide compulsory natural gas sales service to the majority of their residential customers.

7. By standardizing transportation service rules and processes for each of the Company's two service areas, the Companies will be able to provide a more uniform service level across the sister companies' platform in Florida, while Customers and Pool Managers will also operate under the same tariff provisions across the two Companies' distribution systems. By way of example, the distinct differences among the Companies' various transportation service processes result in cumbersome and inefficient administrative processes, which are described, along with the Companies' proposed modifications, below.
8. Operating under two different transportation service tariffs presents a variety of administrative and operational challenges to the Companies. These challenges include administrative inefficiencies, the inability to streamline necessary business functions and IT systems, and the utilization of duplicative business forms with varying levels of consistency and that are absent a common format. For example, a customer facility owned by a corporate entity located in the FPUC service area may encounter a much different transportation service sign-up process than that of a facility owned by the same corporate entity located in the FCG service area. Likewise, several common terms under each tariff reflect slightly different definitions, which could lead to confusion.
9. The Companies also plan to implement the FPUC Convergence Gas Transportation System ("Convergence GTS" or "GTS") within the FCG service area. This software is

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<sup>3</sup> Shippers may also be referred to as Third Party Marketers or TPS. Pool Managers serve the same function for groups of customers.

currently used by the Company in its FPUC service area. The Convergence system is a gas transportation management software that manages the various transportation service functions such as quantity calculations, capacity release, nominations, gas deliveries and receipts. The Convergence system used by FPUC interfaces with the Company's customer information and measurement systems. In contrast, at this time, FCG uses Gastar, which is a software solution from Ensyte used to manage gas transportation and for which FCG pays an annual maintenance fee. This software solution does not currently interface with other requisite FCG software programs, such as FCG's measurement and customer information systems. The Convergence GTS system works better with other associated applications, so switching FCG over to that system will eliminate additional programming work otherwise necessary when using Gas Star. Switching FCG over to GTS also heightens the need to align FCG's transportation programs and tariffs with those of FPUC. The approval of the implementation of the proposed standardized transportation programs and tariffs in conjunction with implementation of the Convergence system in the FCG service area will alleviate unnecessary software programming changes caused by varying internal processes. Additional benefits include:

- The project will provide FPUC and FCG with a gas management portal that can easily accommodate changes in the industry and the company's complex gas delivery environment.
- Provide a single solution to give FPUC and FCG, suppliers, and business partners easy access to critical data to manage their daily and monthly business on the Companies' distribution systems.



- Consolidate administrative processes and business procedures across FPUC’s Florida platform.

**A. Changes to FPUC’s Tariff**

10. To address these inconsistencies and promote efficiencies, FPUC first reviewed its existing tariff and made certain changes to clarify certain existing provisions and ensure language utilized was actually reflective of actual, best practices for the service or function addressed. The Company then utilized the updated FPUC tariff as the guide for updating and revising FCG’s tariff. The language proposed for both tariffs conforms with Commission rules while reflecting industry norms and best practices. The proposed updated, standardized tariffs will enable the Companies to implement more efficient processes across the Florida platform.
11. First, addressing the proposed modifications to update and clarify the FPUC tariff, the Companies are proposing the following changes:

1. Rate Schedule Pool Manager Service

12. On Sheet No. 7.202, the non-delivery penalty provision has been modified to include language that the penalty rate will be the “otherwise applicable” rate of Florida Gas Transmission. This will allow the Company to charge a delivery penalty regardless of whether or not Florida Gas Transmission has an Alert Day notice in place. Penalties are necessary for the Company to maintain system integrity. The proposed penalties will act as an incentive for the Pool Managers to delivery to correct quantities of gas each day. In addition, on Sheet No. 7.204, the Company has adopted the provision from the FCG tariff that makes it clear that Pool Managers must comply with the Commission’s standards of conduct.

2. Contract Transportation Service Standard Form

13. Sheet No. 8.177 has been updated to remove the requirement that the customer submit a signed Letter of Authorization. Since customers served under rate schedule CTS receive transportation services under FPUC's individual transportation service program and execute a CTS service agreement, it is not necessary that the customer also sign a Letter of Authorization.

14. Other changes are as follows:

3. Other FPUC Transportation Tariff Modifications

- Sheet Nos. 6.029-6.032 – The sheet numbers for these sheets are corrected to correct a previous error that assigned two different sheets No. 6.029.
- Sheet No. 6.029 – additional language is added to clarify, consistent with Order NO. PSC-02014-0710-TRF-GU, that the FGS agreements do not need to be filed but will be reviewable by the Commission upon request.
- Sheet No. 6.031 – The SAS rate schedule is applicable to only Pool Managers and not customers. Therefore, the reference to FGS customers or Special Contract customers has been stricken.
- Sheet No. 6.350 – Clarification that the Company is only required to deliver, on an hourly basis, the amount of gas scheduled and delivered by the interstate or intrastate pipeline delivering to the Company.
- Sheet No. 6.575 – Clarify that the Company will provide, at its discretion, up to 100% of customer's Daily Demand Requirement ("DDR") upon request.
- Sheet No. 6.578 – Adopts FGC tariff language concerning the Company's right to recall capacity in certain situations.

FPUC/FCG Tariffs

- Sheet No. 6.580 – Eliminates confusing and duplicative delivery penalty language that was also listed in Rate Schedule Pool Manager Service.
- Sheet No. 6.600 and 6.601 – Adopts and inserts FCG tariff language with greater specificity regarding the Company’s interruption and curtailment rights.
- Sheet No. 6.651 – Adopts FCG’s currently tariffed daily balancing language. This is necessary to ensure the Company can maintain the necessary levels of gas supply into its distribution system and clarifies the process for determining an imbalance and assessing appropriate penalties.

4. Language Clarifications and Tariff Clean-Up

- Clean-Up – Sheet Nos. 6.451, 6.455, 6.475, 6.500 and 6.576
- Clarifications – Sheet Nos. 6.526, 6.527 and 6.577

15. The proposed changes to FPUC’s tariff are attached hereto, in clean and tracked/legislative format, as Attachment A.

**B. FCG Tariff Changes**

16. The Companies propose to have FCG adopt FPUC’s tariffed transportation service programs that have previously been approved by the Commission along with the modifications listed above. Specifically, the Companies are proposing the Commission approve the following necessary tariff provisions:

- a. Sheet Nos. 24P – 24S - Implementation of consistent operational tools tariff provisions across the FPUC and FCG platforms.
- b. Sheet Nos. 71A – 71E - Rate Schedule PMS - Implementation of analogous Pool Manager credit and performance requirements across the FPUC and FCG platforms.
- c. Sheet Nos. 24J – 24N - Implementation of a consistent DDR (calculation) and

allocation process across the FPUC Florida platform.

- d. Sheet No. 24J - Standardization of the Company's interstate pipeline capacity release calculation.
- e. Sheet No. 24J - Standardization of the Companies' weighted average cost of capacity calculation i.e., Company's capacity release rate for those customers required to acquire the Companies' interstate pipeline capacity.
- f. Sheet No. 24S – 24T - Adoption of FPUC monthly imbalance provision relating to Pools that are commonly managed by the same Pool Manager may net their imbalances at the end of each month. (Other than those imbalance levels that are greater than or equal to twenty percent (20%).)
- g. Sheet Nos. 24S – 24T - Alignment of FPUC's end of month cash out process.
- h. Sheet Nos. 24O – 24P - Implementation of FPUC's automated nomination process across the FPUC Florida platform.

17. Below is the summary for each section of the proposed standardized sections of the proposed tariff:

1. Technical Terms and Abbreviations:

The FCG Technical Terms and Abbreviations have been modified to include those terms and abbreviations that apply under the proposed standardized tariff. Additional terms and abbreviations have been included in the proposed tariff as required. Further, those terms and abbreviations that are no longer used in the proposed tariff have been deleted.

2. Rules and Regulations:

Changes to the Rules and Regulations section of the transportation tariffs, as a result of standardization, have been made to Classification of Customers, Pool Managers, and

Services have been added and lists all applicable customer classifications, Pool Manager classifications, and Services offered by the Companies. The language associated with this section was adopted from the existing FPUC tariff.

3. Rate Schedules:

Changes to the FCG Rate Schedules, as a result of standardization, include changing the term “Third Party Supplier” to “Pool Manager”. References to DCQ and ADDQ capacity calculations have been eliminated from the applicable rate schedules. FCG’s Rate Schedule Third Party Supplier (“TPS”) has been replaced with FPUC’s Rate Schedule Pool Manager Service (“PMS”) with associated modifications.

4. Other Rate Schedule and Billing Adjustment Modifications:

FCG proposes to adopt the existing FPUC Off System Sales Service-I (“OSSS-1”) rate schedule and associated standard form.

18. The Companies propose that the following standard transportation service forms be adopted and included in the standardized FCG (transportation services) tariff. These forms and been approved by the Commission in prior FPUC dockets.

- Transportation Service Agreement
- ITS Shipper Designee Form
- CI Pool Manager Customer Termination Notice
- Letter of Authorization
- Request to Return to Regulated Sale Service
- Off System Sales Letter Agreement
- CI Pool Manager Agreement

19. The changes to FCG's tariff are attached hereto as Attachment B and include clean versions, as well a version with changes tracked.

### **III. IMPACT OF CHANGES ON FCG OPERATIONS**

#### **A. Daily Delivery Quantity and Capacity Release**

20. Currently, FCG's transportation customers are categorized in two transport programs i) the Aggregated Daily Delivery Quantity ("ADDQ") customers and ii) the Daily Delivery Quantity ("DDQ") customers. The ADDQ and the DDQ are the quantities of interstate pipeline capacity the Company is required to release currently (if available) and the Pool Manager is required to acquire from the Company to serve each Customer Pool's aggregated DDQ, in order to assure a firm gas delivery path to the Company on behalf of customers that are aggregated in one of the Company's Customer Pools. It is important to note that at this time, FCG does not hold enough upstream capacity to release to Pool Managers and therefore, no capacity is released to Pool Managers. This is to assure that the Company retains enough upstream capacity to serve its own sales service customers and, if necessary, any critical-need transport customers such as hospitals.
21. In contrast, for FPUC transport customers, the Daily Demand Requirement or "DDR" is the quantity of gas supply required to serve each customer in a Pool Manager's Pool. The aggregated DDR is the quantity of gas required to serve the average daily demand for a specific Customer Pool. In the case of the CI Daily Read Pool the Customer Pools' aggregated DDR will then be multiplied by a factor to be determined by the Company annually. This factor is only applied for the purposes of calculating the quantity of interstate pipeline capacity to be allocated and subsequently released to the Pool Manager to provide

deliveries to the Pool Manager's CI Daily Read Pool.

22. For each Customer participating in a specific Customer Pool, the DDR will be based on the prior year, same month billed quantities, divided by the number of days in the applicable billing period and then divided by ten to convert to dekatherms. The Companies will then sum to DDR for each customer in a Customer Pool to calculate the aggregated DDR for each Customer Pool. In the case of the CI Cycle Read Pool(s), the DDR will equal the capacity release quantity except for periods when the Companies may be "short" interstate pipeline capacity.
23. Thus, as outlined above, each of the Companies has its own tariffed methodology for capacity allocation, . Each individual Company's methodology was tailored to meet each its operational requirements at the time they were approved and implemented. These calculations not only lack consistency but exacerbate the challenges of accessing secondary capacity on the interstate pipeline system(s), particularly during periods of peak demand.
24. Since the operations of the interstate pipelines and the Companies' distribution systems are fluid, the delivery points at which interstate pipeline capacity is released must be left to the Companies' discretion and made on a month-to-month basis given the operational conditions of the pipelines serving the Companies. Therefore, the Companies propose to align FCG's tariffed process with that of FPUC and thereby formulate each FCG Customer Pools' capacity release rate consistent with other like Customer Pools across the Companies' business units as well as provide for the release of capacity at delivery points at the FCG's discretion. This methodology will provide a more equitable and consistent capacity release methodology throughout the Companies' service areas. It will also assure that primary capacity will be released and utilized at the delivery points that are pertinent to the operation

of FCG's distribution systems.

25. These changes will not impact customers with whom there exists a current capacity release agreement or an asset management agreement, nor will it impact retention of interstate pipeline capacity to serve the Companies' regulated sales service pool (PGA) customers.
26. In addition, to the extent capacity is available, the Companies will release capacity to the CI Cycle Read Pools and the Companies' CI Daily Read Pools. Pool Managers whose Customer Pools are "short" capacity when compared with the Pools' respective aggregated DDR will be required to augment their deliveries with secondary capacity to meet each Pools' aggregated DDR. If the Pool Manager's scheduled quantities at the Companies' delivery points are not equal to the Pool Manager's aggregated DDR, the Pool Manager may be subject to a non-- performance penalty.
27. The release rates for the CI Cycle Read and CI Daily Read aggregated pool customers are proposed to be released at the Companies' annualized Weighted Average Cost of Capacity ("WACC") excluding releases to ITS customers described above. Capacity releases will be made to the TTS Customer Pools and retained by the Companies' Regulated Sales Service Pool at the WACC for all remaining interstate pipeline capacity, excluding that capacity released to ITS customers, to the CI Customer Pools and interstate pipeline capacity assigned to the respective Swing Service Rider.

**B. Pool Manager Non-performance Penalties**

28. In the FCG service area, much of the FCG's historic regulated sales service has been replaced by third party marketers who supply the commodity to customers by acting in the role of Pool Managers. Many of these customers are high priority firm end use customers that



depend on an uninterrupted supply of natural gas. To ensure delivery of the gas supply, the third-party suppliers, or Pool Managers, acquire capacity that is released by the Companies to serve those high priority customers. Sufficient capacity does not, however, guarantee that the third-party supplier has also acquired sufficient commodity. The Companies, however, have no ability to monitor or otherwise ensure that the gas supply obtained by a third-party supplier is also from a firm source. It is not uncommon for a third-party supplier to use a non-firm or possibly even an interruptible commodity supply for delivery into the individual company's system for redelivery to some of these high-priority firm customers.

29. Non-performance penalties are levied by the Companies when the third-party supplier or Pool Manager's daily scheduled quantities do not match the Pool Manager's aggregated Daily Delivery Quantities or the Pool Manager's aggregated DDR. Currently, FCG and FPUC have different penalty provisions. The rate differential for each varying delivery penalty in each service area creates a decision point and an arbitrage opportunity for the Pool Manager. That is, the Pool Managers are, at times, incited to deliver gas supplies to one of the Companies' service areas over the other(s), depending on which penalty is highest during any given day. FPUC's daily delivery penalties are equal to the higher of \$15 or 200% of the (otherwise applicable) highest weekly Alert Day Price as posted by FGT. To prevent arbitrage by the Pool Manager's, the Companies are proposing to standardize this penalty by incorporating it in FCG's tariff as well.

**C. Operational Controls**

30. Operational controls are necessary for the Companies to utilize during times of upstream pipeline or intrastate pipeline instability due to high or low line pack. At this time, the

combined Companies are served by four interstate pipelines, two intrastate pipelines, and two LDC interconnects each with varying operating parameters, load patterns, and operational control tariff provisions. Given the diversification of the pipelines delivering into the Companies' distribution systems, linking the Companies' requisite operational controls to that of a single pipeline is no longer an appropriate or effective mechanism for maintaining operational integrity across the Companies' Florida distribution systems.

31. Standardizing the operational controls across the FPUC/FCG Florida platform will eliminate Pool Manager arbitrage opportunities. The Companies are administering two varying operational control tariffs and these tariffs in effect isolate each of the Companies' respective service areas from each other, which, consequently, limits utilization of inherent throughput diversity within the two individual operating systems that can be utilized for the benefit of both Companies to mitigate Transportation Service Provider operational penalties.
32. In addition, the Companies must perform varying direct assignment and allocation processes to assign Alert Day and Operational Flow Order ("OFO") imbalances and penalties to each individual shipper, Pool Manager, the Company's OBA or the Company's PGA (as the case may be) for each of the two Companies. As such, FCG's tariffs have been modified to incorporate the FPUC tariff provisions on operational control which will ensure these processes are consistent across the Companies' FPUC Florida platform. Included in these changes, FCG's tariff will, if approved, decouple its ability to implement an OFO or Alert Day from that of the upstream interstate pipeline, which better reflects the operational conditions on FCG's systems rather than those on the upstream pipelines. This proposed change is consistent with FPUC's tariff, as well as those of other LDCs operating in Florida.

**D. Nomination Process and System**

38. An effective nomination process and system is required to administer and assign accurate daily scheduled quantities to each customer and Customer Pool. At this time, both Companies require customers and Pool Managers to nominate their daily gas supply albeit on different Gas Transportation Systems with varying processes. With the petition, the Companies are proposing to align the FCG nomination process with the current FPUC nomination process. As proposed, FCG nominations will be required for all ITS customers and Customer Pools. As in the FPUC service area, the Company will require Pool Managers and Customers as the case may be to nominate through the Convergence Gas Transportation System.
39. A formal nomination process will give the Companies the ability to manage the FPUC Florida platform's overall gas supply deliveries, by interstate pipeline and associated delivery point. This formal nomination requirement is not a foreign concept to the Companies' Pool Managers. To the contrary, all Florida shippers are required to nominate quantities on every other Commission and FERC-regulated pipeline in the state of Florida.

**E. Imbalance Settlement**

40. In Docket No. 20190036-GU, the Commission approved changes to the cash-out mechanisms to make the FPUC and Ft. Meade cash-out mechanisms consistent with those of the CFG service area. See FPUC Order No. PSC-2019-0153-TRF-GU, issued on April 24, 2019. The Companies therefore are seeking to make those same approved imbalance provisions applicable to the FCG service area.
41. Under the Companies' proposal, the current FPUC imbalance methodology will not change.

Pools that have an imbalance level greater than or equal to twenty percent (20%) will not be netted.

42. Each Companies' existing capacity cost allocation rider will continue to be applicable to those rate schedules listed in each Company's respective tariff. The Companies are not proposing consolidation or standardization of the Swing (FPUC) or Transportation Balancing (FCG) Service Charge calculation and allocation methodologies used in each Companies' respective rider at this time.<sup>4</sup>

#### **F. Implementation of Transportation Program Alignment**

43. If approved, the Companies expect the implementation of the changes pertaining to transportation service will require approximately twelve to eighteen months following final approval in order to fully implement. This will provide the Companies with sufficient time to notify their customers and to work with customers, as well as Pool Managers, to evaluate and refine business processes and to implement necessary IT system changes.

44. It is important to note that the Companies have already informed participating Pool Managers of the changes anticipated in this filing, including the Companies' plans to standardize the transportation services. As the Companies approval request moves through the regulatory process, the Companies have committed to keep the Pool Managers apprised of any changes and the time frame in which the Companies will expect implement the standardized transportation program. If the Commission approves these requested changes, the Companies plan to meet with Pool Managers to discuss the transition.

45. Due to the time necessary to implement the Convergence system for FCG and sensitivity to

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<sup>4</sup> See, Order No. 2024-0076-TRF-GU, in Docket No. 20230110-GU; and Order No. 2018-0557-TRF-GU, in Docket No. 20180158-GU.

the fact that the Pool Managers' will likely need to make adjustments to their arrangements with their customers, the Companies are proposing that the transport-related tariff consolidation and modifications go into effect September 1, 2025. The Companies will keep the Pool Managers, customers and the Commission apprised of the final implementation date and will provide each with at least thirty (30) days' notice of the final scheduled implementation date that will be no earlier than September 1, 2025.

#### **IV. FLEXIBLE GAS SERVICE FOR FCG**

46. In addition to the transportation service program and tariff changes described above, FCG also asks for approval to adopt the FPUC Flexible Gas Service option in its tariff. The proposed tariff is consistent with the Flexible Gas Service tariff on file for FPUC. By adopting this tariff, new FCG customers will have same options available to them as similarly situated new FPUC customers.
47. More and more, FCG is finding that customers, particularly large industrial customers, have multiple fuel options available to them, such as bypassing the Company's distribution system and connecting directly to the interstate pipeline, intrastate pipeline, other distribution systems or accessing fuel alternatives such as fuel oil or electric energy. In addition, customers are becoming increasingly aware of their ability to meet their energy requirements with alternative sources of energy. The ability to implement greater price flexibility is imperative in the present, highly competitive market.
48. As with new FPUC customers, the proposed FCG's FGS tariff would apply, at FCG's discretion, only to customers who affirmatively demonstrate that viable alternatives to the FCG's service exists such that deviation from the standard tariff options is warranted in order

for FCG to have the opportunity to serve the customer. Only after receipt and review of a statement detailing a customer's alternatives would the Companies offer Flexible Gas Service to any customer.

49. Importantly, the Companies' proposed tariffs incorporate several protective measures, which are consistent with those established for CUC's former Florida Division in Order No. PSC-98-1485-FOF-GU, as well as those in FPUC's latest revisions addressed in Order No. 2014-0710-TRF-GU. These protective measures are designed to ensure that existing customers will not be adversely affected by or otherwise subsidize FGS for new customers. To ensure that other customers have no responsibility for the costs attributable to this tariff, in future rate cases, the Companies will remove rate base, revenues and the administrative and operational costs of serving customers under the FGS Tariff so that other customers will not bear these costs. Additionally, the Companies will not attempt to recover from the other customers, the difference between the otherwise applicable tariff rate and the FGS contract rate, either through cost recovery clauses or during future base rate cases. This is the same degree of protection adopted for CUC and for FCG when those companies' FGS tariffs were approved in Dockets Nos. 980895-GU and 960920-GU, respectively.<sup>5</sup> With these protections in place, existing customers of the Companies' will be shielded from any additional costs associated with the Companies' competitive efforts, while the FGS tariffed rate will assist the Companies' efforts to be competitive.

50. The Flexible Gas Service will have a floor equivalent to the incremental cost of providing service to the customer. The Companies will exclude all incremental capital costs related to serving the customer from rate base and will retain all revenue received from these customers. While the Flexible Gas Service tariff is intended primarily to enable the

Companies to compete effectively for new customers who have viable alternatives to the Companies' service, there may be instances in which the tariff could be applicable to existing customers. In such instances, in addition to excluding all incremental capital costs from rate base, the Companies shall remove from rate base the depreciated cost of the service line, metering equipment, and any other facilities that were installed specifically to serve the customer.

51. FCG's proposed Flexible Gas Service tariff, Sheet No. 74.4, is included in Attachment B.

**V. RELIEF REQUESTED**

WHEREFORE, Florida Public Utilities Company and Florida City Gas respectfully request that the Commission:

1. Approve FPUC's proposed tariff modifications for its transportation service programs to be effective thirty (30) days from the date of the Commission's vote approving them;
  2. Approve the proposed changes to FCG's transportation service tariffs as proposed herein with a delayed effective date of not earlier than September 1, 2025, as described herein;
- and

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<sup>5</sup> FCG later cancelled its FGS tariff, because, at the time, it was not being utilized.

3. Approve the implementation of the proposed Flexible Gas Service tariff for Florida City Gas with an effective date thirty (30) days from the date of the Commission's vote.

RESPECTFULLY SUBMITTED this 20<sup>th</sup> day of November, 2024.

By:  \_\_\_\_\_

Beth Keating  
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(850) 521-1706

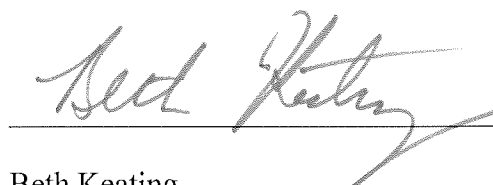
*Attorneys for Florida Public Utilities Company and  
Florida City Gas*



**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been served upon the following by Electronic Mail this 20<sup>th</sup> day of November, 2024.

|   |  |
|---|--|
| Keith Hetrick<br>General Counsel<br>Florida Public Service Commission<br>2540 Shumard Oak Boulevard<br>Tallahassee, FL 32399-0850<br><a href="mailto:Khetrick@psc.state.fl.us">Khetrick@psc.state.fl.us</a> | Walt Trierweiler<br>Office of Public Counsel c/o The Florida<br>Legislature<br>111 W. Madison Street, Room 812<br>Tallahassee, FL 32399-1400<br><a href="mailto:trierweiler.walt@leg.state.fl.us">trierweiler.walt@leg.state.fl.us</a> |
| Mike Cassel<br>Florida Public Utilities Company<br>208 Wildlight Avenue<br>Yulee, Florida 32097<br><a href="mailto:mcassel@chpk.com">mcassel@chpk.com</a>   |  |



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ATTACHMENT A  
FLORIDA PUBLIC UTILITIES COMPANY  
REVISED TARIFF SHEETS  
(CLEAN AND TRACKED CHANGES)

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***RULES AND REGULATIONS - CONTINUED***

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1. All Customers receiving Transportation Service, whose annual consumption of Gas exceed 50,000 Therms, shall have electronic metering equipment installed by Company at Customer's expense. Customer shall be responsible for providing electric and telephone service.
  
- ii. Aggregated Transportation Service (ATS):
  1. CI Service Pools:

Unless otherwise authorized by Company, all Non-Residential Customers in the Indiantown and CFG Service Areas, shall utilize a Company-approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at the Company's Receipt Point(s).

All Ft, Meade and FPUC Service Area Non-Residential Customers shall have the option of utilizing ATS and shall utilize a Company approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at the Company's Receipt Point(s) or purchasing Gas from Company's Regulated Sales Service Pool.
  2. TTS Service Pool(s):

Unless otherwise authorized by Company, all Indiantown and CFG Residential Customers shall utilize a Company-approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at Company's Receipt Point(s).
  
- a. Contract Transportation Service (CTS):

Transportation Service provided to Customer that has Alternate Fuel or physical or economical bypass capabilities and that:

  - i. Meets the minimum annual threshold of 25,000 Therms of required Gas supply;
  - ii. Has executed a CTS Affidavit and Contract Transportation Service Agreement which is accepted by the Company; and
  - iii. Company may periodically adjust its Tariff rates for gas service to compete with Customers' Alternative Fuel pricing or bypass alternative as provided in the CTS Rider, the Rules and Regulations set forth in this Tariff, and other approved Rule or Regulations of the Company, as applicable. Billing Adjustments and Taxes and Fees, as set forth in Sheet Nos. 7.300-7.417, may also apply.

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***RULES AND REGULATIONS - CONTINUED***

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- b. Special Contract Service (SCS):  
Transportation Service provided to a Customer at the sole option of the Company pursuant to Florida Public Service Commission Rule 25-9.034, FAC, where the rates, terms and conditions for service may be different than those set forth in the Company's approved Tariff. All SCS Customers shall enter into a Special Contract Agreement with the Company, which is subject to the approval of the FPSC. Billing Adjustments and Taxes and Fees, as set forth in Sheet Nos. 7.300-7.417, may also apply.
- c. Shipper of Last Resort Service (SOLR):  
In the event all TTS Pool Manager(s) are terminated, the Company shall perform all TTS Pool Manager functions as defined in this Tariff. The SOLR service will be provided in accordance with the Rules and Regulations set forth in this Tariff, the terms and conditions of the TTS Pool Manager Agreement(s), and other approved rules and regulations of the FPSC. The Company shall provide this service to Customers until a replacement TTS Pool Manager is selected. Billing Adjustments and Taxes and Fees, as set forth in Sheet Nos. 7.300-7.417, may also apply.
- d. Flexible Gas Service (FGS):  
This service is available at the Company's option to Customers meeting the applicability standards which include i) the Customer must demonstrate to the Company that Customer has a viable economic energy alternative including verifiable documentation of Customer's energy alternative; ii) the Company must demonstrate that this new Customer will not cause any additional costs to, or cross-subsidization by, the Company's other rate classes; ; and iii) all FGS Customers shall enter into a Flexible Gas Service Agreement with the Company. Service agreements under this tariff will not require FPSC approval. nothing in this tariff shall be construed to prohibit or restrict the FPSC from reviewing the service agreement in the performance of its duties, but the FPSC shall treat the service agreement as a confidential document. The Company is under no obligation to grant service under this Tariff.
- e. Off System Sales Service (OSSS-1):  
Interruptible Natural Gas delivered by Company to any person not connected to Company's distribution system. Customer and Company shall rely on measurement made by the Transportation Service Provider. Unless curtailed, all Nominations to Customer's Transportation Service Provider Pipeline Delivery Point shall be considered to have been made by the Transportation Service Provider. Off-System Sales include i) intrastate and interstate pipeline capacity releases made by the Company, ii) commodity sales made by the Company, and / or iii) delivered sales made by the Company. Fifty percent (50%) of the net revenues shall be retained by Company. The remaining fifty percent (50%) of the net revenues shall be used to reduce Company's costs recovered through the Company's Purchase Gas Cost Recovery Clause.

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***RULES AND REGULATIONS - CONTINUED***

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- f. Renewable Natural Gas Service (RNG):  
Service provided to RNG producers which includes conditioning or upgrading biogas into pipeline quality RNG for interconnection, injection, and delivery into the Company's distribution systems. The Company may provide upgrade equipment, compressors, blowers, anaerobic digestors, site work, piping, heat exchangers, driers, metering, system interconnects, injection equipment, storage vessels, and other equipment deemed necessary for the safe and reliable operation of the biogas conditioning site and system interconnect/injection point(s). The Company's provision of RNG service to the Customer may require an agreement between the Company and the Customer. RNG shall conform to the Quality of Gas provisions contained in this tariff.
- g. Pool Manager Services:
- i. Shipper Administrative and Billing Service (SABS):  
Administrative and billing service provided to a Pool Manager under the SABS rate schedule, in accordance with the Rules and Regulations and Agreements set forth in this Tariff. The Company shall provide the following services to Pool Managers under the SABS; i) reading of Customer's Meters, ii) provision of Customer projected monthly usage information, along with Transportation Service Provider capacity quantity to be released to Pool Manager, iii) provision of Customer usage information to Pool Manager each Month, iv) retention of Customer's historical usage information, v) Letter of Authorization review and administration, vi) receipt and administration of Pool Manager's Gas rates for Customer billing, vii) calculation and presentation of Pool Manager's gas billing charges on Company's monthly bill or, at Company's sole option, on a separate bill to Customer, viii) collection and application of Customer payments for Pool Manager's Gas billing charges, ix) remittance of Customer payments for Pool Manager's gas billing charges to Pool Manager, net of Pool Manager's billing charges that are bad debt write-offs and recovery of said bad debts, the SABS Tariff-approved charges and other applicable charges and adjustments, and x) other services as the Company may determine necessary to administer Gas deliveries by Pool Managers to Customers. This service is required for TTS Pool Managers and is not available to CI Pool Managers. Billing Adjustments and Taxes and Fees, as set forth on Sheet Nos. 7.300-7.417, may also apply.

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***RULES AND REGULATIONS - CONTINUED***

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ii. Shipper Administrative Service (SAS):

Administrative service provided to a Pool Manager under the SAS rate schedule, in accordance with the Rules and Regulations set forth in this Tariff. The Company shall provide the following services to Pool Managers under the SAS; i) reading of Customer's Meters, ii) provision of Customer projected monthly usage information, along with Transportation Service Provider capacity quantity to be released to Pool Manager, iii) provision of Customer usage information to Pool Manager each Month, iv) retention of Customer's historical usage information, v) Letter of Authorization review and administration, and vi) other service as the company may determine necessary to administer Gas deliveries by Pool Managers to Customers. This service is required for CI Pool Manager, and is not available to TTS Pool Manager. Billing Adjustments and Taxes and Fees, as set forth on Sheet Nos. 7.300-7.417, may also apply.

iii. Delivery Point Operator Service (DPO):

Administrative service provided to a Pool Manager by Company, or Company's agent acting as DPO, in accordance with the Rules and Regulations set forth in this Tariff. Company shall provide the following services to Pool Managers receiving DPO service; i) receipt and administration of scheduled Gas quantities for Pool Manager's Customer Pool, ii) compilation of measured Gas quantities for Pool Manager's Customer Pool, iii) resolution of monthly imbalances with Transportation Service Provider (difference between scheduled Gas quantities for all Pool Managers and measured Gas quantities at the Company's Receipt Points), using approved book-out and/or cash-out processes of Transportation Service Provider(s), iv) resolution of monthly imbalances with Pool Manager (difference between scheduled Gas quantities and measured Gas quantities for Pool Manager's Customer Pool), in accordance with this Tariff, v) administration of the Operational Balancing Account ("OBA"), in accordance with this Tariff, vi) administration of Transportation Service Provider Operational Orders, including financial transactions, if any, and vii) other service as Company may determine necessary to administer Gas deliveries by Shippers to Customers.

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***RULES AND REGULATIONS - CONTINUED***

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iv. Off-System Delivery Point Operator Service (OS-DPO):

Administrative service, in accordance with an executed Off-System Delivery Point Operator Agreement, provided at Company Receipt Point(s) to a Pool Manager by Company, or Company's agent acting as DPO, in accordance with the Rules and Regulations set forth in this Tariff, as applicable. Company shall provide the following services to Pool Managers under the OS-DPO Service, i) receipt and administration of scheduled Gas quantities for Pool Manager's Customer Pool, ii) compilation of measured Gas quantities for Pool Manager's Customer Pool, iii) resolution of monthly imbalances with Transportation Service Provider (difference between scheduled Gas quantities for all Pool Managers and measured Gas quantities at the Company Receipt Point(s)), using approved book-out and/or cash-out processes of Transportation Service Provider, iv) resolution of monthly imbalances with Pool Manager ((difference between scheduled Gas quantities and measured Gas quantities for Pool Manager's Customer Pool), in accordance with this Tariff, v) administration of the OBA account, in accordance with this Tariff, vi) administration of Transportation Service Provider Operational Orders, including financial transactions, if any, in accordance with this Tariff, and vii) other services as Company may determine necessary to administer Gas deliveries by Pool Managers to Customers. Billing Adjustments and Taxes and Fees, as set forth on Sheet Nos. 7.300-7.417, may also apply. Upon initiation of service, any TTS Pool Manager or CI Pool Manager who has executed an Off-System Delivery Point Operator Agreement will be assigned to the OS-DPO rate schedule.

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***RULES AND REGULATIONS - CONTINUED***

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**N. LIMITATIONS OF SUPPLY**

Company reserves the right, subject to regulatory authority having jurisdiction, to limit, restrict or refuse service that will result in additions to its distribution system and/or production capacity and/or alterations in its contractual requirements of supply from nonaffiliated companies that may jeopardize service to existing Customers.

Under no circumstances is Company required to deliver hourly quantities of natural gas greater than the hourly quantities of natural gas that has been scheduled by the interstate or intrastate pipeline directly upstream of Company's facilities.



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***RULES AND REGULATIONS - CONTINUED***

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- a. Full Requirements:

All Customers receiving Individual Transportation Service shall transport all of their natural gas quantity requirements through Company's distribution system. Regulated Sales Service shall not be available from the Company. Gas quantities scheduled for delivery to the Company by the Customer, or Customer's Agent that are not in balance with actual metered consumption at the Company's Delivery Point shall be subject to the imbalance resolution provisions of this Tariff.
- b. Electronic Measurement:

All Customers receiving Transportation Service, whose annual consumption of Gas exceeds 50,000 Therms, shall have electronic metering equipment installed by Company at Customer's expense.
- c. SAS Rate Schedule:

Upon initiation of service, all ITS Shippers shall be assigned to the SAS Rate Schedule.
- d. Shipper Designee:

Marketers, brokers, or other third-party suppliers of Gas that wish to either act as Designees for Individual Transportation Service Customers or Off-System Delivery Point Operator Service Customer, shall be required to execute a Shipper's Designee Form with the Company. Customer's Designee shall warrant clear title, any Gas delivered into Company's system, and Customer's facilities. Designee shall be deemed to be in exclusive control and possession of Gas prior to delivery into Company's system for redelivery to Customer. Customer's Designee shall indemnify, defend, and hold harmless Company from any and all claims, suits or damage actions arising out of deliveries on behalf of a transporting Customer.
- e. Limitation of Transportation Service:
  - i. New Premise:

Company reserves the right, subject to the regulatory authority having jurisdiction, to limit or restrict usage through establishment of an MDTQ or refuse Transportation Service to a new premise that will result in additions to its distribution system that may jeopardize Transportation Service to existing Customers.

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***RULES AND REGULATIONS - CONTINUED***

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i. Company-Approved Pool Manager:

Unless otherwise authorized by Company, Company will require all Non-residential Customers in the Indiantown and CFG Service Areas Customers and those Non-Residential Customers in the Ft. Meade and FPUC Service Areas who elect to use Company's Transportation Service to designate a Pool Manager from a list of approved Pool Managers posted by Company on Company's website. Customer shall have the right to change their Pool Manager pursuant to Section U4 below. Customer will not be charged to designate its initial Pool Manager. Ft. Meade and FPUC Service Area Customers will be charged a \$23.00 fee if a Pool Manager is changed after its initial designation.

iv. New Customers:

New Customers in the Indiantown and CFG Service Areas must request CI Transportation Service by submitting a Request for Gas Service. New Non-Residential Customers located in the Indiantown and CFG Service Areas will be assigned to an applicable Customer Pool pursuant to Section U2 below.

New Customers in the Ft Meade and FPUC Service Areas must request CI Transportation Service by submitting a Request for Gas Service. All Non-Residential Customers in the New Ft. Meade and FPUC Service Areas will be assigned to an applicable Customer Pool pursuant to Section U2 below.

v. Service Initiation:

Service will be initiated to Customer pursuant to Section U2 below.

Notwithstanding the above provisions, the Company may extend the time period for the initiation of service to accommodate the physical extension or improvement of the Company's facilities required to provide such service.

vi. SAS Rate Schedule:

Upon initiation of service, all CI Pool Managers shall be assigned to the SAS Rate Schedule.

vii. Service Limitation:

Customers served under a FGS, CTS, or a Special Contract shall not be eligible to receive Aggregated Transportation Service unless otherwise approved by Company.

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***RULES AND REGULATIONS - CONTINUED***

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- iv. New Customers:  
New Indiantown Service Area Non-Residential and CFG Service Area Non-Residential Customers must request to participate in a TTS Pool by submitting a Request for Transportation Service.
- v. Service Initiation:  
Upon receipt of Customer's Request for TTS Service, the Company and Pool Manager shall make all reasonable efforts to initiate Transportation Service in accordance with Customer's requested initiation date.
- Notwithstanding the above provisions, the Company may extend the time period for the initiation of service to accommodate the physical extension or improvement of the Company's facilities required to provide such service.
- vi. SABS Rate Schedule:  
Upon initiation of service, all Indiantown and CFG Service Area TTS Pool Managers shall be assigned to the SABS Rate Schedule.
- vii. Service Limitation:  
Customers served under a FGS, CTS or a Special Contract shall not be eligible to receive Aggregated Transportation Service (either TTS or CI) unless otherwise approved by Company.

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***RULES AND REGULATIONS - CONTINUED***

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**S. AUTHORIZED POOL MANAGERS**

1. The Company, on behalf of the Customer Accounts in the TTS Customer Pool(s), shall, select qualified Pool Manager(s) to provide Gas supply and transportation management services to the TTS Customer Pool(s). The Company shall issue a Request for Proposal (RFP) from time to time, soliciting bids from qualified gas marketing companies interested in becoming a Pool Manager. The RFP shall be disseminated in such a manner as to ensure its reasonable distribution to gas marketing companies active in the Florida retail gas market. Nothing in this Tariff shall preclude the Company from joining with other parties to issue a joint RFP, combining Customer volumes from all parties, for the purpose of obtaining more favorable gas supply and transportation management terms.
2. CI and TTS Pool Manager Minimum Requirements:
  - a. Pool Manager(s) shall be a duly authorized shipper on all Company's Transportation Service Provider's interstate pipeline systems.
  - b. Pool Manager(s) shall demonstrate their capability to meet Company's standards for creditworthiness.
  - c. Pool Manager(s) shall execute either a CI Pool Manager Agreement or a TTS Pool Manager Agreement, as applicable with the Company prior to providing gas supply and transportation management services to the Customer Pool(s).
3. TTS Pool Manager's Obligation to Serve:
  - a. The Pool Manager(s) shall be required to provide natural Gas sales and management services to all of the Company's Indiantown and CFG Service Area Residential Customers and those Non-Residential accounts transferred into the Customer Pool, as well as other accounts that may be added to the Customer Pool during the term of the Agreement. Subsequent to the initial transfer of Customers into the Customer Pool as described, above, Customers shall be added to the Customer Pool as follows: (i) Indiantown and CFG Service Area Residential Customers receiving a new service connection for the purpose of initiating Transportation Service, (ii) Indiantown and CFG Service Area Residential Customers reactivating an existing disconnected service, (iii) Indiantown and CFG Service Area Non-Residential Customers, upon request, with the prior approval of the Pool Manager, (iv) Indiantown and CFG Service Area Non-Residential Customers unable to receive service from Transportation Service Provider or a gas marketer under the Individual Transportation Service Program, with the stipulations that a) Pool Manager may establish reasonable deposit or account security requirements prior to initiating gas service and, b)

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***RULES AND REGULATIONS - CONTINUED***

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**T. CUSTOMER'S AGENT OR SHIPPER'S DESIGNEE**

1. Designee Agreement:

Marketers, brokers, or other third-party suppliers of Gas that wish to either act as Agents for Individual Transportation Service Customers or Off-System Delivery Point Operator Service and, shall be required to execute an ITS and OS-DPO Shipper Designee Form with the Company (Sheet No. 8.131).

2. Indemnification:

Customer's Agent shall warrant clear title, or right to transport, any Gas delivered into Company's system, and Customer's Agent shall be deemed to be in exclusive control and possession of Gas prior to delivery into Company's system for redelivery to Customer. Customer's Agent agrees to indemnify, defend, and hold harmless Company from any and all claims, suits or damage actions arising out of deliveries on behalf of a transporting Customer.

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***RULES AND REGULATIONS - CONTINUED***

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Service Initiation Existing Premise Continued:

For new Customer premises to which an initial bill has not been issued, Service will be delayed until the first day of the second calendar month following enrollment by the Pool Manager.

2. Service Transfer Between Pools:

To initiate the transfer of service between Transportation Service pools that includes Individual Transportation Service, CI Transportation Service, and TTS Service, a Customer shall select a Company-approved replacement Pool Manager and replacement Pool Manager shall enroll Customer electronically via Company's website. Prior to electronic enrollment transfer, Pool Manager shall obtain a Letter of Authorization from the Customer in the form set forth on Sheet Nos. 8.134-8.137 of this tariff and have signed by the Customer prior to enrollment. Transportation Service by the Company to a Customer account for which service hereunder has been properly requested by electronic enrollment prior to the tenth (10<sup>th</sup>) Business Day prior to the end of the month will commence on the first day of the following calendar month following receipt by the Company of the aforesaid electronic enrollment.

3. Reactivation of Existing Residential Customer Premise:

Residential Customers reactivating Transportation Service at an existing premise shall be assigned to the TTS Pool Manager that was serving the previous Residential Customer located at the premise.

6. Transfer of Residential Customer:

When a Residential Customer transfers Transportation Service from an existing premise to another premise, upon request by Customer, said Residential Customers' existing TTS Pool Manager shall transfer with the Customer to the new premise.

7. Transfer of Non-Residential Customer:

Non-Residential Customers transferring Transportation Service from an existing premise to another premise shall be required to submit a new LOA to Pool Manager, and Pool Manager shall transfer service no later than ten (10) Working Days prior to the end of the Month to retain its selected Pool Manager at the new premise. All Ft. Meade and FPUC Service Area Non-Residential Customers who change Pool Managers will be charged a \$23.00 fee when a Pool Manager is changed after Customer's initial designation.

8. Indiantown and CFG Service Area Non-Residential Customers Currently Receiving Service from CI Pool Manager:

Non-Residential Customers receiving service from a CI Pool Manager may select to be assigned to a TTS Customer Pool. Said Non-Residential Customer shall execute a Letter of Authorization specifying the TTS Pool Manager or shall be assigned by Company to a TTS Pool Manager no later than ten (10) Working Days prior to the end of the Month.

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***RULES AND REGULATIONS - CONTINUED***

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**V. INITIATION OF TRANSPORTATION SERVICE**

Initiation of Pool Manager Service:

Any Company-approved Pool Manager or Shipper Designee that is authorized to deliver Gas to Company's Receipt Point(s), which is subsequently delivered by Company at the Company's Delivery Point(s) under one of the Company's Transportation Service Programs will be required to meet the following provisions before service can be initiated to the Pool Manager.

1. TTS Pool Manager Requirements:
  - a. TTS Pool Manager(s) selected by the Company shall:
    - i. Execute a TTS Pool Manager Agreement (Sheet Nos. 8.157-8.170);
    - ii. Establish credit sufficient to Company in accordance with these Rules and Regulations; and
    - iii. Agree to receive SABS service.
2. TTS Pool Manager Competitive Bid Process:
  - a. Through a competitive Request for Proposal process, the Company shall select one or more TTS Pool Managers to provide gas supply and related services to the Company's TTS Customers.
3. Allocation of Customers to TTS Pool Managers (Indiantown and CFG Service Areas):

Customers shall be initially assigned to the TTS Customer Pools. Residential Customers may request to change their selection of TTS Pool Manager once within a twelve-Month period. Company does not assume any liability related to the selections made by each Customer and does not warrant that each Customer will select the TTS Pool Manager that is the most advantageous. Non-Residential CFG Service Area and Indiantown Service Area Customers can select any Company-approved CI Pool Manager and exit the TTS program in accordance with Section U3.
4. CI Pool Manager Requirements:
  - a. An entity is eligible to become a CI Pool Manager shall:
    - i. Execute a CI Pool Manager Agreement (Sheet Nos. 8.153-8.156);
    - ii. Establish credit sufficient to Company in accordance with these Rules and Regulations;
    - iii. Agree to retain copies of fully executed Customer Letter of Authorizations and provide such LOA upon request by the Company and
    - iv. Agree to receive SAS service.

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***RULES AND REGULATIONS - CONTINUED***

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**W. CAPACITY ASSIGNMENT AND RECALL**

1. Intent of Capacity Release:

Company, through its Service Agreements with Transportation Service Providers, has contracted for firm capacity rights on the Transportation Service Providers' pipeline systems. Company will temporarily relinquish capacity to Customer or Pool Manager, as applicable, each Month, utilizing the methodology described below, on Transportation Service Provider's systems for Customers and Pool Managers' use in transporting Gas to Company's Individual Transportation Service, CI, and TTS Customer Pool(s). Company will retain enough capacity to serve Company's Regulated Sales Service Customer Pool each Month.

2. Capacity Release Methodology:

The Company shall retain, adequate quantities of capacity on Transportation Service Providers' systems to serve Company's Regulated Sales Service Customer Pool prior to the allocation of capacity to Individual Transportation Service Customers who have executed a capacity release agreement with the Company, and Pool Manager Customer Pools. The Company shall temporarily relinquish quantities of Transportation Service Provider Capacity to i) individual Customers who have executed Capacity Release Agreements with the Company, ii) TTS Pool Managers, and iii) CI Pool Managers each Month.

3. Daily Demand Requirement Calculation and Quantity of Capacity for Release:

Each Month after adequate capacity is allocated to Company's Regulated Sales Service Pool, Company shall determine the aggregated DDR to be relinquished to each Aggregated Transportation Service Pool Manager using the following methodology:

- a. For each existing and new Aggregated Transportation Service Customer (both CI Daily and Cycle Read Pools and TTS Pool(s)), the aggregated DDR shall be determined by using the prior year's applicable Month Gas consumption for each Customer in the Customer Pool (adjusted for Customer additions and losses from the succeeding eleven-Month period) and dividing by the number of days in the applicable Month, then dividing the result of this calculation (Therms per Gas Day) by ten (10) (to convert Therms to Dekatherms); and then rounding up to the next whole Dekatherm. In the case of the CI Daily Read Pool(s) and only for the purposes of calculating the Pool Manager's aggregated Daily Capacity (release) Quantity ("DCQ"), the aggregated DDR calculated above will be multiplied by 0.50. CI Daily Read Pool Managers may request and Company may provide, in Company's sole discretion, up to one hundred percent (100%) of Customer's total historical DDR.



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***RULES AND REGULATIONS - CONTINUED***

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Daily Demand Requirement Calculation and Quantity of Capacity for Release Continued

- b. Each Month, the Company shall determine the total aggregated DDR for each Customer Pool, in accordance with the methodology described herein. Adjustments to Pool Manager's aggregated DDR will occur from time to time to reflect changes in the Company's weighted average cost of capacity and as a result of the enrollment and transfer of Customers to and between Customer Pools.

For each existing and new Individual Transportation Service Customer, Company will relinquish capacity based on Customer MDTQ as provided in the Capacity Release Agreement (if any) between Customer and Company. Customer must elect a MDTQ of sufficient quantity to satisfy the Customer's Monthly natural gas requirements. Company will provide Customer a twelve-Month consumption history to assist in making its initial election.

- c. Remaining capacity, if any, may be allocated to the Company's Regulated Sales Service Pool and TTS Pool(s) on a pro-rata basis based on the prior Month's actual throughput for each of the Regulated Sales Service and TTS Pool(s).

4. Scope of Capacity Release:

a. Pool Manager Service Agreements with Transportation Service Providers:

Pool Manager shall enter into all required agreements with each Transportation Service Provider so that Pool Manager has all necessary rights to accept and acquire the relinquished capacity from Company hereunder. Capacity releases shall be made on a temporary basis, in accordance with applicable FERC rules and regulations, as they may change from time to time. Pool Manager shall have sole responsibility for complying with all provisions of such agreements and all applicable provisions of Transportation Service Providers' FERC Tariffs.

b. Relinquishment Notices:

Each Month, Company shall provide to Transportation Service Providers the notice of capacity release required under the rules and regulations of the respective Transportation Service Provider's FERC Tariff. Such notices shall offer to relinquish, on a temporary basis, that portion of the Pool Manager's aggregated DCQ to be relinquished by Company by Customer Pool. Company shall diligently and in a time sufficient for Pool Manager to commence use of the released capacity, take all other actions required under the rules and regulations of the respective Transportation Service Provider's FERC Tariff to relinquish capacity to Pool Manager. Capacity releases will be released to Customers, Pool Managers, and Shipper's Designee(s) pursuant to Company's state-approved

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***RULES AND REGULATIONS - CONTINUED***

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Relinquishment Notices Continued

retail choice programs as set forth in this Section W. of this Tariff.

- c. Acceptance of Capacity Release:  
Pool Manager shall diligently and in a timely manner take all actions necessary under the rules and regulations of Transportation Service Provider's FERC Tariffs to acquire and accept the capacity relinquished by Company. Company has no obligation to relinquish capacity to Pool Manager in quantities greater than the Aggregated DCQ. If after five (5) days, Pool Manager does not acquire requisite capacity, Pool Manager may be terminated.
  
5. Capacity Exceeding Released Quantities:  
If Pool Manager's Customer Pool's aggregated DDR is greater than Pool Manager's Customer Pool's aggregated DCQ, Pool Manager shall be responsible for taking such actions as are required to obtain sufficient Transportation Service Provider capacity to meet its Customer Pool requirements (aggregated DDR), such additional quantities shall be defined as Pool Manager's Customer Pool's Daily Delivery Capacity Variance ("DDCV"). Pool Manager may acquire such Transportation Service Provider capacity quantities from any source.
  
6. Capacity Charges:  
Pool Manager shall pay to Transportation Service Provider the rate listed in Company's relinquishment notice. Such rate will be based on Company's annualized weighted average cost of capacity excluding releases to ITS Customers, Customers receiving service under Rate Schedules FGS and Rider CTS, those Customers served by the Company pursuant to a Special Contract, those Customers who utilize upstream capacity released by the Company pursuant to an asset management agreement, and capacity released by Company pursuant to a long term capacity release i.e., a period a longer than one (1) year) or the negotiated rate for the capacity relinquished by the Company. Pool Manager shall indemnify Company and hold it harmless from any and all rates and charges assessed by Transportation Service Provider to Company for the relinquished capacity.
  
7. Capacity Payments:  
Pool Manager shall make all payments to Transportation Service Provider(s) for the relinquished capacity in accordance with Transportation Service Provider's FERC Tariffs, and by any applicable FERC rule or order. If Pool Manager fails to make such payments, Company may make such payments on behalf of Pool Manager (in a manner which preserves any rights which Pool Manager may have to dispute the nature or amount of the charges). Pool Manager shall reimburse Company for such payments

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***RULES AND REGULATIONS - CONTINUED***

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Capacity Payments Continued

inclusive of interest, at the highest interest rate allowed by law, from the date such payments are made by Company to Transportation Service Provider.

8. Recall Rights to Released Capacity:

- a. All capacity relinquished to Pool Manager by Company, may be recalled by Company from time to time to facilitate the redistribution of capacity among Pool Managers to accommodate Customer migration, or to change the rate of the release regardless of the term of a specific capacity release by Company to Pool Manager.
- b. Company shall have the right to recall temporarily or permanently a portion or all of the capacity relinquished hereunder, subject to the applicable notice requirements in Transportation Service Providers' FERC Tariffs, in the event that Pool Manager breaches its contractual obligations of payment to Transportation Service Provider for the released capacity; or (ii) Pool Manager otherwise breaches the terms and conditions of this Tariff. In the event Company temporarily recalls a portion of the relinquished capacity, Company shall re-release such capacity to Pool Manager within ten (10) Working Days after Pool Manager has provided assurance satisfactory to Company, in Company's reasonable discretion, that the cause which gave rise to Company's recall right has been removed.
- c. Capacity is required to serve Company's high priority Customer or to maintain the operational integrity of Company's distribution system(s).
- d. A Pool Manager's failure to meet the security requirements of this Tariff.
- e. A filing of bankruptcy by a Pool Manager.
- f. An order from the FPSC or FERC where recall would be necessary to comply with Commission orders.

9. Retained Right of First Refusal:

Company shall retain the sole right to affirmatively exercise, at the time specified in the Service Agreement, Transportation Service Provider's FERC Tariffs, or any FERC rule or order, any right of first refusal mechanism (however denominated), including the option to extinguish such right, applicable to the relinquished capacity; provided, however, that Company may not exercise any such right in a manner which would impair Pool Manager's right to use the relinquished capacity during the term of any release.

***RULES AND REGULATIONS - CONTINUED***

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10. Periodic Open Seasons:

Company may hold an open season for incremental capacity releases not less than once per year. The open season may be held from April 1<sup>st</sup> through April 15<sup>th</sup> of each calendar year or other such period that Company may elect. Primary firm capacity from

the Company's interstate capacity portfolio will be made available to on-system Customers and Pool Managers on an as-available basis.

Releases by the Company will be for a period of not less than one year. Incremental quantities when aggregated with existing capacity release quantities made by Company to a Customer or Pool Manager will be not greater than the monthly historical demand quantity of the Customer or Customer Pool.

Releases requested during the applicable open season period will be awarded on a pro-rata basis and the awarded releases will be implemented not later than June 1<sup>st</sup> of the same calendar year or the first calendar Day of the month following the first full month after capacity has been awarded to the acquiring Customer or Pool Manager. Capacity awarded, if available, will be made on a not unduly discriminatory basis by the Company.

11. Capacity Acquisition:

a. Customer Pools:

Company shall provide to Pool Managers each Month, at least four (4) Days prior to Transportation Service Provider's deadline for posting capacity releases for the first day of the following Month, (i) a list of the accounts comprising Pool Manager's Customer Pool and the associated Non-Residential Customer DDRs, (ii) the estimated total Gas requirements to meet the needs of each of Pool Manager's Customer Pools for such following Month i.e., Pool Manager's aggregated DDR and, (iii) the aggregated DCQ that Company proposes to relinquish to Pool Manager for each Customer Pool. Pool Manager shall confirm the accuracy of the list of accounts comprising Pool Manager's Customer Pool with Company within one (1) Business Day after delivery of the Customer list to Pool Manager. If Pool Manager fails to confirm the accuracy of said list, Company shall proceed with the release to Pool Manager based on the information provided.

b. Maximum Daily Transportation Quantity (MDTQ):

Company may establish a MDTQ for Gas for one or more Customer(s) or Pool Manager(s) if, in the reasonable opinion of the Company, it is necessary to protect system integrity or to ensure existing Customers are not adversely affected by Customer(s) and or Pool Manager(s) requiring an MDTQ. Company shall not be

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***RULES AND REGULATIONS - CONTINUED***

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Maximum Daily Transportation Quantity (MDTQ) Continued

obligated to transport Gas above the Customer's or Pool Manager's MDTQ, if established, but may do so if feasible and without adverse effect to other Customers, in the reasonable opinion of the Company.

12. Pool Manager's Firm Delivery Requirements:

- a. Unless excused by Force Majeure, Pool Manager shall cause Transportation Service Providers to deliver on each Gas Day to Company Primary Receipt Points where Company is the DPO a quantity of Gas sufficient to reliably serve the requirements of its Customer Pool and off-system Customers. Pool Manager shall have no obligation to deliver Gas to Company on behalf of Customers whose service is terminated, either upon request of the Customer or for cause. Company shall promptly notify the Pool Manager of any known change in Customer account status that will affect Gas quantity deliveries.
- b. If any act or omission of Pool Manager causes Company, as the DPO, to incur any Transportation Service Provider penalties, other expenses or liabilities of any kind, Pool Manager will indemnify and reimburse Company for all said penalties, other expenses, or liabilities. Nothing herein shall be deemed to foreclose Company from employing other remedies, including cessation of deliveries for the unauthorized usage of Gas.

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***RULES AND REGULATIONS - CONTINUED***

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**X. NOMINATIONS AND SCHEDULING**

Nominations and Scheduling:

All TTS Pool Managers and CI Daily and Cycle Read Pool Managers, shall submit to the Company all Nomination and scheduling information affecting Company's Delivery Points simultaneous to any submission to Transportation Service Provider(s). In addition, each Customer, Pool Manager, or Shipper Designee shall submit to Company each day Nominated quantities for each Individual Transportation Service Customer that is required to have and has electronic telemetering equipment installed, ("Telemetered Customer").

CI Cycle Read Pools will be permitted one Nomination change within the Month. Such Nomination must be delivered to Company no later than the fifteenth (15<sup>th</sup>) of the applicable Month.

TTS Pool(s) and CI Daily Read Pool(s) will be permitted to change Nominations throughout the applicable Month.

Such Nomination shall include the following information:

1. The Customer, Shipper's Designee or Pool Manager's account number under which service is being nominated – "Del Loc" (Delivery Location);
2. The Company Receipt Point location including applicable POI and upstream pipeline name, package ID "Pkg ID" (Package ID), including Customer's or Pool Manager's Company account number "Dn K" (Downstream Contract), and quantity in Therms of Gas to be tendered at each Company Receipt Point "Nom Del Qty" (TPS Delivery Quantity);
3. The downstream delivery facility name, and quantity in Therms of Gas to be delivered for each Company Customer account or Pool "Dn Name" (Duns Number);
4. A beginning and ending date for each Nomination;
5. Ranking for allocation "Del Rank" (Delivery Rank)

Only Nominations with clearly matching identifiers will be scheduled and subsequently delivered by Company.

Transportation Interruption and Curtailment:

Company shall have the right to reduce or completely curtail deliveries to Customers as follows:

1. If, in Company's opinion, Customer will overrun the volume of Gas to which it is entitled from its supplier (or overrun the volume of Gas being delivered to Company for Customer's account); or
2. In the event Company is notified by its delivering pipeline pursuant to the FERC approved curtailment plans or provision of its tariff to interrupt or curtail deliveries; or
3. When necessary to maintain the operation reliability of Company's system.

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***RULES AND REGULATIONS - CONTINUED***

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Transportation Interruption and Curtailment Continued

Company will endeavor to give as much notice as possible to Customer in the event of interruption or curtailment. Any Gas taken in excess of an interruption or curtailment order shall be considered Unauthorized Gas Use.

Unassigned Gas

“Unassigned Gas” shall mean any quantity of gas received at a Company Receipt Point for which there is no transportation nomination that can be readily identified by Company and assigned by Company to the appropriate Customer(s), Shipper’s Designee(s), and Pool Manager(s).

Company shall post on its website the quantity, production month received on the Company’s system, and the point of receipt associated with any Unassigned Gas (“Notice”). Company shall continue to post the Notice for a period of not less than one Business Day.

In order to be a valid claim for purposes hereof, a claim must:

1. Be provided to the Company in writing;
2. Identify the specific Unassigned Gas delivered;
3. Provide independent evidence of ownership of Unassigned Gas claimed; and
4. Agree to indemnify Company fully with respect to any adverse claims to ownership of the Gas or to the proceeds resulting from the sale thereof.

If a valid claim is received, such quantities will be subject to purchase by the Company at seventy-five percent (75%) of the Gas Daily index for Gas delivered at the Florida City Gate.

If a valid claim is not received, such quantities of Gas will be credited to the Company’s Regulated Sales Service fuel clause.

***RULES AND REGULATIONS - CONTINUED***

**YY. IMBALANCE RESOLUTION**

1. Monthly Imbalances:

The balancing of the quantity of Gas scheduled and nominated for each Customer or Customer Pool at all Company Receipt Points for which Company, or Company's agent, is the DPO, and the actual usage by the sum of all Individual Transportation Service Customers and Customer Pools served by each Customer, Shipper Designee, or Pool Manager shall be calculated on a Monthly basis. Long or short Monthly Imbalance Quantities for each individual Customer Pool will be netted against Customer Pools administered by the same Pool Manager provided however, Customer Pools with an Imbalance Level (long or short) greater than 20% will not be eligible to be netted. The Company and Customer, Shipper's Designee or Pool Manager shall resolve all remaining Monthly Imbalance Quantities at the end of each Month, as follows:

- a. If the Monthly Imbalance Quantity is long (amount of Gas scheduled is greater than aggregated actual usage by Customer Pool(s)), the Company shall purchase from Customer or Pool Manager such Monthly Imbalance Quantity at a price per Therm (the "Unit Price") calculated by taking: (i) the lowest weekly average (weeks where Friday is within the calendar Month) of the "Daily price survey" for Gas under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platt's Gas Daily*, for the Month in which the positive (long) Monthly Imbalance Quantity was incurred, multiplied by the applicable factor set forth below:

| <u>Imbalance Level</u> | <u>Factor</u> |
|------------------------|---------------|
| 0% to 5%               | 1.00          |
| Greater than 5% to 20% | 0.90          |
| Greater than 20%       | 0.80          |

The total amount due Customer, Shipper Designee, or Pool Manager shall be the product of the Unit Price and the positive (long) monthly imbalance.

- b. If the Monthly Imbalance Quantity is short (amount of Gas scheduled is less than aggregated actual usage by Customer Pool(s)), the Company shall sell to Customer or Pool Manager such Monthly Imbalance Quantity at a price per Therm (the "Unit Price") calculated by taking the (i) the highest weekly average (weeks where Friday is within the calendar Month) of the "Daily price survey" for Gas posted under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platts Gas Daily*, for the Month in which the negative (short) Monthly Imbalance Quantity was incurred, multiplied by the applicable factor set forth below:



**RULES AND REGULATIONS - CONTINUED**

| <u>Imbalance Level</u> | <u>Factor</u> |
|------------------------|---------------|
| 0% to 5%               | 1.00          |
| Greater than 5% to 20% | 1.10          |
| Greater than 20%       | 1.20          |

and (ii) the Gulfstream Natural Gas 6% deliverability reservation per Therm tariff rate inclusive of all applicable surcharges (as it may change from time to time) plus the FGT FTS-1 usage rate per Therm, inclusive of all applicable surcharges.

The total amount due to the Company shall be the product of the Unit Price and the (short) negative monthly imbalance.

2. Daily Imbalances:

The Company shall, within the existing limitations of its system, provide for balancing between gas requirements and actual gas deliveries, net of an adjustment for Company Use and Unaccounted for Gas, received by the Company for the account of the Customers served by the TPS that day. The Company shall not be obligated to provide gas service during an hourly, daily or monthly period in excess of the levels specified in the Rate Schedules under which Customers of the TPS are served.

The Company reserves the right to require daily balancing on any other day in which the Company, in the exercise of its reasonable judgment, determines that such balancing is necessary for operational reasons. The Company will provide the TPS in all instances with at least twenty-four (24) hours advance notice that daily balancing will be imposed.

In the event that daily balancing is imposed in accordance with this section, TPS shall be assessed the following charges for daily imbalances:

| <u>Imbalance *</u>     | <u>Charge **</u> |
|------------------------|------------------|
| 0 to 5%                | \$0.00 per Therm |
| 5.1% to 10%            | \$0.10 per Therm |
| Under Deliveries > 10% | \$0.50 per Therm |
| Over Deliveries > 10%  | \$0.10 per Therm |

Company may waive penalties on a not unduly discriminatory basis.

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**POOL MANAGER SERVICE – (PMS) - CONTINUED**

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Force Majeure Continued

to be a matter within the control of the party claiming suspension.

Neither party will be entitled to the benefit of the force majeure provision hereof under either or both of the following circumstances: i) to the extent that the failure was caused by the party claiming suspension having failed to remedy the condition by taking all reasonable acts, short of litigation, if such remedy requires litigation, and having failed to resume performance of such commitments or obligations with reasonable dispatch; or ii) if the failure was caused by lack of funds, or with respect to the payment of any amount or amounts then due hereunder.

Aggregated Daily Demand Requirement:

Company will calculate the Pool Manager's aggregated Daily Demand Requirement by summing Pool Manager's Daily Demand Requirements, plus applicable Retainage, for each Customer being served by Pool Manager and rounding the total to the next greatest dekatherm. The Company will inform Pool Manager via e-mail of Pool Manager's aggregated Daily Demand Requirement by City Gate for the upcoming Month upon expiration of Company's enrollment deadline.

The Company shall assess the Pool Manager a per MMBtu charge equal to the maximum of \$15.00 or 200% of the otherwise applicable highest weekly overage Alert Day Price as is posted or otherwise would be calculated by Florida Gas Transmission Company for each day when delivery to Company by Pool Manager differs from Pool Manager's Pool(s) aggregated DCQ. The Company may waive this charge from time-to-time on a non-discriminatory basis.

Pool Manager Nominations

Each Pool Manager shall submit to Company first of the month scheduling and nomination information simultaneously with its submission to Transportation Service Provider(s). In addition, no later than the fifteenth (15<sup>th</sup>) of each month, Pool Manager may submit a mid-month nomination change for each Customer Pool. Pool Manager shall submit to Company, this scheduling and nomination information simultaneously with its submission to Transportation Service Provider(s).

Such Nomination shall include the following information:

1. The Customer, Shipper's Designee or Pool Manager's account number under which service is being nominated – "Del Loc" (Delivery Location);
2. The Company Receipt Point location including applicable POI and upstream pipeline name, package ID "Pkg ID" (Package ID), including Customer's or Pool Manager's Company account number "Dn K" (Downstream Contract), and quantity in Therms of Gas to be tendered at each Company Receipt Point "Nom Del Qty" (TPS Delivery

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**POOL MANAGER SERVICE – (PMS) - CONTINUED**

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Pool Manager Nominations Continued

- Quantity);
3. The downstream delivery facility name, and quantity in Therms of Gas to be delivered for each Company Customer account or Pool “Dn Name” (Duns Number);
  4. A beginning and ending date for each Nomination;
  5. Ranking for allocation ‘Del Rank” (Delivery Rank)

Only Nominations with clearly matching identifiers will be scheduled and subsequently delivered by Company.

Capacity Exceeding Released Quantities:

If Pool Manager’s Customer Pool’s aggregated DDR is greater than Pool Manager’s Customer Pool’s aggregated DCQ, Pool Manager shall be responsible for taking such actions as are required to obtain sufficient Transportation Service Provider capacity to meet its Customer Pool requirements, such additional quantities shall be equal to Pool Manager’s Customer Pool’s DDCV. Pool Manager may acquire such Transportation Service Provider capacity quantities from any source.

Pool Manager Warranty:

Each Pool Manager warrants that it will have at the time it delivers or causes the delivery of natural Gas into the Company’s distribution system good title to deliver the Gas. Each Pool Manager warrants that the natural Gas it delivers or causes to be delivered shall be free and clear of all liens, encumbrances, and claims whatsoever; that it will indemnify the Company and hold it harmless from all suits, actions, debts, losses and expenses arising from any adverse claims of any person to the natural Gas; and that it will indemnify the Company and hold it harmless from all taxes or assessments which may be levied and assessed upon such delivery and which are by law payable by the party making delivery.

Responsibility for Natural Gas:

The Company and the Pool Manager shall be jointly and severally liable for the natural Gas while it is in the Company’s distribution system between Company’s City Gate(s) and the point of delivery to the Customer. The Pool Manager shall be solely liable for the natural Gas until it is delivered to Company’s City Gate(s). The party or parties thus responsible for the natural Gas shall bear liability for all injury or damage caused thereby. Notwithstanding anything to the contrary stated herein, a Pool Manager shall indemnify the Company for all injury, damage, loss, or liability of the Company caused by Pool Manager’s delivery of natural Gas not complying with the Natural Gas Quality Section of this Tariff.

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**POOL MANAGER SERVICE – (PMS) - CONTINUED**

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Natural Gas Quality:

All-natural Gas delivered, or caused to be delivered, into Company's distribution system by or on behalf of a Pool Manager will be merchantable and shall conform to the natural Gas quality specifications set forth in the "Quality of Gas" section of this Tariff.

Billing:

The Company shall render to a Pool Manager on or before the 20<sup>th</sup> calendar day of each Month a bill for Pool Manager's monthly Customer Charge and for all imbalance charges as defined in Billing Adjustments during the preceding Month.

Payment:

Pool Manager shall pay the Company the amount due under any bill from the Company within ten (10) days after receipt by the Pool Manager of the bill from the Company. The Company may at its option require the Pool Manager to make payment of any bill by electronic transfer within such ten (10) day period. Any bill not paid within such ten (10) day period shall bear interest at the rate of one and one-half percent (1.5%) per Month.

Billing Disputes:

Pool Manager may dispute the amount of any bill by notifying the Company within sixty (60) days of receipt by the Pool Manager of the bill from the Company. If a Pool Manager in good faith disputes the amount of any bill, the Pool Manager shall nevertheless pay to the Company the amount of such bill. Company shall have thirty (30) days to resolve such disputes with Pool Manager and will refund to Pool Manager any amount resolved in favor of Pool Manager within ten (10) days of such resolution.

Standards of Conduct:

In addition to the above terms and conditions, Pool Managers must agree to comply with any standards of conduct or other requirements set forth by the FPSC.

Termination of Service:

Pool Manager will be responsible for providing Company with a duly executed CI Pool Manager Customer Termination Notice (See Sheet No. 8.132) not less than thirty (30) Working Days prior to the Pool Manager's desired date for termination of service to Customer.

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***N. CONTRACT TRANSPORTATION SERVICE AGREEMENT - CONTINUED***

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Responsibility and Liability

The Company and Customer do respectively assume full liability for the maintenance and operation of facilities operated by each party. Each party shall indemnify and save harmless the other from any and all loss or damage sustained, and from any and all liability including injury to persons and property insured, arising from any act or accident in connection with the installation, presence, maintenance and operation of facilities operated by the indemnifying party unless the same shall be due to the sole negligence of the other party, its agents, employees, contractors, guests or invitees.

Notices

All correspondence and notices required under this Agreement, except notice of Gas supply interruption or restoration of service are to be addressed at the above listed address or e-mail address and to Company at Florida Public Utilities Company, Energy Logistics Department PO Box 960, Winter Haven, Florida 33882. Notices with respect to interruption or restoration of deliveries of Gas shall be sufficient if given by Company, at the Company's option, in writing or orally in person or by telephone to the person or one of the persons designated from time to time by Customer as authorized to receive such notice. If Customer shall not have made such designation or, if made, Company is unsuccessful in its effort promptly to establish communication with the person or one of the persons so designated then in any such event, said notice shall be sufficient if given by Company to any person or persons who are on said premises or who answer Customer's telephone.

Customer Designation of Pool Manager

Customer shall designate a Pool Manager from Company's List of Approved Pool Managers on Company's website.

Point of Receipt and Point of Delivery

CTS Customers or Customer's Designee will cause Customer's natural Gas to be delivered to Company's Receipt Point as specified in Exhibit A. Customer has requested and Company agrees to receive and transport Customer's natural Gas from the Company's Receipt Point to the Company's Delivery Point as specified in Exhibit A.

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***V. CI POOL MANAGER AGREEMENT - CONTINUED***

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and released under the applicable FERC and Transportation Service Provider rules and regulations. The Company shall establish appropriate penalties to be enforced should the Pool Manager fail to perform under Rate Schedule PM. In the event of substantial non-performance, as defined in the Company's Tariff, the Company shall terminate the Pool Manager.

1. If any act or omission of Pool Manager causes Company to incur penalties or other expenses or liabilities for unauthorized overrun Gas, for imbalances on a pipeline system, for a failure to comply with Transportation Service Provider's Tariff, or for a failure to comply with a curtailment notice or to take deliveries as scheduled, Pool Manager will indemnify and reimburse Company for all such amounts which the acts or omissions of Pool Manager or its supplier have caused Company to incur. Nothing herein shall be deemed to foreclose Company from employing other remedies including cessation of deliveries, and Company reserves the right to do so, for the unauthorized consumption of Gas.
2. CI Pool Manager will participate in Company's Indiantown, Central Florida, Ft, Meade , and FPUC Service Areas and the Company's i) CI Cycle Read Pool where released capacity equals 100% historical monthly quantities and ii) CI Daily Read Pool where released capacity equals not greater than 50% of historical monthly.
3. Notices or communications to CI Pool Manager shall be given to:

Mailing Address:

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

E-mail: \_\_\_\_\_

4. This Agreement shall become effective at the start of the Gas Day (as defined in Transportation Service Provider's FERC Tariff) on \_\_\_\_\_.

*Signature Page Follows*



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***RULES AND REGULATIONS - CONTINUED***

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1. All Customers receiving Transportation Service, whose annual consumption of Gas exceed 50,000 Therms, shall have electronic metering equipment installed by Company at Customer's expense. Customer shall be responsible for providing electric and telephone service.

ii. Aggregated Transportation Service (ATS):

1. CI Service Pools:

Unless otherwise authorized by Company, all Non-Residential Customers in the Indiantown and CFG Service Areas, shall utilize a Company-approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at the Company's Receipt Point(s).

All Ft, Meade and FPUC Service Area Non-Residential Customers shall have the option of utilizing ATS and shall utilize a Company approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at the Company's Receipt Point(s) or purchasing Gas from Company's Regulated Sales Service Pool.

2. TTS Service Pool(s):

Unless otherwise authorized by Company, all Indiantown and CFG Residential Customers shall utilize a Company-approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at Company's Receipt Point(s).

a. Contract Transportation Service (CTS):

Transportation Service provided to Customer that has Alternate Fuel or physical or economical bypass capabilities and that:

- i. Meets the minimum annual threshold of 25,000 Therms of required Gas supply;
- ii. Has executed a CTS Affidavit and Contract Transportation Service Agreement which is accepted by the Company; and
- iii. Company may periodically adjust its Tariff rates for gas service to compete with Customers' Alternative Fuel pricing or bypass alternative as provided in the CTS Rider, the Rules and Regulations set forth in this Tariff, and other approved Rule or Regulations of the Company, as applicable. Billing Adjustments and Taxes and Fees, as set forth in Sheet Nos. 7.300-7.417, may



also apply.

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***RULES AND REGULATIONS - CONTINUED***

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b. Special Contract Service (SCS):

Transportation Service provided to a Customer at the sole option of the Company pursuant to Florida Public Service Commission Rule 25-9.034, FAC, where the rates, terms and conditions for service may be different than those set forth in the Company's approved Tariff. All SCS Customers shall enter into a Special Contract Agreement with the Company, which is subject to the approval of the FPSC. Billing Adjustments and Taxes and Fees, as set forth in Sheet Nos. 7.300-7.417, may also apply.

c. Shipper of Last Resort Service (SOLR):

In the event all TTS Pool Manager(s) are terminated, the Company shall perform all TTS Pool Manager functions as defined in this Tariff. The SOLR service will be provided in accordance with the Rules and Regulations set forth in this Tariff, the terms and conditions of the TTS Pool Manager Agreement(s), and other approved rules and regulations of the FPSC. The Company shall provide this service to Customers until a replacement TTS Pool Manager is selected. Billing Adjustments and Taxes and Fees, as set forth in Sheet Nos. 7.300-7.417, may also apply.

d. Flexible Gas Service (FGS):

This service is available at the Company's option to Customers meeting the applicability standards which include i) the Customer must demonstrate to the Company that Customer has a viable economic energy alternative including verifiable documentation of Customer's energy alternative; ~~and~~ ii) the Company must demonstrate that this new Customer will not cause any additional costs to, or cross-subsidization by, the Company's other rate classes; ~~;~~ and iii) all FGS Customers shall enter into a Flexible Gas Service Agreement with the Company. Service agreements under this tariff will not require FPSC approval, nothing in this tariff shall be construed to prohibit or restrict the FPSC from reviewing the service agreement in the performance of its duties, but the FPSC shall treat the service agreement as a confidential document. The Company is under no obligation to grant service under this Tariff.

e. Off System Sales Service (OSSS-1):

Interruptible Natural Gas delivered by Company to any person not connected to Company's distribution system. Customer and Company shall rely on measurement made by the Transportation Service Provider. Unless curtailed, all Nominations to Customer's Transportation Service Provider Pipeline Delivery Point shall be considered to have been made by the Transportation Service Provider. Off-System Sales include i) intrastate and interstate pipeline capacity releases made by the Company, ii) commodity sales made by the Company, and / or iii) delivered sales made by the Company. Fifty percent (50%) of the net revenues shall be retained by Company. The remaining fifty percent (50%) of the net revenues shall be used to reduce Company's costs recovered through the Company's Purchase Gas Cost Recovery Clause.

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***RULES AND REGULATIONS - CONTINUED***

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f. Renewable Natural Gas Service (RNG):

Service provided to RNG producers which includes conditioning or upgrading biogas into pipeline quality RNG for interconnection, injection, and delivery into the Company's distribution systems. The Company may provide upgrade equipment, compressors, blowers, anaerobic digestors, site work, piping, heat exchangers, driers, metering, system interconnects, injection equipment, storage vessels, and other equipment deemed necessary for the safe and reliable operation of the biogas conditioning site and system interconnect/injection point(s). The Company's provision of RNG service to the Customer may require an agreement between the Company and the Customer. RNG shall conform to the Quality of Gas provisions contained in this tariff.

g. Pool Manager Services:i. Shipper Administrative and Billing Service (SABS):

Administrative and billing service provided to a Pool Manager under the SABS rate schedule, in accordance with the Rules and Regulations and Agreements set forth in this Tariff. The Company shall provide the following services to Pool Managers under the SABS; i) reading of Customer's Meters, ii) provision of Customer projected monthly usage information, along with Transportation Service Provider capacity quantity to be released to Pool Manager, iii) provision of Customer usage information to Pool Manager each Month, iv) retention of Customer's historical usage information, v) Letter of Authorization review and administration, vi) receipt and administration of Pool Manager's Gas rates for Customer billing, vii) calculation and presentation of Pool Manager's gas billing charges on Company's monthly bill or, at Company's sole option, on a separate bill to Customer, viii) collection and application of Customer payments for Pool Manager's Gas billing charges, ix) remittance of Customer payments for Pool Manager's gas billing charges to Pool Manager, net of Pool Manager's billing charges that are bad debt write-offs and recovery of said bad debts, the SABS Tariff-approved charges and other applicable charges and adjustments, and x) other services as the Company may determine necessary to administer Gas deliveries by Pool Managers to Customers. This service is required for TTS Pool Managers and is not available to CI Pool Managers. Billing Adjustments and Taxes and Fees, as set forth on Sheet Nos. 7.300-7.417, may also apply.

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***RULES AND REGULATIONS - CONTINUED***

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ii. Shipper Administrative Service (SAS):

Administrative service provided to a Pool Manager under the SAS rate schedule, in accordance with the Rules and Regulations set forth in this Tariff. The Company shall provide the following services to Pool Managers under the SAS; i) reading of Customer's Meters, ii) provision of Customer projected monthly usage information, along with Transportation Service Provider capacity quantity to be released to Pool Manager, iii) provision of Customer usage information to Pool Manager each Month, iv) retention of Customer's historical usage information, v) Letter of Authorization review and administration, and vi) other service as the company may determine necessary to administer Gas deliveries by Pool Managers to Customers. This service is required for CI Pool Manager ~~or Customers that have executed an FGS or Special Contract Agreement, as may be negotiated by Company,~~ and is not available to TTS Pool Manager. Billing Adjustments and Taxes and Fees, as set forth on Sheet Nos. 7.300-7.417, may also apply.

iii. Delivery Point Operator Service (DPO):

Administrative service provided to a Pool Manager by Company, or Company's agent acting as DPO, in accordance with the Rules and Regulations set forth in this Tariff. Company shall provide the following services to Pool Managers receiving DPO service; i) receipt and administration of scheduled Gas quantities for Pool Manager's Customer Pool, ii) compilation of measured Gas quantities for Pool Manager's Customer Pool, iii) resolution of monthly imbalances with Transportation Service Provided (difference between scheduled Gas quantities for all Pool Managers and measured Gas quantities at the Company's Receipt Points), using approved book-out and/or cash-out processes of Transportation Service Provider(s), iv) resolution of monthly imbalances with Pool Manager (difference between scheduled Gas quantities and measured Gas quantities for Pool Manager's Customer Pool), in accordance with this Tariff, v) administration of the Operational Balancing Account ("OBA"), in accordance with this Tariff, vi) administration of Transportation Service Provider Operational Orders, including financial transactions, if any, and vii) other service as Company may determine necessary to administer Gas deliveries by Shippers to Customers.

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***RULES AND REGULATIONS - CONTINUED***

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iv. Off-System Delivery Point Operator Service (OS-DPO):

Administrative service, in accordance with an executed Off-System Delivery Point Operator Agreement, provided at Company Receipt Point(s) to a Pool Manager by Company, or Company's agent acting as DPO, in accordance with the Rules and Regulations set forth in this Tariff, as applicable. Company shall provide the following services to Pool Managers under the OS-DPO Service, i) receipt and administration of scheduled Gas quantities for Pool Manager's Customer Pool, ii) compilation of measured Gas quantities for Pool Manager's Customer Pool, iii) resolution of monthly imbalances with Transportation Service Provider (difference between scheduled Gas quantities for all Pool Managers and measured Gas quantities at the Company Receipt Point(s)), using approved book-out and/or cash-out processes of Transportation Service Provider, iv) resolution of monthly imbalances with Pool Manager ((difference between scheduled Gas quantities and measured Gas quantities for Pool Manager's Customer Pool), in accordance with this Tariff, v) administration of the OBA account, in accordance with this Tariff, vi) administration of Transportation Service Provider Operational Orders, including financial transactions, if any, in accordance with this Tariff, and vii) other services as Company may determine necessary to administer Gas deliveries by Pool Managers to Customers. Billing Adjustments and Taxes and Fees, as set forth on Sheet Nos. 7.300-7.417, may also apply. Upon initiation of service, any TTS Pool Manager or CI Pool Manager who has executed an Off-System Delivery Point Operator Agreement will be assigned to the OS-DPO rate schedule.

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***RULES AND REGULATIONS - CONTINUED***

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**N. LIMITATIONS OF SUPPLY**

Company reserves the right, subject to regulatory authority having jurisdiction, to limit, restrict or refuse service that will result in additions to its distribution system and/or production capacity and/or alterations in its contractual requirements of supply from nonaffiliated companies that may jeopardize service to existing Customers.

Under no circumstances is Company required to deliver hourly quantities of natural gas greater than the hourly quantities of natural gas that has been scheduled by the interstate or intrastate pipeline directly upstream of Company's facilities.

***RULES AND REGULATIONS - CONTINUED***

a. Full Requirements:

All Customers receiving Individual Transportation Service shall transport all of their natural gas quantity requirements through Company's distribution system. Regulated Sales Service shall not be available from the Company. Gas quantities scheduled for delivery to the Company by the Customer, or Customer's Agent that are not in balance with actual metered consumption at the Company's Delivery Point shall be subject to the imbalance resolution provisions of this Tariff.

b. Electronic Measurement:

All Customers receiving Transportation Service, whose annual consumption of Gas exceeds 50,000 Therms, shall have electronic metering equipment installed by Company at Customer's expense.

c. SAS Rate Schedule:

Upon initiation of service, all ITS Shippers shall be assigned to the SAS rate ~~schedule~~Rate Schedule.

d. ~~Shipper Designee~~/Shipper Designee:

Marketers, brokers, or other third-party suppliers of Gas that wish to either act as Designees for Individual Transportation Service Customers or Off-System Delivery Point Operator Service Customer, shall be required to execute a Shipper's Designee Form with the Company. Customer's Designee shall warrant clear title, any Gas delivered into Company's system, and Customer's facilities. Designee shall be deemed to be in exclusive control and possession of Gas prior to delivery into Company's system for redelivery to Customer. Customer's Designee shall indemnify, defend, and hold harmless Company from any and all claims, suits or damage actions arising out of deliveries on behalf of a transporting Customer.

e. Limitation of Transportation Service:

i. New Premise:

Company reserves the right, subject to the regulatory authority having jurisdiction, to limit or restrict usage through establishment of an MDTQ or refuse Transportation Service to a new premise that will result in additions to its distribution system that may jeopardize Transportation Service to existing Customers.

***RULES AND REGULATIONS - CONTINUED***

iii. Company-Approved Pool Manager:

Unless otherwise authorized by Company, Company will require all Non-residential Customers in the Indiantown and CFG Service Areas Customers and those Non-Residential Customers in the Ft. Meade and FPUC Service Areas who elect to use Company's Transportation Service to designate a Pool Manager from a list of approved Pool Managers posted by Company on Company's website. Customer shall have the right to change their Pool Manager pursuant to Section U4 below. Customer will not be charged to designate its initial Pool Manager. Ft. Meade and FPUC Service Area Customers will be charged a \$23.00 fee if a Pool Manager is changed after its initial designation.

iv. New Customers:

New Customers in the Indiantown and CFG Service Areas must request CI Transportation Service by submitting a Request for Gas Service. New Non-Residential Customers located in the Indiantown and CFG Service Areas will be assigned to an applicable Customer Pool pursuant to Section U2 below.

New Customers in the Ft Meade and FPUC Service Areas must request CI Transportation Service by submitting a Request for Gas Service. All Non-Residential Customers in the New Ft. Meade and FPUC Service Areas will be assigned to an applicable Customer Pool pursuant to Section U2 below.

v. Service Initiation:

Service will be initiated to Customer pursuant to Section U2 below.

Notwithstanding the above provisions, the Company may extend the time period for the initiation of service to accommodate the physical extension or improvement of the Company's facilities required to provide such service.

vi. SAS Rate Schedule:

Upon initiation of service, all CI Pool Managers shall be assigned to the SAS ~~rate schedule~~ Rate Schedule.

vii. Service Limitation:

Customers served under ~~an~~ FGS, CTS, or a Special Contract shall not be eligible to receive Aggregated Transportation Service unless otherwise approved by Company.

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***RULES AND REGULATIONS - CONTINUED***

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- iv. New Customers:  
New Indiantown Service Area Non-Residential and CFG Service Area Non-Residential Customers must request to participate in a TTS Pool by submitting a Request for Transportation Service.
- v. Service Initiation:  
Upon receipt of Customer's Request for TTS Service, the Company and Pool Manager shall make all reasonable efforts to initiate Transportation Service in accordance with Customer's requested initiation date.
- Notwithstanding the above provisions, the Company may extend the time period for the initiation of service to accommodate the physical extension or improvement of the Company's facilities required to provide such service.
- vi. SABS Rate Schedule:  
Upon initiation of service, all Indiantown and CFG Service Area TTS Pool Managers shall be assigned to the SABS ~~rate schedule~~ Rate Schedule.
- vii. Service Limitation:  
Customers served under an FGS, CTS or a Special Contract shall not be eligible to receive Aggregated Transportation Service (either TTS or CI) unless otherwise approved by Company.



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***RULES AND REGULATIONS - CONTINUED***

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**S. AUTHORIZED POOL MANAGERS**

1. The Company, on behalf of the Customer Accounts in the TTS Customer Pool(s), shall, select qualified Pool Manager(s) to provide Gas supply and transportation management services to the TTS Customer Pool(s). The Company shall issue a Request for Proposal (RFP) from time-to-time, soliciting bids from qualified gas marketing companies interested in becoming a Pool ManagersManager. The RFP shall be disseminated in such a manner as to ensure its reasonable distribution to gas marketing companies active in the Florida retail gas market. Nothing in this Tariff shall preclude the Company from joining with other parties to issue a joint RFP, combining Customer volumes from all parties, for the purpose of obtaining more favorable gas supply and transportation management terms.
2. CI and TTS Pool Manager Minimum Requirements:
  - a. Pool Manager(s) shall be a duly authorized shipper on all Company's Transportation Service Provider's interstate pipeline systems.
  - b. Pool Manager(s) shall demonstrate their capability to meet Company's standards for creditworthiness.
  - c. Pool Manager(s) shall execute either a CI Pool Manager Agreement or a TTS Pool Manager Agreement, as applicable with the Company prior to providing gas supply and transportation management services to the Customer Pool(s).
3. TTS Pool Manager's Obligation to Serve:
  - a. The Pool Manager(s) shall be required to provide natural Gas sales and management services to all of the Company's Indiantown and CFG Service Area Residential Customers and those Non-Residential accounts transferred into the Customer Pool, as well as other accounts that may be added to the Customer Pool during the term of the Agreement. Subsequent to the initial transfer of Customers into the Customer Pool as described, above, Customers shall be added to the Customer Pool as follows: (i) Indiantown and CFG Service Area Residential Customers receiving a new service connection for the purpose of initiating Transportation Service, (ii) Indiantown and CFG Service Area Residential Customers reactivating an existing disconnected service, (iii) Indiantown and CFG Service Area Non-Residential Customers, upon request, with the prior approval of the Pool Manager, (iv) Indiantown and CFG Service Area Non-Residential Customers unable to receive service from Transportation Service Provider or a gas marketer under the Individual Transportation Service Program, with the stipulations that a) Pool Manager may establish reasonable deposit or account security requirements prior to initiating gas service and, b)

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***RULES AND REGULATIONS - CONTINUED***

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**T. CUSTOMER'S AGENT OR SHIPPER'S DESIGNEE**

1. Designee Agreement:

Marketers, brokers, or other third-party suppliers of Gas that wish to either act as Agents for Individual Transportation Service Customers or Off-System Delivery Point Operator Service and, shall be required to execute an ITS and OS-DPO Shipper Designee Form with the Company (Sheet Nos. ~~8.130~~ No. 8.131).

2. Indemnification:

Customer's Agent shall warrant clear title, or right to transport, any Gas delivered into Company's system, and Customer's Agent shall be deemed to be in exclusive control and possession of Gas prior to delivery into Company's system for redelivery to Customer. Customer's Agent agrees to indemnify, defend, and hold harmless Company from any and all claims, suits or damage actions arising out of deliveries on behalf of a transporting Customer.

**RULES AND REGULATIONS - CONTINUED**

Service Initiation Existing Premise Continued:

For new Customer premises to which an initial bill has not been issued, Service will be delayed until the first day of the second calendar month following enrollment by the Pool Manager.

2. Service Transfer Between Pools:

To initiate the transfer of service between Transportation Service pools that includes Individual Transportation Service, CI Transportation Service, and TTS Service, a Customer shall select a Company-approved replacement Pool Manager and replacement Pool Manager shall enroll Customer electronically via Company's website. Prior to electronic enrollment transfer, Pool Manager shall obtain a Letter of Authorization from the Customer in the form set forth on Sheet Nos. 8.134-8.137 of this tariff and have signed by the Customer prior to enrollment. Transportation Service by the Company to a Customer account for which service hereunder has been properly requested by electronic enrollment prior to the tenth (10<sup>th</sup>) Business Day prior to the end of the month will commence on the first day of the following calendar month following receipt by the Company of the aforesaid electronic enrollment.

3. Reactivation of Existing Residential Customer Premise:

Residential Customers reactivating Transportation Service at an existing premise shall be assigned to the TTS Pool Manager that was serving the previous Residential Customer located at the premise.

6. Transfer of Residential Customer:

When a Residential Customer transfers Transportation Service from an existing premise to another premise, upon request by Customer, said Residential Customers' existing TTS Pool Manager shall transfer with the Customer to the new premise.

7. Transfer of Non-Residential Customer:

Non-Residential Customers transferring Transportation Service from an existing premise to another premise shall be required to submit a new LOA to Pool Manager, and Pool Manager shall transfer service no later than ten (10) Working Days prior to the end of the Month to retain its selected Pool Manager at the new premise. All Ft. Meade and FPUC Service Area Non-Residential Customers who change Pool Managers will be charged a \$23.00 fee when a Pool Manager is changed after Customer's initial designation.

8. Indiantown and CFG Service Area Non-Residential Customers Currently Receiving Service from CI Pool Manager:

Non-Residential Customers receiving service from a CI Pool Manager may select to be assigned to a TTS Customer Pool. Said Non-Residential Customer shall execute a Letter of Authorization specifying the TTS Pool Manager or shall be assigned by Company to a TTS Pool Manager— no later than ten (10) Working Days prior to the end of the Month.

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***RULES AND REGULATIONS - CONTINUED***

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**V. INITIATION OF TRANSPORTATION SERVICE**

Initiation of Pool Manager Service:

Any Company-approved Pool Manager or Shipper Designee that is authorized to deliver Gas to Company's Receipt Point(s), which is subsequently delivered by Company at the Company's Delivery Point(s) under one of the Company's Transportation Service Programs will be required to meet the following provisions before service can be initiated to the Pool Manager.

1. TTS Pool Manager Requirements:
  - a. TTS Pool Manager(s) selected by the Company shall:
    - i. Execute a TTS Pool Manager Agreement (Sheet Nos. 8.157-8.170);
    - ii. Establish credit sufficient to Company in accordance with these Rules and Regulations; and
    - iii. Agree to receive SABS service.
2. TTS Pool Manager Competitive Bid Process:
  - a. Through a competitive Request for Proposal process, the Company shall select one or more TTS Pool Managers to provide gas supply and related services to the Company's TTS Customers.
3. Allocation of Customers to TTS Pool Managers (Indiantown and CFG Service Areas):

Customers shall be initially assigned to the TTS Customer Pools. Residential Customers may request to change their selection of TTS Pool Manager once within a twelve-Month period. Company does not assume any liability related to the selections made by each Customer and does not warrant that each Customer will select the TTS Pool Manager that is the most advantageous. Non-Residential CFG Service Area and Indiantown Service Area Customers can select any Company-approved CI Pool Manager and exit the TTS program in accordance with Section U3.
4. CI Pool Manager Requirements:
  - a. An entity is eligible to become a CI Pool Manager shall:
    - i. Execute a CI Pool Manager Agreement (Sheet Nos. 8.153-8.156);
    - ii. Establish credit sufficient to Company in accordance with these Rules and Regulations;
    - iii. Agree to retain copies of fully executed Customer Letter of Authorizations and provide such LOA upon request by the Company and
    - iv. Agree to receive SAS service.

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***RULES AND REGULATIONS - CONTINUED***

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**W. CAPACITY ASSIGNMENT AND RECALL**

1. Intent of Capacity Release:

Company, through its Service Agreements with Transportation Service Providers, has contracted for firm capacity rights on the Transportation Service Providers' pipeline systems. Company will temporarily relinquish capacity to Customer or Pool Manager, as applicable, each Month, utilizing the methodology described below, on Transportation Service Provider's systems for Customers and Pool Managers' use in transporting Gas to Company's Individual Transportation Service, CI, and TTS Customer Pool(s). Company will retain enough capacity to serve Company's Regulated Sales Service Customer Pool each Month.

2. Capacity Release Methodology:

The Company shall retain, adequate quantities of capacity on Transportation Service Providers' systems to serve Company's Regulated Sales Service Customer Pool prior to the allocation of capacity to Individual Transportation Service Customers who have executed a capacity release agreement with the Company, and Pool Manager Customer Pools. The Company shall temporarily relinquish quantities of Transportation Service Provider Capacity to i) individual Customers who have executed Capacity Release Agreements with the Company, ii) TTS Pool Managers, and iii) CI Pool Managers each Month.

3. Daily Demand Requirement Calculation and Quantity of Capacity for Release:

Each Month after adequate capacity is allocated to Company's Regulated Sales Service Pool, Company shall determine the aggregated DDR to be relinquished to each Aggregated Transportation Service Pool Manager using the following methodology:

- a. For each existing and new Aggregated Transportation Service Customer (both CI Daily and Cycle Read Pools and TTS Pool(s)), the aggregated DDR shall be determined by using the prior year's applicable Month Gas consumption for each Customer in the Customer Pool (adjusted for Customer additions and losses from the succeeding eleven-Month period) and dividing by the number of days in the applicable Month, then dividing the result of this calculation (Therms per Gas Day) by ten (10) (to convert Therms to Dekatherms); and then rounding up to the next whole Dekatherm. In the case of the CI Daily Read Pool(s) and only for the purposes of calculating the Pool Manager's aggregated Daily Capacity (release) Quantity ("DCQ"), the aggregated DDR calculated above will be multiplied by 0.50. CI Daily Read Pool Managers may request and Company may provide, in Company's sole discretion, up to no greater than one hundred percent (100%) of Customer's total historical DDR.

***RULES AND REGULATIONS - CONTINUED***

Daily Demand Requirement Calculation and Quantity of Capacity for Release Continued

- b. Each Month, the Company shall determine the total aggregated DDR for each Customer Pool, in accordance with the methodology described herein. Adjustments to Pool Manager's aggregated DDR will occur from time to time to reflect changes in the Company's weighted average cost of capacity and Pool Manager's Customer as a result of the enrollment and transfer of Customers to and between Customer Pools.

For each existing and new Individual Transportation Service Customer, Company will relinquish capacity based on Customer MDTQ as provided in the Capacity Release Agreement (if any) between Customer and Company. Customer must elect a MDTQ of sufficient quantity to satisfy the Customer's Monthly natural gas requirements. Company will provide Customer a twelve-Month consumption history to assist in making its initial election.

- c. Remaining capacity, if any, may be allocated to the Company's Regulated Sales Service Pool and TTS Pool(s) on a pro-rata basis based on the prior Month's actual throughput for each of the Regulated Sales Service and TTS Pool(s).
4. Scope of Capacity Release:
- a. Pool Manager Service Agreements with Transportation Service Providers:  
Pool Manager shall enter into all required agreements with each Transportation Service Provider so that Pool Manager has all necessary rights to accept and acquire the relinquished capacity from Company hereunder. Capacity releases shall be made on a temporary basis, in accordance with applicable FERC rules and regulations, as they may change from time to time. Pool Manager shall have sole responsibility for complying with all provisions of such agreements and all applicable provisions of Transportation Service Providers' FERC Tariffs.
  - b. Relinquishment Notices:  
Each Month, Company shall provide to Transportation Service Providers the notice of capacity release required under the rules and regulations of the respective Transportation Service Provider's FERC Tariff. Such notices shall offer to relinquish, on a temporary basis, that portion of the Pool Manager's aggregated DCQ to be relinquished by Company by Customer Pool. Company shall diligently and in a time sufficient for Pool Manager to commence use of the released capacity, take all other actions required under the rules and regulations of the respective Transportation Service Provider's FERC Tariff to relinquish capacity to Pool Manager. Capacity releases will be released to Customers, Pool Managers, and Shipper's Designee(s) pursuant to Company's state-approved

~~retail choice programs as set forth in this Section W. of this Tariff.~~

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***RULES AND REGULATIONS - CONTINUED***

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Relinquishment Notices Continued

retail choice programs as set forth in this Section W. of this Tariff.

c. Acceptance of Capacity Release:

Pool Manager shall diligently and in a timely manner take all actions necessary under the rules and regulations of Transportation Service Provider's FERC Tariffs to acquire and accept the capacity relinquished by Company. Company has no obligation to relinquish capacity to Pool Manager in quantities greater than the Aggregated DCQ. If after five (5) Days, Pool Manager does not acquire requisite capacity, Pool Manager may be terminated.

5. Capacity Exceeding Released Quantities:

If Pool Manager's Customer Pool's aggregated DDR is greater than Pool Manager's Customer Pool's aggregated DCQ, Pool Manager shall be responsible for taking such actions as are required to obtain sufficient Transportation Service Provider capacity to meet its Customer Pool requirements (aggregated DDR), such additional quantities shall be defined as Pool Manager's Customer Pool's Daily Delivery Capacity Variance ("DDCV"). Pool Manager may acquire such Transportation Service Provider capacity quantities from any source.

6. Capacity Charges:

Pool Manager shall pay to Transportation Service Provider the rate listed in Company's relinquishment notice. Such rate will be based on Company's annualized weighted average cost of capacity excluding releases to ITS Customers, Customers receiving service under Rate Schedules FGS and Rider CTS, those Customers served by the Company pursuant to a Special Contract, those Customers who utilize upstream capacity released by the Company pursuant to an asset management agreement, and capacity released by Company pursuant to a long term capacity release i.e., a period a longer than one (1) year) or the negotiated rate for the capacity relinquished by the Company. Pool Manager shall indemnify Company and hold it harmless from any and all rates and charges assessed by Transportation Service Provider to Company for the relinquished capacity.

7. Capacity Payments:

Pool Manager shall make all payments to Transportation Service Provider(s) for the relinquished capacity in accordance with Transportation Service Provider's FERC Tariffs, and by any applicable FERC rule or order. If Pool Manager fails to make such payments, Company may make such payments on behalf of Pool Manager (in a manner which preserves any rights which Pool Manager may have to dispute the nature or

amount of the charges). Pool Manager shall reimburse Company for such payments

**RULES AND REGULATIONS - CONTINUED**

Capacity Payments Continued

inclusive of interest, at the highest interest rate allowed by law, from the date such payments are made by Company to Transportation Service Provider.

8. Recall Rights to Released Capacity:

- a. All capacity relinquished to Pool Manager by Company, may be recalled by Company from time to time to facilitate the redistribution of capacity among Pool Managers to accommodate Customer migration, or to change the rate of the release regardless of the term of a specific capacity release by Company to Pool Manager.
- b. Company shall have the right to recall temporarily or permanently a portion or all of the capacity relinquished hereunder, subject to the applicable notice requirements in Transportation Service Providers' FERC Tariffs, in the event that Pool Manager breaches its contractual obligations of payment to Transportation Service Provider for the released capacity; or (ii) Pool Manager otherwise breaches the terms and conditions of this Tariff. In the event Company temporarily recalls a portion of the relinquished capacity, Company shall re-release such capacity to Pool Manager within ten (10) Working Days after Pool Manager has provided assurance satisfactory to Company, in Company's reasonable discretion, that the cause which gave rise to Company's recall right has been removed.
- c. Capacity is required to serve Company's high priority Customers or to maintain the operational integrity of Company's distribution system(s).
- d. A Pool Manager's failure to meet the security requirements of this Tariff.
- e. A filing of bankruptcy by a Pool Manager.
- f. An order from the FPSC or FERC where recall would be necessary to comply with Commission orders.

9. Retained Right of First Refusal:

Company shall retain the sole right to affirmatively exercise, at the time specified in the Service Agreement, Transportation Service Provider's FERC Tariffs, or any FERC rule or order, any right of first refusal mechanism (however denominated), including the



**RULES AND REGULATIONS - CONTINUED**

Retained Right of First Refusal Continued~~Periodic Open Seasons Continued~~

option to extinguish such right, applicable to the relinquished capacity; provided, however, that Company may not exercise any such right in a manner which would impair Pool Manager's right to use the relinquished capacity during the term of any release.

10. Periodic Open Seasons:

Company may hold an open season for incremental capacity releases not less than once per year. The open season may be held from April 1<sup>st</sup> through April 15<sup>th</sup> of each calendar year or other such period that Company may elect. Primary firm capacity from

the Company's interstate capacity portfolio will be made available to on-system Customers and Pool Managers on an as-available basis.

Releases by the Company will be for a period of not less than one year. Incremental quantities when aggregated with existing capacity release quantities made by Company to a Customer or Pool Manager will be not greater than the monthly historical demand quantity of the Customer or Customer Pool.

Releases requested during the applicable open season period will be awarded on a pro-rata basis and the awarded releases will be implemented not later than June 1<sup>st</sup> of the same calendar year or the first calendar Day of the month following the first full month after capacity has been awarded to the acquiring Customer or Pool Manager. Capacity awarded, if available, will be made on a not unduly discriminatory basis by the Company.

11. Capacity Acquisition:

a. Customer Pools:

Company shall provide to Pool Managers each Month, at least four (4) Days prior to Transportation Service Provider's deadline for posting capacity releases for the first day of the following Month, (i) a list of the accounts comprising Pool Manager's Customer Pool and the associated Non-Residential Customer DDRs, ii) the estimated total Gas requirements to meet the needs of each of Pool Manager's Customer Pools for such following Month i.e., Pool Manager's aggregated DDR and, (iii) the aggregated DCQ that Company proposes to relinquish to Pool Manager for each Customer Pool. Pool Manager shall confirm the accuracy of the list of accounts comprising Pool Manager's Customer Pool with Company within one (1) Business Day after delivery of the Customer list to Pool Manager. If Pool Manager fails to confirm the accuracy of said list, Company shall proceed with the release to Pool Manager based on the information provided.

**RULES AND REGULATIONS - CONTINUED**

b. Maximum Daily Transportation Quantity (MDTQ):

Company may establish a MDTQ for Gas for one or more Customer(s) or Pool Manager(s) if, in the reasonable opinion of the Company, it is necessary to protect system integrity or to ensure existing Customers are not adversely affected by Customer(s) and or Pool Manager(s) requiring an MDTQ. Company shall not be obligated to transport Gas above the Customer's or Pool Manager's MDTQ, if established, but may do so if feasible and without adverse effect to other Customers, in the reasonable opinion of the Company.

12. Pool Manager's Firm Delivery Requirements:

- a. Unless excused by Force Majeure, Pool Manager shall cause Transportation Service Providers to deliver on each Gas Day to Company Primary Receipt Points where Company is the DPO a quantity of Gas sufficient to reliably serve the requirements of its Customer Pool and off-system Customers. Pool Manager shall have no obligation to deliver Gas to Company on behalf of Customers whose

Pool Manager's Delivery Obligations Continued

service is terminated, either upon request of the Customer or for cause. Company shall promptly notify the Pool Manager of any known change in Customer account status that will affect Gas quantity deliveries.

- b. If any act or omission of Pool Manager causes Company, as the DPO, to incur any Transportation Service Provider penalties, other expenses or liabilities of any kind, Pool Manager will indemnify and reimburse Company for all said penalties, other expenses, or liabilities. Nothing herein shall be deemed to foreclose Company from employing other remedies, including cessation of deliveries for the unauthorized usage of Gas.

13. Non-Performance Penalty:

~~The Company shall assess the Pool Manager a per MMBtu charge equal to the higher of \$15.00 or 200% of the highest of the FGT zone 1, FGT zone 2, or FGT zone 3 Midpoint price published in Platts Gas Daily for each day when delivery to Company by Pool Manager differs from Pool Manager's Pool(s) aggregated DCQ. The Company may waive this charge from time to time on a non-discriminatory basis.~~

***RULES AND REGULATIONS - CONTINUED***

**X. NOMINATIONS AND SCHEDULING**

Nominations and Scheduling:

All TTS Pool Managers and CI Daily and Cycle Read Pool Managers, shall submit to the Company all Nomination and scheduling information affecting Company's Delivery Points simultaneous to any submission to Transportation Service Provider(s). In addition, each Customer, Pool Manager, or Shipper Designee shall submit to Company each day Nominated quantities for each Individual Transportation Service Customer that is required to have and has electronic telemetering equipment installed, ("Telemetered Customer").

CI Cycle Read Pools will be permitted one Nomination change within the Month. Such Nomination must be delivered to Company no later than the fifteenth (15<sup>th</sup>) of the applicable Month.

TTS Pool(s) and CI Daily Read Pool(s) will be permitted to change Nominations throughout the applicable Month.

Such Nomination shall include the following information:

1. The Customer, Shipper's Designee or Pool Manager's account number under which service is being nominated – "Del Loc" (Delivery Location);
2. The Company Receipt Point location including applicable POI and upstream pipeline name, package ID "Pkg ID" (Package ID), including Customer's or Pool Manager's Company account number "Dn K" (Downstream Contract), and quantity in Therms of Gas to be tendered at each Company Receipt Point "Nom Del Qty" (TPS Delivery Quantity);
3. The downstream delivery facility name, and quantity in Therms of Gas to be delivered for each Company Customer account or Pool "Dn Name" (Duns Number);
4. A beginning and ending date for each Nomination;
5. Ranking for allocation "Del Rank" (Delivery Rank)

Only Nominations with clearly matching identifiers will be scheduled and subsequently delivered by Company.

Transportation Interruption and Curtailment:

Company shall have the right to reduce or completely curtail deliveries to Customers as follows:

1. If, in Company's opinion, Customer will overrun the volume of Gas to which it is entitled from its supplier (or overrun the volume of Gas being delivered to Company for Customer's account); or
2. In the event Company is notified by its delivering pipeline pursuant to the FERC approved curtailment plans or provision of its tariff to interrupt or curtail deliveries; or
3. When necessary to maintain the operation reliability of Company's system.

**RULES AND REGULATIONS - CONTINUED**

Transportation Interruption and Curtailment Continued

Company will endeavor to give as much notice as possible to Customer in the event of interruption or curtailment. Any Gas taken in excess of an interruption or curtailment order shall be considered Unauthorized Gas Use.

Unassigned Gas

“Unassigned Gas” shall mean any quantity of gas received at a Company Receipt Point for which there is no transportation nomination that can be readily identified by Company and assigned by Company to the appropriate Customer(s), Shipper’s Designee(s), and Pool Manager(s).

Company shall post on its website the quantity, production month received on the Company’s system, and the point of receipt associated with any Unassigned Gas (“Notice”). Company shall continue to post the Notice for a period of not less than one Business Day.

In order to be a valid claim for purposes hereof, a claim must:

1. Be provided to the Company in writing;
2. Identify the specific Unassigned Gas delivered;
3. Provide independent evidence of ownership of Unassigned Gas claimed; and
4. Agree to indemnify Company fully with respect to any adverse claims to ownership of the Gas or to the proceeds resulting from the sale thereof.

If a valid claim is received, such quantities will be subject to purchase by the Company at seventy-five percent (75%) of the Gas Daily index for Gas delivered at the Florida City Gate.

If a valid claim is not received, such quantities of Gas will be credited to the Company’s Regulated Sales Service fuel clause.

***RULES AND REGULATIONS - CONTINUED***

**YY. IMBALANCE RESOLUTION**

**1. Monthly Imbalances:**

The balancing of the quantity of Gas scheduled and nominated for each Customer or Customer Pool at all Company Receipt Points for which Company, or Company's agent, is the DPO, and the actual usage by the sum of all Individual Transportation Service Customers and Customer Pools served by each Customer, Shipper Designee, or Pool Manager shall be calculated on a Monthly basis. Long or short Monthly Imbalance Quantities for each individual Customer Pool will be netted against Customer Pools administered by the same Pool Manager provided however, Customer Pools with an Imbalance Level (long or short) greater than 20% will not be eligible to be netted. The Company and Customer, Shipper's Designee or Pool Manager shall resolve all remaining Monthly Imbalance Quantities at the end of each Month, as follows:

~~1.a.~~ If the Monthly Imbalance Quantity is long (amount of Gas scheduled is greater than aggregated actual usage by Customer Pool(s)), the Company shall purchase from Customer or Pool Manager such Monthly Imbalance Quantity at a price per Therm (the "Unit Price") calculated by taking: (i) the lowest weekly average (weeks where Friday is within the calendar Month) of the "Daily price survey" for Gas under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platt's Gas Daily*, for the Month in which the positive (long) Monthly Imbalance Quantity was incurred, multiplied by the applicable factor set forth below:

| <u>Imbalance Level</u> | <u>Factor</u> |
|------------------------|---------------|
| 0% to 5%               | 1.00          |
| Greater than 5% to 20% | 0.90          |
| Greater than 20%       | 0.80          |

The total amount due Customer, Shipper Designee, or Pool Manager shall be the product of the Unit Price and the positive (long) monthly imbalance.

~~2.b.~~ If the Monthly Imbalance Quantity is short (amount of Gas scheduled is less than aggregated actual usage by Customer Pool(s)), the Company shall sell to Customer or Pool Manager such Monthly Imbalance Quantity at a price per Therm (the "Unit Price") calculated by taking the (i) the highest weekly average (weeks where Friday is within the calendar Month) of the "Daily price survey" for Gas posted under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platts Gas Daily*, for the Month in which the negative (short) Monthly Imbalance Quantity was incurred, multiplied by the applicable factor set forth below:

**RULES AND REGULATIONS - CONTINUED**

| <u>Imbalance Level</u> | <u>Factor</u> |
|------------------------|---------------|
| 0% to 5%               | 1.00          |
| Greater than 5% to 20% | 1.10          |
| Greater than 20%       | 1.20          |

and (ii) the Gulfstream Natural Gas 6% deliverability reservation per Therm tariff rate inclusive of all applicable surcharges (as it may change from time to time) plus the FGT FTS-1 usage rate per Therm, inclusive of all applicable surcharges.

The total amount due to the Company shall be the product of the Unit Price and the (short) negative monthly imbalance.

2. Daily Imbalances:

The Company shall, within the existing limitations of its system, provide for balancing between gas requirements and actual gas deliveries, net of an adjustment for Company Use and Unaccounted for Gas, received by the Company for the account of the Customers served by the TPS that day. The Company shall not be obligated to provide gas service during an hourly, daily or monthly period in excess of the levels specified in the Rate Schedules under which Customers of the TPS are served.

The Company reserves the right to require daily balancing on any other day in which the Company, in the exercise of its reasonable judgment, determines that such balancing is necessary for operational reasons. The Company will provide the TPS in all instances with at least twenty-four (24) hours advance notice that daily balancing will be imposed.

In the event that daily balancing is imposed in accordance with this section, TPS shall be assessed the following charges for daily imbalances:

| <u>Imbalance *</u>               | <u>Charge **</u>        |
|----------------------------------|-------------------------|
| <u>0 to 5%</u>                   | <u>\$0.00 per Therm</u> |
| <u>5.1% to 10%</u>               | <u>\$0.10 per Therm</u> |
| <u>Under Deliveries &gt; 10%</u> | <u>\$0.50 per Therm</u> |
| <u>Over Deliveries &gt; 10%</u>  | <u>\$0.10 per Therm</u> |

Company may waive penalties on a not unduly discriminatory basis.

**POOL MANAGER SERVICE – (PMS) - CONTINUED**

Force Majeure Continued

to be a matter within the control of the party claiming suspension.

Neither party will be entitled to the benefit of the force majeure provision hereof under either or both of the following circumstances: i) to the extent that the failure was caused by the party claiming suspension having failed to remedy the condition by taking all reasonable acts, short of litigation, if such remedy requires litigation, and having failed to resume performance of such commitments or obligations with reasonable dispatch; or ii) if the failure was caused by lack of funds, or with respect to the payment of any amount or amounts then due hereunder.

Aggregated Daily Demand Requirement:

Company will calculate the Pool Manager's aggregated Daily Demand Requirement by summing Pool Manager's Daily Demand Requirements, plus applicable Retainage, for each Customer being served by Pool Manager and rounding the total to the next greatest dekatherm. The Company will inform Pool Manager via e-mail of Pool Manager's aggregated Daily Demand Requirement by City Gate for the upcoming Month upon expiration of Company's enrollment deadline.

The Company shall assess the Pool Manager a per MMBtu charge equal to the maximum of \$15.00 or 200% of the otherwise applicable highest weekly ~~overage~~ Alert Day Price as is posted or otherwise would be calculated by Florida Gas Transmission Company for each day when delivery to Company by Pool Manager differs from Pool Manager's Pool(s) aggregated DCQ. ~~This charge will serve as the final resolution between Company and Customer for such variances.~~ The Company may waive this charge from time-to-time on a non-discriminatory basis.

Pool Manager Nominations

Each Pool Manager shall submit to Company first of the month scheduling and nomination information simultaneously with its submission to Transportation Service Provider(s). In addition, no later than the fifteenth (15<sup>th</sup>) of each month, Pool Manager may submit a mid-month nomination change for each Customer Pool. Pool Manager shall submit to Company, this scheduling and nomination information simultaneously with its submission to Transportation Service Provider(s).

Such Nomination shall include the following information:

1. The Customer, Shipper's Designee or Pool Manager's account number under which service is being nominated – "Del Loc" (Delivery Location);
2. The Company Receipt Point location including applicable POI and upstream pipeline name, package ID "Pkg ID" (Package ID), including Customer's or Pool Manager's Company account number "Dn K" (Downstream Contract), and quantity in Therms of Gas to be tendered at each Company Receipt Point "Nom Del Qty" (TPS Delivery

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## POOL MANAGER SERVICE – (PMS) - CONTINUED

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### Pool Manager Nominations Continued

- Quantity);
3. The downstream delivery facility name, and quantity in Therms of Gas to be delivered for each Company Customer account or Pool “Dn Name” (Duns Number);
  4. A beginning and ending date for each Nomination;
  5. Ranking for allocation ‘Del Rank” (Delivery Rank)

Only Nominations with clearly matching identifiers will be scheduled and subsequently delivered by Company.

### Capacity Exceeding Released Quantities:

If Pool Manager’s Customer Pool’s aggregated DDR is greater than Pool Manager’s Customer Pool’s aggregated DCQ, Pool Manager shall be responsible for taking such actions as are required to obtain sufficient Transportation Service Provider capacity to meet its Customer Pool requirements, such additional quantities shall be equal to Pool Manager’s Customer Pool’s DDCV. Pool Manager may acquire such Transportation Service Provider capacity quantities from any source.

### Pool Manager Warranty:

Each Pool Manager warrants that it will have at the time it delivers or causes the delivery of natural Gas into the Company’s distribution system good title to deliver the Gas. Each Pool Manager warrants that the natural Gas it delivers or causes to be delivered shall be free and clear of all liens, encumbrances, and claims whatsoever; that it will indemnify the Company and hold it harmless from all suits, actions, debts, losses and expenses arising from any adverse claims of any person to the natural Gas; and that it will indemnify the Company and hold it harmless from all taxes or assessments which may be levied and assessed upon such delivery and which are by law payable by the party making delivery.

### Responsibility for Natural Gas:

The Company and the Pool Manager shall be jointly and severally liable for the natural Gas while it is in the Company’s distribution system between Company’s City Gate(s) and the point of delivery to the Customer. The Pool Manager shall be solely liable for the natural Gas until it is delivered to Company’s City Gate(s). The party or parties thus responsible for the natural Gas shall bear liability for all injury or damage caused thereby. Notwithstanding anything to the contrary stated herein, a Pool Manager shall indemnify the Company for all injury, damage, loss, or liability of the Company caused by Pool Manager’s delivery of natural Gas not complying with the Natural Gas Quality ~~section below~~ Section of this Tariff.



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**POOL MANAGER SERVICE – (PMS) - CONTINUED**

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Natural Gas Quality:

All-natural Gas delivered, or caused to be delivered, into Company's distribution system by or on behalf of a Pool Manager will be merchantable and shall conform to the natural Gas quality specifications set forth in the "Quality of Gas" section of this Tariff.

Billing:

The Company shall render to a Pool Manager on or before the 20<sup>th</sup> calendar day of each Month a bill for Pool Manager's monthly Customer Charge and for all imbalance charges as defined in Billing Adjustments during the preceding Month.

Payment:

Pool Manager shall pay the Company the amount due under any bill from the Company within ten (10) days after receipt by the Pool Manager of the bill from the Company. The Company may at its option require the Pool Manager to make payment of any bill by electronic transfer within such ten (10) day period. Any bill not paid within such ten (10) day period shall bear interest at the rate of one and one-half percent (1.5%) per Month.

Billing Disputes:

Pool Manager may dispute the amount of any bill by notifying the Company within sixty (60) days of receipt by the Pool Manager of the bill from the Company. If a Pool Manager in good faith disputes the amount of any bill, the Pool Manager shall nevertheless pay to the Company the amount of such bill. Company shall have thirty (30) days to resolve such disputes with Pool Manager and will refund to Pool Manager any amount resolved in favor of Pool Manager within ten (10) days of such resolution.

Standards of Conduct:

In addition to the above terms and conditions, Pool Managers must agree to comply with any standards of conduct or other requirements set forth by the FPSC.

Termination of Service:

Pool Manager will be responsible for providing Company with a duly executed CI Pool Manager Customer Termination Notice (See Sheet No. 8.132) not less than thirty (30) Working Days prior to the Pool Manager's desired date for termination of service to Customer.

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**N. CONTRACT TRANSPORTATION SERVICE AGREEMENT - CONTINUED**

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Responsibility and Liability

The Company and Customer do respectively assume full liability for the maintenance and operation of facilities operated by each party. Each party shall indemnify and save harmless the other from any and all loss or damage sustained, and from any and all liability including injury to persons and property insured, arising from any act or accident in connection with the installation, presence, maintenance and operation of facilities operated by the indemnifying party unless the same shall be due to the sole negligence of the other party, its agents, employees, contractors, guests or invitees.

Notices

All correspondence and notices required under this Agreement, except notice of Gas supply interruption or restoration of service are to be addressed at the above listed address or e-mail address and to Company at Florida Public Utilities Company, Energy Logistics Department PO Box 960, Winter Haven, Florida 33882. Notices with respect to interruption or restoration of deliveries of Gas shall be sufficient if given by Company, at the Company's option, in writing or orally in person or by telephone to the person or one of the persons designated from time to time by Customer as authorized to receive such notice. If Customer shall not have made such designation or, if made, Company is unsuccessful in its effort promptly to establish communication with the person or one of the persons so designated then in any such event, said notice shall be sufficient if given by Company to any person or persons who are on said premises or who answer Customer's telephone.

Customer Designation of Pool Manager

Customer shall designate a Pool Manager from ~~Company's~~ Company's List of Approved Pool Managers on Company's website. ~~Customer shall deliver a Letter of Authorization with a duly authorized signature acknowledging such election to the selected Pool Manager.~~

Point of Receipt and Point of Delivery

CTS Customers or Customer's Designee will cause Customer's natural Gas to be delivered to Company's Receipt Point as specified in Exhibit A. Customer has requested and Company agrees to receive and transport Customer's natural Gas from the Company's Receipt Point to the Company's Delivery Point as specified in Exhibit A.

**V. CI POOL MANAGER AGREEMENT - CONTINUED**

~~1.~~ and released under the applicable FERC and Transportation Service Provider rules and regulations. The Company shall establish appropriate penalties to be enforced should the Pool Manager fail to perform under Rate Schedule PM. In the event of substantial non-performance, as defined in the Company's Tariff, the Company shall terminate the Pool Manager.

~~2.1.~~ If any act or omission of Pool Manager causes Company to incur penalties or other expenses or liabilities for unauthorized overrun Gas, for imbalances on a pipeline system, for a failure to comply with Transportation Service Provider's Tariff, or for a failure to comply with a curtailment notice or to take deliveries as scheduled, Pool Manager will indemnify and reimburse Company for all such amounts which the acts or omissions of Pool Manager or its supplier have caused Company to incur. Nothing herein shall be deemed to foreclose Company from employing other remedies including cessation of deliveries, and Company reserves the right to do so, for the unauthorized consumption of Gas.

~~3.~~ CI Pool Manager will participate in Company's:

\_\_\_\_\_ Service Area: Indiantown \_\_\_\_\_ CFG \_\_\_\_\_ FPUC & Central Florida, Ft., Meade \_\_\_\_\_

\_\_\_\_\_, and FPUC Service Areas and the Company's i) CI Cycle Read Pool \_\_\_\_\_  
~~Released~~ where released capacity equal to equals 100% historical \_\_\_\_\_ monthly quantities

~~2.~~ \_\_\_\_\_ and ii) CI Daily Read Pool \_\_\_\_\_ ~~Released~~ where released capacity equal to equals not greater than 50% of historical \_\_\_\_\_ monthly quantities.

\_\_\_\_\_ CI Special Contract Pool \_\_\_\_\_ Capacity released per mutual agreement \_\_\_\_\_

~~4.3.~~ Notices or communications to CI Pool Manager shall be given to:

Mailing Address:

Attention: \_\_\_\_\_

Telephone: \_\_\_\_\_

E-mail: \_\_\_\_\_

~~5.4.~~ This Agreement shall become effective at the start of the Gas Day (as defined in Transportation Service Provider's FERC Tariff) on \_\_\_\_\_.

*Signature Page Follows*

ATTACHMENT B  
FLORIDA CITY GAS  
REVISED TARIFF SHEETS  
(CLEAN AND TRACKED CHANGES)

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TECHNICAL TERMS AND ABBREVIATIONS

Agent. A contractually authorized Marketer or Designee of Customer under these Rules and Regulations.

Aggregated Transportation Service. Transportation Service provided by Company to those Customers assigned to the applicable Customer Pool wherein the authorized Pool Manager causes Gas to be delivered to Company for transportation to the Customer Accounts.

Aggregated Transportation Service Agreement. An agreement between the Company and the authorized Pool Manager establishing terms and conditions for the management of a CI Customer Pool.

Alert Day. Any Gas Day where Company notifies, Customer, Pool Manager, or Shipper's Designee of restrictions on the deliveries of Gas within certain specified tolerances.

Alternate Fuel. A gas which provides an equivalent amount of energy computed on a "BTU" basis. It is not limited to any specified source of energy. Alternate fuel may include natural gas and, in the Company's opinion, any viable economic alternatives.

Brevard Pool. The service area of the Company's distribution system that is north of Florida Gas Transmissions' compressor station number 21.

British Thermal Unit (BTU). The quantity of heat required to raise the temperature of one pound of water one degree Fahrenheit at or near 39.2 degrees Fahrenheit.

Biogas. Combustible residues or gases from forest products manufacturing, waste, byproducts, or products from agricultural and orchard crops, waste or coproducts from livestock and poultry operations, waste or byproducts from food processing, urban wood waste, municipal solid waste, municipal liquid waste treatment operations, and landfill gas.

CI Cycle Read Pool. That group of certain Space Coast Service Area and South Florida Service Area Non-residential Aggregated Transportation Service Customers who have, (i) executed a Letter of Authorization with a Company-approved Pool Manager to utilize Transportation Service through an aggregated Customer Pool and (ii) who have field meters that are "manually" read by the Company on a scheduled monthly cycle, once per month.

CI Daily Read Pool. That group of certain Space Coast Service Area and South Florida Service Area Non-residential Aggregated Transportation Service Customers who have (i) executed a Letter of Authorization with a Company-approved Pool Manager to utilize Transportation Service through an aggregated Customer Pool, and (ii) who have RTU and/or MTU measurement that is downloaded daily by the Company.

Commission or PSC. Unless otherwise indicated means the Florida Public Service Commission.

Company. Florida City Gas ("City Gas").

TECHNICAL TERMS AND ABBREVIATIONS CONTINUED

Company Delivery Point or Company Point of Delivery. The point at the interconnection between the facilities of Company and a Customer at which the Gas leaves the outlet side of Company's custody transfer point and enters the Customer's installation.

Company Operating Units. The Company's FCG Space Coast Service Area and South Florida Service Area, inclusive of those counties and communities served and identified individually in Sheet Nos. 4 and 5, maps and Communities Served in this Tariff.

Company Receipt Point. The point at the connection of the facilities of Transportation Service Provider and Company at which the Gas leaves the outlet side of Transportation Service Provider's custody transfer point and enters the Company's facilities.

Company's Regulated Sales Service Pool. The group of Company Customers who purchase their Gas supply directly from the Company and pays the Company's Purchased Gas Cost Recovery Factor listed in this Tariff.

Customer. A person or entity who takes service from the Company under a Rate Schedule.

Customer Pool. The group of Customers who are collectively served by a Company-authorized Pool Manager(s) in accordance with the applicable provisions of the Company's Aggregated Transportation Service program(s).

Curtailment. The suspension of gas service provided by Company to affected Customers, in accordance with the provisions of the Company's end use Curtailment plan, as amended from time to time, on file with the FPSC.

Daily Capacity (release) Quantity (DCQ). The quantity, in Dekatherms, of Transportation Service Provider pipeline capacity to be released to Customer's Pool Manager and Pool Manager is required to acquire for delivery by Pool Manager to the Company on a daily basis.

Daily Delivered Capacity (release) Variance (DDCV). The quantity of capacity, if any, each Pool Manager must deliver that is in addition to the quantity of firm capacity released by the Company to Pool Manager to meet Pool Manager's Customer Pool's aggregated Daily Demand Requirement i.e., the mathematical difference between each Pool Manager's specific Customer Pool's aggregated Daily Demand Requirement and Pool Manager's aggregated Daily Capacity (release) Quantity.

Daily Demand Requirement (DDR). The total demand requirement for any given day of all Customers participating in a Customer Pool. Calculated by the Company on a Monthly basis, the DDR is the average of the Customer's billed quantity divided by the number of Days in the then applicable billing period and divided by ten.

Essential Use. Consistent with "Priority 1 Use" as defined in Florida Gas Transmission's tariff.

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TECHNICAL TERMS AND ABBREVIATIONS CONTINUED

Gas. Gas is any gas or mixture of gases suitable for domestic or industrial fuel and transmitted or distributed to the user through a piping system, including natural gas, manufactured gas, mixed gas, hydrogen gas, renewable natural gas, and liquefied petroleum gas distributed as a vapor with the admixture of air.

Letter of Authorization ("LOA"). An agreement executed by Customer and Customer's selected Pool Manager which i) authorizes Company to assign Customer to its selected Pool Manager's Customer Pool, ii) affirms Customer acceptance of Company's Tariff provisions, and iii) affirms Pool Manager's acceptance of Company's Tariff provisions.

Manufactured Gas. Any gas artificially produced by any generating or processing equipment, exclusive of naturally occurring hydrocarbon gas.

Margin Revenue. Revenue derived from applying undiscounted rates from billing Customer Charges, Demand Charges and Distribution Charges to a Customer.

Maximum Daily Transportation Quantity (MDTQ). The maximum quantity of Gas that the Company is obligated to transport and make available for delivery to a Customer or Pool Manager under any applicable Transportation Service Agreement for Transportation Service on any one Day.

Miami-Dade Pool. The service area of the Company's distribution system that is south of Florida Gas Transmissions' compressor station number 21.

Mixed Gas. Any mixture of two or more gases of materially different physical character or chemical composition.

Month. The period between any two (2) regular readings of Company's Meters at approximately thirty (30) Day intervals.

Monthly Imbalance Quantity. The operational imbalance amount for a billing period for an individual Customer or group of Customers in a Customer Pool.

Natural Gas. Naturally occurring hydrocarbon gas mixture consisting primarily of methane, but commonly including varying amounts of other hydrocarbons occurring naturally underground and of a quality consistent with the specifications defined in Florida Gas Transmission's tariff.

Nomination. A request by a Customer, Pool Manager, or Shipper's Designee to a Transportation Service Provider and Company for receipt and delivery of a physical quantity of Gas pursuant to Transportation Service Providers' and or Company's Tariff.

Non-Residential Customers. Those Customers who are not Residential.

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TECHNICAL TERMS AND ABBREVIATIONS CONTINUED

Operational Flow Order. Any Gas Day where Company notifies Customer, Pool Manager, or Shipper's Designee of conditions that could threaten the safe operation or system integrity of the Transportation Service Provider and / or Company or where Customer's, Pool Manager's, or Shipper's Designee's Gas deliveries are required to be within certain specified hourly or daily Gas flow quantities.

Pool Manager. An entity, authorized in accordance to the provisions of this FPSC-approved Tariff, that provides gas supply, Transportation Service Provider pipeline capacity management and other related services for those Customers receiving service under the Company's Aggregated Transportation Service program(s).

Primary Delivery Point(s). Delivery Point(s) listed in Customer's Transportation Service Agreement, or Pool Manager's Aggregated Transportation Service Agreement.

Primary Receipt Point(s). Point(s) of Receipt listed in Customer's Transportation Agreement or Pool Manager's Aggregated Transportation Service Agreement.

Receipt Point. The point at the interconnection between the facilities of the Transportation Service Provider(s) and upstream system at which the Gas enters the facilities of the Transportation Service Provider(s).

Relinquishment. The release of firm capacity right(s) pursuant to the Rules and Regulations in this Natural Gas Tariff and FERC rules.

Renewable Natural Gas (RNG). Biogas that has been conditioned and upgraded to a quality and standard such that it meets, in the sole view of the Company, the Company's gas quality and heat standards in effect and applicable at the time.

Residential Customers. All those Customers using gas service for domestic purposes, for use in single family dwellings, in separately metered housing units, or for use in commonly owned areas of condominium associations, cooperative apartments, and homeowner associations for non-commercial uses.

Retainage. A percentage of Customer's or Customer's Agent's Gas that Company is allowed to retain for unaccounted for Gas at no cost to Company.

Shipper. Customer or Pool Manager who has executed a Transportation Service Agreement or an Aggregated Transportation Service Agreement, and who has acquired capacity with a Transportation Service Provider.

Shipper's Designee. A contractually authorized Marketer or Agent of an Individual Transportation Service Customer under these Rules and Regulations who is appointed by Customer and approved by Company to perform the obligations of an ITS Customer or Pool Manager on the Company's system such as invoicing and payment, nominations, monthly imbalance resolution or operator order responsibility.

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TECHNICAL TERMS AND ABBREVIATIONS CONTINUED

South Florida Service Area: FCG Service Area includes Customers located within the Company's service areas located south of Florida Gas Transmission Compressor Station 21 and excluding those Customers served in the Company's Space Coast Service Area.

Space Coast Service Area: FCG Service Area includes Customers located within the Company's service areas located north of Florida Gas Transmission Compressor Station 21 and excluding those Customers served in the Company's South Florida Service Area.

Therm. A unit of heating energy equivalent to one hundred thousand (100,000) British thermal units.

Transportation Service. The service provided by Company where Customer-owned Gas is received by Company from a Transportation Service Provider at the Company Receipt Point(s), transported through Company's distribution system, and delivered by Company at the Company's Delivery Points to Customer.

Transportation Service Agreement. The fully executed Transportation Service Agreement or Contract Transportation Service Agreement between Company and Customer.

Transportation Service Provider. Any interstate pipeline, intrastate pipeline, or local distribution company that transports Gas to Company's Receipt Point(s).

Transportation Service Provider Delivery Point(s). The point at the connection of the facilities of Transportation Service Provider, at which the gas leaves the outlet side of the measuring equipment of Transportation Service Provider and enters an off-system facility.

Upstream Pipeline Capacity Costs. Expenses incurred by the Company including but not limited to reservation, demand, usage, commodity, fuel, and applicable fuel charges incurred by the Company as a result of Company's contractual arrangements with Transportation Service Provider(s).

Working Day. Shall have the same meaning as Business Day, previously defined herein.

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE



RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

15. TRANSPORTATION AND SPECIAL CONDITIONS

A. CLASSIFICATION OF POOL MANAGERS AND TRANSPORTATION SERVICES

1. Classification of Pool Managers:

a. CI Pool Manager:

Any Company-approved Pool Manager that is authorized to deliver Gas to: i) Company's Receipt Point(s), which is subsequently delivered by Company at the Company Delivery Point(s) to Commercial, Industrial, and/or Special Purpose Customers, or ii) a Transportation Service Provider Delivery Point(s) where Company provided the Off-System Delivery Point Operator Service.

2. Classification of Services:

a. Regulated Sales Service:

Gas sales made by the Company through Company's Purchased Gas Cost Recovery mechanism. This service is required for all Residential Customers located in all Florida City Gas' Service Areas and is optional for all Non-Residential Customers.

b. Transportation Service:

Transportation Service is optional for all Non-Residential Florida City Gas Customers. Transportation Services will be provided under Company's Individual or Aggregated Transportation Service Program(s), in accordance with the Rules and Regulations set forth in this Tariff.

i. Individual Transportation Service (ITS):

1. Individual Transportation Service is available to Customers who are served under Company's Flexible Gas Service (FGS), Contract Demand Service (KDS) and Special Contract Customers. Individual Transportation Service Customers are required to execute a Transportation Service Agreement with the Company.

ii. Aggregated Transportation Service (ATS):

1. CI Service Pools:

All Florida City Gas Non-Residential Customers shall have the option of utilizing ATS and shall utilize a Company approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at the Company's Receipt Point(s) or purchasing Gas from Company's Regulated Sales Service Pool.

c. Special Contract Service (SCS):

Transportation Service provided to a Customer at the sole option of the Company pursuant to Florida Public Service Commission Rule 25-9.034, FAC, where the rates, terms and conditions for service may be different than those set forth in the Company's approved Tariff. All SCS Customers shall enter into a Special Contract Agreement with the Company, which is subject to the approval of the FPSC. Billing Adjustments and Taxes and Fees, as set forth in the Rate Schedule Section of this Tariff, may also apply.

RULES AND REGULATIONS - Continued

- d. Off System Sales Service (OSSS-1):  
Interruptible Natural Gas delivered by Company to any person not connected to Company's distribution system. Customer and Company shall rely on measurement made by the Transportation Service Provider. Unless curtailed, all Nominations to Customer's Transportation Service Provider Pipeline Delivery Point shall be considered to have been made by the Transportation Service Provider. Off-System Sales include i) intrastate and interstate pipeline capacity releases made by the Company, ii) commodity sales made by the Company, and / or iii) delivered sales made by the Company. Fifty percent (50%) of the net revenues shall be retained by Company. The remaining fifty percent (50%) of the net revenues shall be used to reduce Company's costs recovered through the Company's Purchase Gas Cost Recovery Clause.
- e. Shipper Administrative Service (SAS):  
Administrative service provided to a Pool Manager under the SAS rate schedule, in accordance with the Rules and Regulations set forth in this Tariff. The Company shall provide the following services to Pool Managers under the SAS; i) reading of Customer's Meters, ii) provision of Customer projected monthly usage information, along with Transportation Service Provider capacity quantity to be released to Pool Manager, iii) provision of Customer usage information to Pool Manager each Month, iv) retention of Customer's historical usage information, v) Letter of Authorization review and administration, and vi) other service as the company may determine necessary to administer Gas deliveries by Pool Managers to Customers. This service is required for CI Pool Managers. Billing Adjustments and Taxes and Fees, as set forth in the Rate Schedule Section of this Tariff, may also apply.

**B. LIMITATIONS OF SUPPLY**

Company reserves the right, subject to regulatory authority having jurisdiction, to limit, restrict or refuse service that will result in additions to its distribution system and/or production capacity and/or alterations in its contractual requirements of supply from nonaffiliated companies that may jeopardize service to existing Customers.

Under no circumstances is Company required to deliver hourly quantities of natural gas greater than the hourly quantities of natural gas that has been scheduled by the interstate or intrastate pipeline directly upstream of Company's facilities.

RULES AND REGULATIONS - Continued

C. WARRANTY, CONTROL, AND INDEMNIFICATION

1. Warranty:

Pool Manager warrants that it will have good and merchantable title to, all Gas delivered by Transportation Service Provider to Company for Shipper's account at Transportation Service Provider's Delivery Point(s), and that such Gas will be free and clear of all liens, encumbrances, and claims whatsoever. In the event any adverse claim in respect to said Gas is asserted, or Pool Manager breaches its warranty herein, Company shall not be required to perform its obligations to transport and deliver said Gas to Customer accounts in Pool Manager's Customer Pool or, subject to receipt of any necessary regulatory authorization, to continue service hereunder for Pool Manager until such claim has been finally determined; provided, however, that Pool Manager may receive service if i) in the case of an adverse claim, Pool Manager furnishes a bond to Company, conditioned for the protection of Company with respect to such claim, or ii) in the case of a breach of warranty, Pool Manager promptly furnishes evidence, satisfactory to Company, of Pool Manager's title to said Gas.

2. Control and Possession:

Pool Manager shall be deemed to be in control and possession of Gas prior to delivery to the Company Receipt Point(s) or Transportation Service Provider Delivery Point(s); and Company shall be deemed to be in control and possession of the Gas to be transported by it upon delivery of such Gas by Transportation Service Provider to the Delivery Point(s), and until it shall have been delivered to Company's Point(s) of Delivery. Each party, while deemed to be in control and possession of such Gas, shall be responsible for, and shall indemnify and hold the other harmless from any and all claims, actions, suits, including attorney's fees, arising out of or relating in any way to custody and control of such Gas.

3. Indemnification to Company by Customer:

The Customer shall indemnify, hold harmless, and defend the Company from and against any and all liability, proceedings, suits, cost or expense for loss, damage, or injury to persons or property, in any manner directly or indirectly connected with or growing out of the distribution and/or transportation of Gas by the Customer, as such may be defined in the CI Pool Manager Agreement.

D. TRANSPORTATION SERVICE

1. Individual Transportation Service:

a. Applicability:

Individual Transportation Service is available to Customers who are served under Company's KDS rate schedule, FGS rate schedule, and Special Contract Customers. Individual Transportation Service Customers are required to execute the applicable Transportation Service Agreement, KDS Service Agreement, FGS Agreement or, Special Contract (that has been approved by the FPSC) with the Company.

RULES AND REGULATIONS – Continued

- b. Company-Approved Pool Manager:  
Unless otherwise authorized by Company, all ITS Customers shall utilize a Company-approved Pool Manager to arrange for delivery of Customer-owned Gas to Company's Delivery Point(s). Customer shall have the right to change their Pool Manager pursuant to Section D4 below. Customer will not be charged to designate it's initial Pool Manager.
  
- c. Service Agreement:  
All Customers receiving Individual Transportation Service shall enter into the applicable Transportation Service Agreement with Company. Upon receipt of the Customer's executed Transportation Service Agreement, the Company shall have up to thirty (30) Days to initiate service under the Agreement, in addition to any time requirements for the physical extension or improvement to the Company's facilities required to provide such service.
  
- d. Service Initiation:  
Transportation Service may begin on the first day of the Month, provided that timely Nominations are submitted in accordance with the Company's Tariff, and such other actions as are required to cause Gas to be delivered to the Company for transportation to the Customer, are undertaken by Customer, or Customer's Agent.
  
- e. Full Requirements:  
All Customers receiving Individual Transportation Service shall transport all of their natural gas quantity requirements through Company's distribution system. Regulated Sales Service shall not be available from the Company. Gas quantities scheduled for delivery to the Company by the Customer, or Customer's Agent that are not in balance with actual metered consumption at the Company's Delivery Point shall be subject to the imbalance resolution provisions of this Tariff.
  
- f. Shipper Designee:  
Marketers, brokers, or other third-party suppliers of Gas that wish to act as Designees for Individual Transportation Service Customer, shall be required to execute a Shipper's Designee Form with the Company. Customer's Designee shall warrant clear title, any Gas delivered into Company's system, and Customer's facilities. Designee shall be deemed to be in exclusive control and possession of Gas prior to delivery into Company's system for redelivery to Customer. Customer's Designee shall indemnify, defend, and hold harmless Company from any and all claims, suits or damage actions arising out of deliveries on behalf of a transporting Customer.
  
- g. Limitation of Transportation Service:
  - i. New Premise:  
Company reserves the right, subject to the regulatory authority having jurisdiction, to limit or restrict usage through establishment of an MDTQ or refuse Transportation Service to a new premise that will result in additions to

RULES AND REGULATIONS – Continued

its distribution system that may jeopardize Transportation Service to existing Customers.

ii. Existing Premise:

Company may establish a MDTQ for Gas for Non-Residential Customers at an existing premise that requests an increase in annual usage, if, in the reasonable opinion of Company, establishment of an MDTQ is necessary to protect system integrity or to ensure other existing premises are not adversely affected by said Non-Residential Customer(s) request. Company shall not be obligated to transport Non-Residential Customer-owned Gas above Non-Residential Customer's MDTQ, if established, but may do so if feasible and without adverse effect to other Customers, in the reasonable opinion of Company.

2. Aggregated Transportation Services:

a. CI Pools:

i. Obligation to Serve:

Company is responsible for the transportation of Customers' Gas. Company is not responsible for providing Gas commodity for Customers. If Customer, or Customer's Agent, if applicable, fails to provide Gas, Company may disconnect service to Customer. In the event, the Company's authorized Pool Manager fails to cause to be delivered on any day at the assigned Company Receipt Point(s) with the Company, any portion of the quantities of Gas for transportation to the Customers in the Customer Pool, the Company may immediately seek the remedies set forth in Section E2, and the applicable provisions of the CI Pool Manager Agreement(s). If such remedies result in the termination of the Pool Manager, the Company shall immediately recall all capacity released to the Pool Manager Customer will be assigned to Company's Regulated Sales Service Pool, until such time as the Customer is enrolled in a subsequent applicable Transportation Service program.

ii. Applicability:

All Florida City Gas Service Area Non-Residential Customers shall have the option of using Company's Transportation Service and shall utilize a Company-approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at the Company's Receipt Point(s).

iii. Company-Approved Pool Manager:

Unless otherwise authorized by Company, Company will require all Non-residential Customers who elect to use Company's Transportation Service to designate a Pool Manager from a list of approved Pool Managers posted by Company on Company's website. Customer shall have the right to change their Pool Manager pursuant to Section G4 below. Customer will not be charged to designate its initial Pool Manager.

RULES AND REGULATIONS – Continued

- iv. New Customers:  
New Customers must request CI Transportation Service by submitting a Request for Gas Service. All Non-Residential Customers will be assigned to an applicable Customer Pool pursuant to Section G2 below.
  
- v. Service Initiation:  
Service will be initiated to Customer pursuant to Section U below.  
  
Notwithstanding the above provisions, the Company may extend the time period for the initiation of service to accommodate the physical extension or improvement of the Company's facilities required to provide such service.
  
- vi. SAS Rate Schedule:  
Upon initiation of service, all CI Pool Managers shall be assigned to the SAS Rate Schedule.
  
- vii. Service Limitation:  
Customers served under a KDS, FGS, or a Special Contract shall not be eligible to receive Aggregated Transportation Service unless otherwise approved by Company.

E. AUTHORIZED POOL MANAGERS

- 1. CI Pool Manager Minimum Requirements:
  - a. Pool Manager(s) shall be a duly authorized shipper on all Company's Transportation Service Provider's interstate pipeline systems.
  - b. Pool Manager(s) shall demonstrate their capability to meet Company's standards for creditworthiness.
  - c. Pool Manager(s) shall execute a CI Pool Manager Agreement with the Company prior to providing gas supply and transportation management services to the Customer Pool(s).
  
- 2. Pool Manager's Non-performance:
  - a. The Company shall establish in the CI Pool Manager Agreements such standards of performance for the Pool Manager as are reasonably required to assure reliable service to the Customer Pool(s). At a minimum, all Pool Manager(s) shall be obligated to cause sufficient quantities of Gas to be delivered for the Customer Pool each and every day such that scheduled quantities for the Customer Pool remain in reasonable balance with actual consumption. The Company shall establish appropriate penalties to be enforced should the Pool Manager fail to perform. In the event of substantial non-performance, as defined in the CI Pool Manager Agreement, the Company shall terminate the Pool Manager, and transfer Pool Manager's Customers to the Company's Regulated Sales Service pool.



RULES AND REGULATIONS – Continued

3. Rate Impact of Aggregation:  
Aggregated loads will not result in lower transportation rates for individual Customers.

F. CUSTOMER'S AGENT OR SHIPPER'S DESIGNEE

1. Designee Agreement:  
Marketers, brokers, or other third-party suppliers of Gas that wish to act either as Agents for Individual Transportation Service Customers shall be required to execute an ITS Shipper Designee Form with the Company (Sheet No. 91).
2. Indemnification:  
Customer's Agent shall warrant clear title, or right to transport, any Gas delivered into Company's system, and Customer's Agent shall be deemed to be in exclusive control and possession of Gas prior to delivery into Company's system for redelivery to Customer. Customer's Agent agrees to indemnify, defend, and hold harmless Company from any and all claims, suits or damage actions arising out of deliveries on behalf of a transporting Customer.

G. SELECTION OF POOL MANAGER

1. Approved Pool Manager:  
Unless otherwise authorized by Company, all Non-Residential Customers who chose to utilize Company's Transportation Service shall utilize a Company-approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at the Company's Receipt Point(s).
2. Service Initiation New Premise - Initial Service Assignment:  
New Customers will be initially assigned to Company's Regulated Sales Service Pool until such time as Customer receives an initial bill from the Company and Customer submits a Letter of Authorization to a Company-approved Pool Manager and Pool Manager enrolls Customer into Pool Manager's respective CI Customer Pool.
3. Service Initiation - Existing Premise:  
To initiate Transportation Service that includes Individual Transportation Service and CI Transportation Service, a Customer requesting service at an existing premise shall select a Company-approved Pool Manager and initial Pool Manager shall enroll Customer electronically via Company's website. Prior to electronic enrollment, Pool Manager shall obtain a Letter of Authorization from the Customer in the form set forth on Sheet Nos. 94-97 of this tariff and have signed by the Customer prior to enrollment.

Transportation Service by the Company to a Customer account to which an initial bill has been issued and for which service hereunder has been properly requested by electronic enrollment prior to the tenth (10<sup>th</sup>) Business Day prior to the end of the month will commence on the first day of the following calendar month following receipt by the Company of the aforesaid electronic enrollment.

RULES AND REGULATIONS – Continued

For new Customer premises to which an initial bill has not been issued, Service will be delayed until the first day of the second calendar month following enrollment by the Pool Manager.

4. Service Transfer Between Pools:

To initiate the transfer of service between Transportation Service pools that includes Individual Transportation Service, CI Transportation Service, a Customer shall select a Company-approved replacement Pool Manager and replacement Pool Manager shall enroll Customer electronically via Company's website. Prior to electronic enrollment transfer, Pool Manager shall obtain a Letter of Authorization from the Customer in the form set forth on Sheet Nos. 94-97 of this tariff and have signed by the Customer prior to enrollment. Transportation Service by the Company to a Customer account for which service hereunder has been properly requested by electronic enrollment prior to the tenth (10<sup>th</sup>) Business Day prior to the end of the month will commence on the first day of the following calendar month following receipt by the Company of the aforesaid electronic enrollment.

5. Customers Currently Receiving Service from CI Pool Manager:

Non-Residential Customers receiving service from a CI Pool Manager may select to be assigned to Company's Regulated Sales Service. Said Non-Residential Customer shall execute a Request to Return to Regulated Sales Service Form no later than ten (10) Working Days prior to the end of the Month. Customer who elects to return to Company's Regulated Sales Service Pool will be required to remain on Regulated Sales Service for a period of not less than twelve (12) Months.

6. Termination of Shipper Status:

a. CI Pool Manager:

If Company terminates a CI Pool Manager, Pool Manager's Customers shall be assigned by Company to Company's Regulated Sales Service Pool.

b. Non-Residential Customers:

i. CI Pool Manager:

Non-Residential Customers selecting an approved CI Pool Manager shall establish price and other terms and conditions of service directly with the selected CI Pool Manager.

1. Selection of CI Pool Manager:

Non-Residential Customers participating in Company's Regulated Sales Service Pool may select any approved CI Pool Manager at any time in accordance with the procedure set forth above.

RULES AND REGULATIONS – Continued

H. INITIATION OF TRANSPORTATION SERVICE

Initiation of Pool Manager Service:

Any Company-approved Pool Manager or Shipper Designee that is authorized to deliver Gas to Company's Receipt Point(s), which is subsequently delivered by Company at the Company's Delivery Point(s) under one of the Company's Transportation Service Programs will be required to meet the following provisions before service can be initiated to the Pool Manager.

1. CI Pool Manager Requirements:

- a. An entity is eligible to become a CI Pool Manager shall:
  - i. Execute a CI Pool Manager Agreement (Sheet Nos. 104-107);
  - ii. Establish credit sufficient to Company in accordance with these Rules and Regulations;
  - iii. Agree to retain copies of fully executed Customer Letter of Authorizations and provide such LOA upon request by the Company and
  - iv. Agree to receive SAS service.

2. Establishment of Credit:

- a. All Pool Managers shall establish credit prior to commencing deliveries of Gas and shall maintain such credit during the term hereof. The amount of credit established by each Pool Manager will be equal to the greater of \$10,000 or an amount equal to Pool Manager's highest two (2) months aggregated Daily Demand Requirement for the most recent 24-month period multiplied by the applicable Transportation Service Provider's applicable rate schedule(s). Credit will be established by one of the following methods:
  - i. Payment of a cash deposit with Company;
  - ii. Furnishing an irrevocable letter of credit from a bank;
  - iii. Furnishing a surety bond issued by an entity acceptable to the Company;
  - iv. Possessing and maintaining a Standard & Poor's Long-Term Debt Rating of A- or better, a Moody's rating of A3 or better, or a comparable rating by another nationally recognized rating organization acceptable to Company; or
  - v. Providing an acceptable parental or corporate guarantee.

If the Pool Manager seeks to establish credit, Pool Manager shall furnish to Company Pool Manager's audited financial statements (accompanied by the opinion of and independent certified public accountants or chartered accountants of a recognized national or regional standing) for at least the two most recently completed fiscal years.

All Pool Manager deposits will be subject to an annual review by Company and will be adjusted and billed accordingly. The minimum deposit maintained by each Pool Manager will be \$10,000.

RULES AND REGULATIONS – Continued

I. CAPACITY ASSIGNMENT AND RECALL

1. Intent of Capacity Release:

Company, through its Service Agreements with Transportation Service Providers, has contracted for firm capacity rights on the Transportation Service Providers' pipeline systems. Company will temporarily relinquish capacity to Customer or Pool Manager, as applicable, each Month, utilizing the methodology described below, on Transportation Service Provider's systems for Customers and Pool Managers' use in transporting Gas to Company's Individual Transportation Service, and CI Customer Pool(s). Company will retain enough capacity to serve Company's Regulated Sales Service Customer Pool each Month.

2. Capacity Release Methodology:

The Company shall retain, adequate quantities of capacity on Transportation Service Providers' systems to serve Company's Regulated Sales Service Customer Pool prior to the allocation of capacity to Individual Transportation Service Customers who have executed a capacity release agreement with the Company, and Pool Manager Customer Pools. The Company shall temporarily relinquish quantities of Transportation Service Provider Capacity to i) individual Customers who have executed Capacity Release Agreements with the Company and ii) CI Pool Managers each Month.

3. Daily Demand Requirement Calculation and Quantity of Capacity for Release:

Each Month after adequate capacity is allocated to Company's Regulated Sales Service Pool, Company shall determine the aggregated DDR to be relinquished to each Aggregated Transportation Service Pool Manager using the following methodology:

- a. For each existing and new Aggregated Transportation Service Customer (both CI Daily and Cycle Read Pools), the aggregated DDR shall be determined by using the prior year's applicable Month Gas consumption for each Customer in the Customer Pool (adjusted for Customer additions and losses from the succeeding eleven-Month period) and dividing by the number of days in the applicable Month, then dividing the result of this calculation (Therms per Gas Day) by ten (10) (to convert Therms to Dekatherms); and then rounding up to the next whole Dekatherm. In the case of the CI Daily Read Pool(s) and only for the purposes of calculating the Pool Manager's aggregated Daily Capacity (release) Quantity ("DCQ"), the aggregated DDR calculated above will be multiplied by 0.0 or no greater than 1.0, ("DCQ Factor") at the Company's sole discretion. The DCQ Factor will be determined on an annual basis by the Company.
- b. Daily Read Pool Managers may request and Company may provide, in Company's sole discretion, up to one hundred percent (100%) of Customer's total historical DDR.
- c. Each Month, the Company shall determine the total aggregated DDR for each Customer Pool, in accordance with the methodology described herein. Adjustments to Pool Manager's aggregated DDR will occur from time to time to reflect changes in the Company's weighted average cost of capacity and as a

RULES AND REGULATIONS – Continued

Daily Demand Requirement Calculation and Quantity of Capacity for Release - Continued

result of the enrollment and transfer of Customers to and between Customer Pools.

For each existing and new Individual Transportation Service Customer, Company will relinquish capacity based on Customer MDTQ as provided in the Capacity Release Agreement (if any) between Customer and Company. Customer must elect a MDTQ of sufficient quantity to satisfy the Customer's Monthly natural gas requirements. Company will provide Customer a twelve-Month consumption history to assist in making its initial election.

4. Scope of Capacity Release:

- a. Pool Manager Service Agreements with Transportation Service Providers:  
Pool Manager shall enter into all required agreements with each Transportation Service Provider so that Pool Manager has all necessary rights to accept and acquire the relinquished capacity from Company hereunder. Capacity releases shall be made on a temporary basis, in accordance with applicable FERC rules and regulations, as they may change from time to time. Pool Manager shall have sole responsibility for complying with all provisions of such agreements and all applicable provisions of Transportation Service Providers' FERC Tariffs.
- b. Relinquishment Notices:  
Each Month, Company shall provide to Transportation Service Providers the notice of capacity release required under the rules and regulations of the respective Transportation Service Provider's FERC Tariff. Such notices shall offer to relinquish, on a temporary basis, that portion of the Pool Manager's aggregated DCQ to be relinquished by Company by Customer Pool. Company shall diligently and in a time sufficient for Pool Manager to commence use of the released capacity, take all other actions required under the rules and regulations of the respective Transportation Service Provider's FERC Tariff to relinquish capacity to Pool Manager. Capacity releases will be released to Customers, Pool Managers, and Shipper's Designee(s) pursuant to Company's state-approved retail choice programs as set forth in this Section W. of this Tariff.
- c. Acceptance of Capacity Release:  
Pool Manager shall diligently and in a timely manner take all actions necessary under the rules and regulations of Transportation Service Provider's FERC Tariffs to acquire and accept the capacity relinquished by Company. Company has no obligation to relinquish capacity to Pool Manager in quantities greater than the Aggregated DCQ. If after five (5) days, Pool Manager does not acquire requisite capacity, Pool Manager may be terminated.

RULES AND REGULATIONS – Continued

5. Capacity Exceeding Released Quantities:

If Pool Manager's Customer Pool's aggregated DDR is greater than Pool Manager's Customer Pool's aggregated DCQ, Pool Manager shall be responsible for taking such actions as are required to obtain sufficient Transportation Service Provider capacity to meet its Customer Pool requirements (aggregated DDR), such additional quantities shall be defined as Pool Manager's Customer Pool's Daily Delivery Capacity Variance ("DDCV"). Pool Manager may acquire such Transportation Service Provider capacity quantities from any source.

6. Capacity Charges:

Pool Manager shall pay to Transportation Service Provider the rate listed in Company's relinquishment notice. Such rate will be based on Company's annualized weighted average cost of capacity excluding releases to ITS Customers, Customers receiving service under Rate Schedules KDS, FGS, and those Customers served by the Company pursuant to a Special Contract, those Customers who utilize upstream capacity released by the Company pursuant to an asset management agreement, and capacity released by Company pursuant to a long term capacity release i.e., a period a longer than one (1) year) or the negotiated rate for the capacity relinquished by the Company. Pool Manager shall indemnify Company and hold it harmless from any and all rates and charges assessed by Transportation Service Provider to Company for the relinquished capacity.

7. Capacity Payments:

Pool Manager shall make all payments to Transportation Service Provider(s) for the relinquished capacity in accordance with Transportation Service Provider's FERC Tariffs, and by any applicable FERC rule or order. If Pool Manager fails to make such payments, Company may make such payments on behalf of Pool Manager (in a manner which preserves any rights which Pool Manager may have to dispute the nature or amount of the charges). Pool Manager shall reimburse Company for such payments inclusive of interest, at the highest interest rate allowed by law, from the date such payments are made by Company to Transportation Service Provider.

8. Recall Rights to Released Capacity:

- a. All capacity relinquished to Pool Manager by Company, may be recalled by Company from time to time to facilitate the redistribution of capacity among Pool Managers to accommodate Customer migration, or to change the rate of the release regardless of the term of a specific capacity release by Company to Pool Manager.
- b. Company shall have the right to recall temporarily or permanently a portion or all of the capacity relinquished hereunder, subject to the applicable notice requirements in Transportation Service Providers' FERC Tariffs, in the event that Pool Manager breaches its contractual obligations of payment to Transportation Service Provider for the released capacity; or (ii) Pool Manager otherwise breaches the terms and conditions of this Tariff. In the event Company temporarily recalls a portion of the relinquished capacity, Company shall re-release such capacity to Pool Manager within ten (10) Working Days after Pool

RULES AND REGULATIONS – Continued

Recall Rights to Released Capacity – Continued

Manager has provided assurance satisfactory to Company, in Company's reasonable discretion, that the cause which gave rise to Company's recall right has been removed.

- c. Capacity is required to serve Company's high priority Customer or to maintain the operational integrity of Company's distribution system(s).
- d. A Pool Manager's failure to meet the security requirements of this Tariff.
- e. A filing of bankruptcy by a Pool Manager.
- f. An order from the FPSC or FERC where recall would be necessary to comply with Commission orders.

9. Retained Right of First Refusal:

Company shall retain the sole right to affirmatively exercise, at the time specified in the Service Agreement, Transportation Service Provider's FERC Tariffs, or any FERC rule or order, any right of first refusal mechanism (however denominated), including the option to extinguish such right, applicable to the relinquished capacity; provided, however, that Company may not exercise any such right in a manner which would impair Pool Manager's right to use the relinquished capacity during the term of any release.

10. Periodic Open Seasons:

Company may hold an open season for incremental capacity releases not less than once per year. The open season may be held from April 1<sup>st</sup> through April 15<sup>th</sup> of each calendar year or other such period that Company may elect. Primary firm capacity from

the Company's interstate capacity portfolio will be made available to on-system Customers and Pool Managers on an as-available basis.

Releases by the Company will be for a period of not less than one year. Incremental quantities when aggregated with existing capacity release quantities made by Company to a Customer or Pool Manager will be not greater than the monthly historical demand quantity of the Customer or Customer Pool.

Releases requested during the applicable open season period will be awarded on a pro-rata basis and the awarded releases will be implemented not later than June 1<sup>st</sup> of the same calendar year or the first calendar Day of the month following the first full month after capacity has been awarded to the acquiring Customer or Pool Manager. Capacity awarded, if available, will be made on a not unduly discriminatory basis by the Company.

RULES AND REGULATIONS – Continued

11. Capacity Acquisition:

a. Customer Pools:

Company shall provide to Pool Managers each Month, at least four (4) Days prior to Transportation Service Provider's deadline for posting capacity releases for the first day of the following Month, (i) a list of the accounts comprising Pool Manager's Customer Pool and the associated Non-Residential Customer DDRs, (ii) the estimated total Gas requirements to meet the needs of each of Pool Manager's Customer Pools for such following Month i.e., Pool Manager's aggregated DDR and, (iii) the aggregated DCQ that Company proposes to relinquish to Pool Manager for each Customer Pool. Pool Manager shall confirm the accuracy of the list of accounts comprising Pool Manager's Customer Pool with Company within one (1) Business Day after delivery of the Customer list to Pool Manager. If Pool Manager fails to confirm the accuracy of said list, Company shall proceed with the release to Pool Manager based on the information provided.

b. Maximum Daily Transportation Quantity (MDTQ):

Company may establish a MDTQ for Gas for one or more Customer(s) or Pool Manager(s) if, in the reasonable opinion of the Company, it is necessary to protect system integrity or to ensure existing Customers are not adversely affected by Customer(s) and or Pool Manager(s) requiring an MDTQ. Company shall not be obligated to transport Gas above the Customer's or Pool Manager's MDTQ, if established, but may do so if feasible and without adverse effect to other Customers, in the reasonable opinion of the Company.

12. Pool Manager's Firm Delivery Requirements:

a. Unless excused by Force Majeure, Pool Manager shall cause Transportation Service Providers to deliver on each Gas Day to Company Primary Receipt Points where Company is the DPO a quantity of Gas sufficient to reliably serve the requirements of its Customer Pool and off-system Customers. Pool Manager shall have no obligation to deliver Gas to Company on behalf of Customers whose service is terminated, either upon request of the Customer or for cause. Company shall promptly notify the Pool Manager of any known change in Customer account status that will affect Gas quantity deliveries.

b. If any act or omission of Pool Manager causes Company, as the DPO, to incur any Transportation Service Provider penalties, other expenses or liabilities of any kind, Pool Manager will indemnify and reimburse Company for all said penalties, other expenses, or liabilities. Nothing herein shall be deemed to foreclose Company from employing other remedies, including cessation of deliveries for the unauthorized usage of Gas.



RULES AND REGULATIONS – Continued

J. NOMINATIONS AND SCHEDULING

Nominations and Scheduling:

All CI Daily, Cycle Read Pool Managers and ITS Customers, shall submit to the Company all Nomination and scheduling information affecting Company's Delivery Points simultaneous to any submission to Transportation Service Provider(s). In addition, each Customer, Pool Manager, or Shipper Designee shall submit to Company each day Nominated quantities for each Individual Transportation Service Customer that is required to have and has electronic telemetering equipment installed, ("Telemetered Customer").

CI Cycle Read Pools will be permitted one Nomination change within the Month. Such Nomination must be delivered to Company no later than the fifteenth (15<sup>th</sup>) of the applicable Month.

CI Daily Read Pool(s) will be permitted to change Nominations throughout the applicable Month.

Such Nomination shall include the following information:

1. The Customer, Shipper's Designee or Pool Manager's account number under which service is being nominated – "Del Loc" (Delivery Location);
2. The Company Receipt Point location including applicable POI and upstream pipeline name, package ID "Pkg ID" (Package ID), including Customer's or Pool Manager's Company account number "Dn K" (Downstream Contract), and quantity in Therms of Gas to be tendered at each Company Receipt Point "Nom Del Qty" (PM Delivery Quantity);
3. The downstream delivery facility name, and quantity in Therms of Gas to be delivered for each Company Customer account or Pool "Dn Name" (Duns Number);
4. A beginning and ending date for each Nomination;
5. Ranking for allocation "Del Rank" (Delivery Rank)

Only Nominations with clearly matching identifiers will be scheduled and subsequently delivered by Company.

Transportation Interruption and Curtailment:

Company shall have the right to reduce or completely curtail deliveries to Customers as follows:

1. If, in Company's opinion, Customer will overrun the volume of Gas to which it is entitled from its supplier (or overrun the volume of Gas being delivered to Company for Customer's account); or
2. In the event Company is notified by its delivering pipeline pursuant to the FERC approved curtailment plans or provision of its tariff to interrupt or curtail deliveries; or
3. When necessary to maintain the operation reliability of Company's system.

Company will endeavor to give as much notice as possible to Customer in the event of interruption or curtailment. Any Gas taken in excess of an interruption or curtailment order shall be considered Unauthorized Gas Use.

RULES AND REGULATIONS – Continued

Unassigned Gas

“Unassigned Gas” shall mean any quantity of gas received at a Company Receipt Point for which there is no transportation nomination that can be readily identified by Company and assigned by Company to the appropriate Customer(s), Shipper’s Designee(s), and Pool Manager(s).

Company shall post on its website the quantity, production month received on the Company’s system, and the point of receipt associated with any Unassigned Gas (“Notice”). Company shall continue to post the Notice for a period of not less than one Business Day.

In order to be a valid claim for purposes hereof, a claim must:

1. Be provided to the Company in writing;
2. Identify the specific Unassigned Gas delivered;
3. Provide independent evidence of ownership of Unassigned Gas claimed; and
4. Agree to indemnify Company fully with respect to any adverse claims to ownership of the Gas or to the proceeds resulting from the sale thereof.

If a valid claim is received, such quantities will be subject to purchase by the Company at seventy-five percent (75%) of the Gas Daily index for Gas delivered at the Florida City Gate.

If a valid claim is not received, such quantities of Gas will be credited to the Company’s Regulated Sales Service fuel clause.

K. OPERATIONAL CONTROLS

1. Operational Controls Applicability:  
Operational Controls shall be applicable to all Customers, Customer Pools, Pool Managers, and Shipper Designees with the exception of Company’s CI Cycle Read Pool(s).
2. Contact Persons:  
Any Customer taking delivery of Gas from Company or any Pool Manager or Shipper Designees causing Gas to be delivered to Company, shall cooperate fully with Company in maintaining the integrity of its system. All Customers, Pool Managers, and Shipper’s Designees shall name an appropriate contact person(s) available to receive communication from Company on operating matters at any time, on a 24-hour a day, 365-day a year basis. For all Residential Customers, the contact person shall be that individual listed in the Company’s records as the applicant for service or the account holder of record. If Company is unable after reasonable efforts to contact any Customer or Customer’s contact person, such Customer shall be solely responsible for any consequences arising from such failure of communication.

RULES AND REGULATIONS – Continued

3. Maintaining Proper System Pressure:

In the event that Company determines in its sole discretion, reasonably exercised, that action is required to avoid an operating condition in which system pressure is not maintained, in which system pressure is maintained at an operationally unacceptably high level, and/or Transportation Service Provider has issued an operational directive under Transportation Service Provider's Tariff, Company may issue the following Operational Controls to Customers, Shipper Designees, and/or Pool Managers.

4. Operational Flow Orders (OFO) Notices:

The Company may issue an OFO notice and shall promptly notify via electronic means (electronic bulletin board, e-mail or telephone) all affected Customers, Customer's Designees and Pool Managers causing Gas to be delivered to the Company's Receipt Point(s), that such OFO has been issued.

a. Operational Flow Orders – Action Required:

Such Operational Flow Orders may require Customers, Customer's Designees and Pool Managers to undertake any of the following:

- i. Company may issue an Operational Flow Order to individual Customer, Shipper's Designees, and Pool Managers, specific geographic regions, or at one or a group of specific Company Receipt Points.
- ii. To commence or increase supply inputs by a specific quantity.
- iii. To cease or reduce supply inputs by a specified quantity.
- iv. To commence or increase takes of Gas from the system by a specified volume.
- v. To reduce takes of Gas from the system by specified volumes.
- vi. In the event the action(s) set forth in (a)-(e) are not operationally feasible, the Operational Flow Order may require Customers, Customer's Designees and Pool Managers, to take other such action within Customers, Customer's Designees and Pool Managers control which would tend to alleviate the operating condition to be addressed.

b. Failure to Comply with Operational Flow Orders:

If the Customers, Customer's Designees, or Pool Managers violates the terms of the OFO, the Company shall charge the responsible Customers, Customer's Designees and Pool Managers:

- i. If the Customers, Customer's Designees, or Pool Managers violates the terms of the OFO (i.e. is outside the established percentage usage tolerances of the notice), the Company shall charge the responsible Customers, Customer's Designees and Pool Managers two (2) times the applicable Transportation Service Provider(s) FERC approved Tariff OFO penalty. Company may waive OFO penalties on a nondiscriminatory basis.

- d. Imbalances incurred on the of the Operational Flow Order shall be included in Customer or Pool Manager's monthly imbalance quantity and will be subject to monthly balancing.

RULES AND REGULATIONS – Continued

5. Alert Day Notices:

The Company may issue an Alert Day notice when in its sole discretion. Alert Days will be used when other operational tools are perceived to be inappropriate to resolve the operating situation and shall promptly notify via electronic means (electronic bulletin board, e-mail or telephone) all affected Customers, Customer's Designees and Pool Managers causing Gas to be delivered to the Company's Receipt Point(s), that such Alert Day notice has been issued.

a. Alert Day Notice – Action Required:

Such Alert Day Notices may require Customers, Customer's Designees, and Pool Managers to undertake any of the following:

- i. Company may issue an Alert Day to individual Customers, Customer's Designees and Pool Managers, specific geographic regions, or at one or a group of specific Company Receipt Points.
- ii. In the event the action(s) set forth above are not operationally feasible, the Alert Day notice may require Customers, Shipper's Designees, and Pool Managers, to take other such action within Customer's, Shipper's Designee's, or Pool Manager's control which would tend to alleviate the operating condition to be addressed.

b. Failure to Comply with Alert Day Notice:

If the Customers, Customer's Designees, or Pool Managers violates the terms of the Alert Day notice, the Company shall charge the responsible Customers, Customer's Designees and Pool Managers:

- i. For an overage Alert Day, two (2) times Transportation Service Provider's FERC approved Tariff Alert Day penalty.
- ii. For an underage Alert Day, 50% (fifty percent) of Transportation Service Provider's FERC approved Tariff Alert Day penalty.
- iii. Company may waive Alert Day penalties on a nondiscriminatory basis.

c. Imbalances incurred on the day of the Alert Day will not be included in Customer or Pool Manager's monthly imbalance quantity and will not be subject to monthly balancing.

6. Pipeline Balancing Charges:

As the DPO, the Company shall comply with any operational balancing tools order issued by Transportation Service Provider(s), and as applicable, the Company, shall issue penalty charges directly to the responsible Customer(s), Customer's Designees and Pool Managers(s), to the extent such charges are able to be directly assigned. Such expenses shall include but not be limited to expenses associated with the use of storage capacity and gas supply as well as Liquified Natural Gas storage capacity and gas supply, The remaining balance of such charges will be allocated to the Company's Purchased Gas Cost Recovery Clause.

RULES AND REGULATIONS – Continued

7. Disposition of Penalties:

All penalties, net of payments to third parties, collected by the Company related to the operational control of the system, shall be issued directly to the responsible

Customer(s), Shipper Designees and/or Pool Managers(s), to the extent such charges are able to be directly assigned. The remaining balance of such charges, if any, shall be allocated to the Company's Purchased Gas Cost Recovery Clause. The Company shall not, under any circumstances, retain any of the penalties collected from Customers, Customer's Designees, or the authorized Pool Manager, nor absorb any costs related to complying with valid Transportation Service Provider Operational Tool orders.

L. IMBALANCE RESOLUTION

1. Monthly Imbalances:

The balancing of the quantity of Gas scheduled and nominated for each Customer or Customer Pool at all Company Receipt Points for which Company, or Company's agent, is the DPO, and the actual usage by the sum of all Individual Transportation Service Customers and Customer Pools served by each Customer, Shipper Designee, or Pool Manager shall be calculated on a Monthly basis. Long or short Monthly Imbalance Quantities for each individual Customer Pool will be netted against Customer Pools administered by the same Pool Manager provided however, Customer Pools with an Imbalance Level (long or short) greater than 20% will not be eligible to be netted. The Company and Customer, Shipper's Designee or Pool Manager shall resolve all remaining Monthly Imbalance Quantities at the end of each Month, as follows:

- a. If the Monthly Imbalance Quantity is long (amount of Gas scheduled is greater than aggregated actual usage by Customer Pool(s)), the Company shall purchase from Customer or Pool Manager such Monthly Imbalance Quantity at a price per Therm (the "Unit Price") calculated by taking: (i) the lowest weekly average (weeks where Friday is within the calendar Month) of the "Daily price survey" for Gas under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platt's Gas Daily*, for the Month in which the positive (long) Monthly Imbalance Quantity was incurred, multiplied by the applicable factor set forth below:

| <u>Imbalance Level</u> | <u>Factor</u> |
|------------------------|---------------|
| 0% to 5%               | 1.00          |
| Greater than 5% to 20% | 0.90          |
| Greater than 20%       | 0.80          |

The total amount due Customer, Shipper Designee, or Pool Manager shall be the product of the Unit Price and the positive (long) monthly imbalance.

- b. If the Monthly Imbalance Quantity is short (amount of Gas scheduled is less than aggregated actual usage by Customer Pool(s)), the Company shall sell to Customer or Pool Manager such Monthly Imbalance Quantity at a price per Therm (the "Unit Price") calculated by taking the (i) the highest weekly average (weeks where Friday is within the calendar Month) of the "Daily price survey" for

RULES AND REGULATIONS – Continued

Monthly Imbalances - Continued

Gas posted under the “Midpoint” column for “Florida Gas, zone 1”, “Florida Gas, zone 2” or “Florida Gas, zone 3”, as reported in *Platts Gas Daily*, for the Month in which the negative (short) Monthly Imbalance Quantity was incurred, multiplied by the applicable factor set forth below:

| <u>Imbalance Level</u> | <u>Factor</u> |
|------------------------|---------------|
| 0% to 5%               | 1.00          |
| Greater than 5% to 20% | 1.10          |
| Greater than 20%       | 1.20          |

and (ii) the Gulfstream Natural Gas 6% deliverability reservation per Therm tariff rate inclusive of all applicable surcharges (as it may change from time to time) plus the FGT FTS-1 usage rate per Therm, inclusive of all applicable surcharges.

The total amount due to the Company shall be the product of the Unit Price and the (short) negative monthly imbalance.

2. Daily Imbalances:

The Company shall, within the existing limitations of its system, provide for balancing between gas requirements and actual gas deliveries, net of an adjustment for Company Use and Unaccounted for Gas, received by the Company for the account of the Customers served by the PM that day. The Company shall not be obligated to provide gas service during an hourly, daily or monthly period in excess of the levels specified in the Rate Schedules under which Customers of the PM are served.

The Company reserves the right to require daily balancing on any other day in which the Company, in the exercise of its reasonable judgment, determines that such balancing is necessary for operational reasons. The Company will provide the PM in all instances with at least twenty-four (24) hours advance notice that daily balancing will be imposed.

In the event that daily balancing is imposed in accordance with this section, PM shall be assessed the following charges for daily imbalances:

| <u>Imbalance *</u>     | <u>Charge **</u> |
|------------------------|------------------|
| 0 to 5%                | \$0.00 per Therm |
| 5.1% to 10%            | \$0.10 per Therm |
| Under Deliveries > 10% | \$0.50 per Therm |
| Over Deliveries > 10%  | \$0.10 per Therm |

Company may waive penalties on a not unduly discriminatory basis.

RULES AND REGULATIONS – Continued

M. MUTUALLY BENEFICIAL TRANSACTIONS

Pool Manager and Customer recognize that Company maintains the operation and integrity of Company distribution system on a daily basis. Pool Manager and Customer also recognizes that as DPO for the Transportation Service Provider's pipeline interconnects, Company or its agent is subject to the rules and regulations of the Transportation Service Provider(s) with regard to operational flow rates, pressures, and penalties. As such, Company may need Pool Manager or Customer to vary its daily delivery from the nominated delivery quantities. On those occasions, Company may request, at its sole discretion, and Pool Manager and Customer may agree to, a change to Customer's or Pool Manager's nominated Gas supply quantities and Transportation Service Provider(s) pipeline capacity. Terms and conditions of such transactions shall be agreed upon at the time of the transaction and shall be recorded and confirmed in writing within two Business Days after the transaction.

Disposition of Net Revenues:

Net revenues shall mean the revenues received by Company for Natural Gas above the cost of Natural Gas to the Company and revenues received by Company for pipeline demand charges above the prevailing rates for like period(s) as negotiated by Transportation Service Provider Customers via the Transportation Service Provider's Relinquishment program on its Electronic Bulletin Board system. Disposition of net revenues received by Company during each Month that this service is provided shall be as follows:

Fifty percent (50%) of the net revenues shall be retained by Company. The remaining fifty percent (50%) of the net revenues shall be used to reduce Company's cost of Natural Gas recovered through the Purchased Gas Cost Recovery Clause.

O. TERMINATION OF POOL MANAGER STATUS

Termination of Shipper Status:

Unless excused by Force Majeure, Company may terminate the Pool Manager's rights for the following:

1. Pool Manager fails to satisfy in full the terms and conditions of this Tariff;
2. Pool Manager voluntarily suspends the transaction of business where there is an attachment, execution, or other judicial seizure of any portion of their respective assets;
3. Pool Manager becomes insolvent or unable to pay its debts as they mature or makes an assignment for the benefit of creditors;
4. Pool Manager files, or there is filed against it, a petition to have it adjudged bankrupt or for an arrangement under any law relating to bankruptcy;
5. Pool Manager applies for or consents to the appointment of a receiver, trustee, or conservator for any portion of its properties or such appointment is made without its consent; or,
6. Pool Manager engages in slamming or other unlawful activities.

RULES AND REGULATIONS – Continued

CI Pool Manager:

If Company terminates a CI Pool Manager, CI Pool Manager's Customers shall be assigned by Company to Company's Regulated Sales Service Pool.

16. FORCE MAJEURE

In the event either Company, Customer, Customer's Agent or Pool Manager is unable wholly or in part by Force Majeure to carry out its obligations under this Tariff, or under a Special Contract, other than to make payments due thereunder, it is agreed that on such party giving notice and full particulars of such Force Majeure to the other party as soon as possible after the occurrence of the cause relied on, then the obligations of the party giving such notice, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch.

The term "Force Majeure", as employed herein, shall mean acts of God, strikes, lockouts, or other Industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, including any government-mandated quarantines associated herewith, landslides, lightning, earthquakes, fires, storms, hurricanes or evacuation orders due to hurricanes, floods, washouts, arrests and restraints of government and people, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, the necessity for making repairs or alterations to machinery or lines of pipe, freezing of well or lines of pipe, partial or entire failure of source of supply, and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome; such term shall likewise include (a) in those instances where either party is required to obtain servitudes, rights of way grants, permits, or licenses to enable such party to fulfill its obligations hereunder, the inability of such party to acquire, or the delays on the part of such party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such servitude, right of way grants, permits, or licenses; and

(b) in those instances where either party is required to furnish materials and supplies for the purpose of constructing or maintaining facilities or is required to secure grants or permissions from any governmental agency to enable such party to acquire, or the delays on the part of such party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such materials and supplies, permits and permissions.

It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of an opposing party when such course is inadvisable in the discretion of the party having the difficulty.



RESERVED FOR FUTURE USE

GENERAL SERVICE - 1 (GS-1)

APPLICABILITY

Service is available to Non-Residential Customers using between 0 and 5,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' Pool Manager ("PM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from PM</u> |
|--------------------------------|----------------------------|---------------------------|
| Customer Charge                | \$31.00                    | \$31.00                   |
| Distribution Charge, per therm | \$0.57949                  | \$0.57949                 |
| Commodity Charge               | Per Rider "A"              | Per PM Agreement          |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a PM will be charged by the PM for commodity according to any agreement between the Customer and the PM. Only Non-Residential Customers are eligible to receive gas supply from a PM.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.

GENERAL SERVICE - 1 (GS-1)  
(Continued)

SPECIAL CONDITIONS APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM  
POOL MANAGERS (PM)

1. See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a PM.

GENERAL SERVICE - 6K (GS-6K)

APPLICABILITY

Service is available to Non-Residential Customers using between 6,000 and 24,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' Pool Manager ("PM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from PM</u> |
|--------------------------------|----------------------------|---------------------------|
| Customer Charge                | \$44.00                    | \$44.00                   |
| Distribution Charge, per therm | \$0.48722                  | \$0.48722                 |
| Commodity Charge               | Per Rider "A"              | Per PM Agreement          |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a PM will be charged by the PM for commodity according to any agreement between the Customer and the PM. Only Non-Residential Customers are eligible to receive gas supply from a PM.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.

2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.

GENERAL SERVICE - 6K (GS-6K)  
(Continued)

SPECIAL CONDITIONS APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM  
POOL MANAGERS (PM)

1. See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a PM.

GENERAL SERVICE - 25K (GS-25K)

APPLICABILITY

Service is available to Non-Residential Customers using between 25,000 and 119,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' Pool Manager ("PM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from PM</u> |
|--------------------------------|----------------------------|---------------------------|
| Customer Charge                | \$188.00                   | \$188.00                  |
| Distribution Charge, per therm | \$0.44046                  | \$0.44046                 |
| Commodity Charge               | Per Rider "A"              | Per PM Agreement          |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a PM will be charged by the PM for commodity according to any agreement between the Customer and the PM. Only Non-Residential Customers are eligible to receive gas supply from a PM.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.

GENERAL SERVICE - 25K (GS-25K)  
(Continued)

SPECIAL CONDITIONS APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM  
POOL MANAGERS (PM)

1. See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a PM.

GENERAL SERVICE - 120K (GS-120K)

APPLICABILITY

Service is available to Non-Residential Customers using between 120,000 and 1,249,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' Pool Manager ("PM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from PM</u> |
|--------------------------------|----------------------------|---------------------------|
| Customer Charge                | \$375.00                   | \$375.00                  |
| Demand Charge, per DCBQ        | \$0.719                    | \$0.719                   |
| Distribution Charge, per therm | \$0.28336                  | \$0.28336                 |
| Commodity Charge               | Per Rider "A"              | Per PM Agreement          |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a PM will be charged by the PM for commodity according to any agreement between the Customer and the PM. Only Non-Residential Customers are eligible to receive gas supply from a PM.

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ)

The Customer's DCBQ will be determined by the Customer's maximum daily requirements in terms of therm units per day based on readings taken from an Automatic Meter Reading (AMR) device installed at the premise. The quantity used in setting the DCBQ shall be those from the Customer's daily metered therm consumption recorded for a period of up to three (3) years ending each March 31st. If historical consumption information of at least twelve (12) months is not available, then the DCBQ level shall be based upon the rating and expected usage of the Customer's gas equipment as determined by the Company.

The DCBQ will be determined annually by the Company based on the consumption history, as determined above. The Customer's DCBQ shall be adjusted to reflect the maximum recorded DCBQ. Adjustments will be made in April except the Company shall not increase such a Customer's DCBQ unless the Customer has had at least three (3) occurrences of DCBQ's in excess of their current DCBQ.

At any time a Customer may request an adjustment to its DCBQ. If the Customer is able to demonstrate an ongoing change in its maximum daily therm requirements then the Company may at its discretion adjust Customers DCBQ prospectively. However, the initial DCBQ shall be established for all Customers with active service at the effective date of this tariff based on the highest daily actual therm consumption recorded at Customer's premises over the thirty-six month historic period ending March 31st of each year.



GENERAL SERVICE - 120K (GS -120K)  
(Continued)

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge and Demand Charge. In addition, a minimum annual charge shall be assessed by applying the Distribution Charge hereunder to the difference between the annual minimum qualifying therms specified in this Rate Schedule and the annual usage of the Customer.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

TERM OF CONTRACT

The initial term of which shall be no less than one (1) year and year to year thereafter until terminated by ninety (90) days written notice by either party.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.
3. Automatic Meter Reading (AMR) equipment capable of providing daily readings is required for all Customers served under this Rate Schedule. See the Rules and Regulations for Metering for terms and conditions related to AMR's.

SPECIAL CONDITIONS, APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM POOL MANAGERS (PM)

1. See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a PM.

GENERAL SERVICE - 1,250K (GS -1,250K)

APPLICABILITY

Service is available to Non-Residential Customers using between 1,250,000 and 10,999,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' Pool Manager ("PM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from PM</u> |
|--------------------------------|----------------------------|---------------------------|
| Customer Charge                | \$625.00                   | \$625.00                  |
| Demand Charge, per DCBQ        | \$0.719                    | \$0.719                   |
| Distribution Charge, per therm | \$0.14073                  | \$0.14073                 |
| Commodity Charge               | Per Rider "A"              | Per PM Agreement          |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a PM will be charged by the PM for commodity according to any agreement between the Customer and the PM. Only Non-Residential Customers are eligible to receive gas supply from a PM.

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ)

The Customer's DCBQ will be determined by the Customer's maximum daily requirements in terms of therm units per day based on readings taken from an Automatic Meter Reading (AMR) device installed at the premise. The quantity used in setting the DCBQ shall be those from the Customer's daily metered therm consumption recorded for a period of up to three (3) years ending each March 31st. If historical consumption information of at least twelve (12) months is not available, then the DCBQ level shall be based upon the rating and expected usage of the Customer's gas equipment as determined by the Company.

The DCBQ will be determined annually by the Company based on the consumption history, as determined above. The Customer's DCBQ shall be adjusted to reflect the maximum recorded DCBQ. Adjustments will be made in April except the Company shall not increase such a Customer's DCBQ unless the Customer has had at least three (3) occurrences of DCBQ's in excess of their current DCBQ.

At any time a Customer may request an adjustment to its DCBQ. If the Customer is able to demonstrate an ongoing change in its maximum daily therm requirements then the Company may at its discretion adjust Customers DCBQ prospectively. However, the initial DCBQ shall be established for all Customers with active service at the effective date of this tariff based on the highest daily actual therm consumption recorded at Customer's premises over the thirty-six month historic period ending March 31st of each year.

GENERAL SERVICE - 1,250K (GS -1,250K)  
(Continued)

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge and Demand Charge. In addition, a minimum annual charge shall be assessed by applying the Distribution Charge hereunder to the difference between the annual minimum qualifying therms specified in this Rate Schedule and the annual usage of the Customer.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

TERM OF CONTRACT

The initial term of which shall be no less than one (1) year and year to year thereafter until terminated by ninety (90) days written notice by either party.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.
3. Automatic Meter Reading (AMR) equipment capable of providing daily readings is required for all Customers served under this Rate Schedule. See the Rules and Regulations for Metering for terms and conditions related to AMR's.

SPECIAL CONDITIONS, APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM POOL MANAGERS (PM)

See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a PM.

GENERAL SERVICE – 11M (GS - 11M)

APPLICABILITY

Service is available to Non-Residential Customers using between 11,000,000 and 24,999,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' Pool Manager ("PM") with a heatingvalue on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from PM</u> |
|--------------------------------|----------------------------|---------------------------|
| Customer Charge                | \$1,250.00                 | \$1,250.00                |
| Demand Charge, per DCBQ        | \$0.719                    | \$0.719                   |
| Distribution Charge, per therm | \$0.10320                  | \$0.10320                 |
| Commodity Charge               | Per Rider "A"              | Per PM Agreement          |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a PM will be charged by the PM for commodity according to any agreement between the Customer and the PM. Only Non-Residential Customers are eligible to receive gas supply from a PM.

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ)

The Customer's DCBQ will be determined by the Customer's maximum daily requirements in terms of therm units per day based on readings taken from an Automatic Meter Reading (AMR) device installed at the premise. The quantity used in setting the DCBQ shall be those from the Customer's daily metered therm consumption recorded for a period of up to three (3) years ending each March 31st. If historical consumption information of at least twelve (12) months is not available, then the DCBQ level shall be based upon the rating and expected usage of the Customer's gas equipment as determined by the Company.

The DCBQ will be determined annually by the Company based on the consumption history, as determined above. The Customer's DCBQ shall be adjusted to reflect the maximum recorded DCBQ. Adjustments will be made in April except the Company shall not increase such a Customer's DCBQ unless the Customer has had at least three (3) occurrences of DCBQ's in excess of their current DCBQ.

At any time a Customer may request an adjustment to its DCBQ. If the Customer is able to demonstrate an ongoing change in its maximum daily therm requirements then the Company may at its discretion adjust Customers DCBQ prospectively. However, the initial DCBQ shall be established for all Customers with active service at the effective date of this tariff based on the highest daily actual therm consumption recorded at Customer's premises over the thirty-six month historic period ending March 31st of each year.

GENERAL SERVICE - 11M (GS – 11M)  
(Continued)

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge and Demand Charge. In addition, a minimum annual charge shall be assessed by applying the Distribution Charge hereunder to the difference between the annual minimum qualifying therms specified in this Rate Schedule and the annual usage of the Customer.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

TERM OF CONTRACT

The initial term of which shall be no less than one (1) year and year to year thereafter until terminated by ninety (90) days written notice by either party.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.
3. Automatic Meter Reading (AMR) equipment capable of providing daily readings is required for all Customers served under this Rate Schedule. See the Rules and Regulations for Metering for terms and conditions related to AMR's.

SPECIAL CONDITIONS, APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM POOL MANAGERS (PM)

See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a PM.

GENERAL SERVICE – 25M (GS - 25M)

APPLICABILITY

Service is available to Non-Residential Customers using 25,000,000 or more therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' Pool Manager ("PM") with a heatingvalue on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from PM</u> |
|--------------------------------|----------------------------|---------------------------|
| Customer Charge                | \$2,500.00                 | \$2,500.00                |
| Demand Charge, per DCBQ        | \$0.719                    | \$0.719                   |
| Distribution Charge, per therm | \$0.05160                  | \$0.05160                 |
| Commodity Charge               | Per Rider "A"              | Per PM Agreement          |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a PM will be charged by the PM for commodity according to any agreement between the Customer and the PM. Only Non-Residential Customers are eligible to receive gas supply from a PM.

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ)

The Customer's DCBQ will be determined by the Customer's maximum daily requirements in terms of therm units per day based on readings taken from an Automatic Meter Reading (AMR) device installed at the premise. The quantity used in setting the DCBQ shall be those from the Customer's daily metered therm consumption recorded for a period of up to three (3) years ending each March 31st. If historical consumption information of at least twelve (12) months is not available, then the DCBQ level shall be based upon the rating and expected usage of the Customer's gas equipment as determined by the Company.

The DCBQ will be determined annually by the Company based on the consumption history, as determined above. The Customer's DCBQ shall be adjusted to reflect the maximum recorded DCBQ. Adjustments will be made in April except the Company shall not increase such a Customer's DCBQ unless the Customer has had at least three (3) occurrences of DCBQ's in excess of their current DCBQ.

At any time a Customer may request an adjustment to its DCBQ. If the Customer is able to demonstrate an ongoing change in its maximum daily therm requirements then the Company may at its discretion adjust Customers DCBQ prospectively. However, the initial DCBQ shall be established for all Customers with active service at the effective date of this tariff based on the highest daily actual therm consumption recorded at Customer's premises over the thirty-six month historic period ending March 31st of each year.

GENERAL SERVICE - 25M (GS – 25M)  
(Continued)

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge and Demand Charge. In addition, a minimum annual charge shall be assessed by applying the Distribution Charge hereunder to the difference between the annual minimum qualifying therms specified in this Rate Schedule and the annual usage of the Customer.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

TERM OF CONTRACT

The initial term of which shall be no less than one (1) year and year to year thereafter until terminated by ninety (90) days written notice by either party.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.
3. Automatic Meter Reading (AMR) equipment capable of providing daily readings is required for all Customers served under this Rate Schedule. See the Rules and Regulations for Metering for terms and conditions related to AMR's.

SPECIAL CONDITIONS, APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM POOL MANAGERS (PM)

See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a PM.

NATURAL GAS VEHICLE SERVICE-I (NGV-I)  
(CLOSED SCHEDULE)

APPLICABILITY

For gas delivered to any Customer through a separate meter for the purpose of compression and delivery into motor vehicle fuel tanks or other transportation containers. NGV-I is only available to those Customers who are presently receiving this service as of August 13, 2013. Customers seeking such service after this date shall take service under the NGV-II terms of this Tariff.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from PM</u> |
|--------------------------------|----------------------------|---------------------------|
| Customer Charge                | \$31.00                    | \$31.00                   |
| Distribution Charge, per therm | \$0.23232                  | \$0.23232                 |
| Commodity Charge               | Per Rider "A"              | Per PM Agreement          |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a PM will be charged for commodity according to any agreement between the Customer and the PM.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge. In addition, a minimum annual charge, if applicable, shall be assessed by applying the applicable rates and adjustments hereunder to the difference between the minimum therms, if any, established per the Customer's Agreement and the Customers annual usage.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

SPECIAL CONDITIONS

Service under this Rate Schedule shall be subject to the general Rules and Regulations of the Company as they may be in effect from time to time, and as filed with the regulatory authorities.

SPECIAL CONDITIONS APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM POOL MANAGERS (PM)

1. See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a PM.

2. Automatic Meter Reading (AMR) equipment is required for transportation Customers served under this Rate Schedule using over 120,000 therms per year. See the Rules and Regulations for Metering for terms and conditions related to Amr's.



RESERVED FOR FUTURE USE

RESERVED FOR FUTURE USE

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POOL MANAGER RATE SCHEDULES  
POOL MANAGER SERVICE – (PMS)

Applicability:

The provisions of this Rate Schedule shall apply to each broker, marketer or other third-party supplier (collectively "Pool Manager") of natural Gas that wishes to act as Agents for the purpose of purchasing and scheduling natural Gas for Customers electing Transportation Services. Pool Managers desiring to provide service to Customers will be required to sign a Pool Manager Agreement in which they will agree to be bound by the terms and conditions of the Company's FPSC Gas Tariff.

Term of Contract:

The term of the Pool Manager Agreement shall be at least one (1) year and from month to Month thereafter unless terminated upon sixty (60) days written notice.

Creditworthiness:

1. All Pool Managers shall establish credit prior to commencing deliveries of Gas and shall maintain such credit during the term hereof. The amount of credit established by each Pool Manager will be equal to the greater of \$10,000 or an amount equal to Pool Manager's highest two months aggregated DDR for the most recent 24-month period multiplied by the applicable Transportation Service Provider's applicable rate schedule(s). Credit will be established by one of the following methods:
  - a. Payment of a cash deposit with Company;
  - b. Furnishing an irrevocable letter of credit from a bank;
  - c. Furnishing a surety bond issued by an entity acceptable to the Company;
  - d. Possessing and maintaining a Standard & Poor's Long-Term Debt Rating of A- or better, a Moody's rating of A3 or better, or a comparable rating by another nationally recognized rating organization acceptable to Company; or
  - e. Providing an acceptable parental or corporate guarantee.

If the Pool Manager seeks to establish credit pursuant to paragraph 1e above, Pool Manager shall furnish to Company Pool Manager's audited financial statements (accompanied by the opinion of and independent certified public accountants or chartered accountants of a recognized national or regional standing) for at least the two most recently completed fiscal years.

All Pool Manager deposits will be subject to an annual review by Company and will be adjusted and billed accordingly. The minimum deposit maintained by each Pool Manager will be \$10,000.

POOL MANAGER SERVICE – (PMS) - CONTINUED

Creditworthiness Continued

Upon meeting Company's standards for creditworthiness, Company will include Pool Manager on Company's list of Approved Pool Managers. Company shall not be required to permit any Pool Manager who fails to provide the above referenced documentation to sell natural Gas on Company's distribution system.

In the event that Pool Manager defaults in its payment obligation to Transportation Service Provider for capacity relinquished as defined below, Company upon receiving notification from Transportation Service Provider of such default shall immediately terminate Pool Manager Agreement with Pool Manager. Company will not be required to permit any Pool Manager who defaults in its payment obligation to Transportation Service Provider to sell natural Gas on Company's distribution system.

Capacity Relinquishment:

Pool Manager will be required to accept a Capacity Relinquishment as required in this Tariff. Failure to accept Capacity Relinquishment by Pool Manager may result in Curtailment of service to Customers being served by Pool Manager or termination of Pool Manager.

Supplying Gas for Delivery:

Pool Manager shall be responsible for purchasing the natural Gas to be delivered for Customers served by the Pool Manager and for causing the same to be delivered to the Company's City Gate(s). Pool Manager shall diligently and in a timely manner take all actions required under the General Terms and Conditions of Transportation Service Provider's FERC Tariff to effectuate such delivery of natural Gas.

Force Majeure:

Except for making payments due, neither the Company nor the Pool Manager shall be liable in damage to the other for any act, omission or circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, including any government-mandated quarantines associated therewith, landslides, lightning, earthquakes, fires, storms, floods, unforeseeable or unusual weather conditions, washouts, arrests and restraint of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, line freeze ups, temporary failure of Gas supply, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated, or otherwise, and whether caused or occasioned by or happening on account of the act or omission of Company or Customer or any other person or concern not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. A failure to settle or present any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered

POOL MANAGER SERVICE – (PMS) - CONTINUED

Force Majeure Continued

to be a matter within the control of the party claiming suspension.

Neither party will be entitled to the benefit of the force majeure provision hereof under either or both of the following circumstances: i) to the extent that the failure was caused by the party claiming suspension having failed to remedy the condition by taking all reasonable acts, short of litigation, if such remedy requires litigation, and having failed to resume performance of such commitments or obligations with reasonable dispatch; or ii) if the failure was caused by lack of funds, or with respect to the payment of any amount or amounts then due hereunder.

Aggregated Daily Demand Requirement:

Company will calculate the Pool Manager's aggregated Daily Demand Requirement by summing Pool Manager's Daily Demand Requirements, plus applicable Retainage, for each Customer being served by Pool Manager and rounding the total to the next greatest dekatherm. The Company will inform Pool Manager via e-mail of Pool Manager's aggregated Daily Demand Requirement by City Gate for the upcoming Month upon expiration of Company's enrollment deadline.

The Company shall assess the Pool Manager a per MMBtu charge equal to the maximum of \$15.00 or 200% of the otherwise applicable highest weekly overage Alert Day Price as is posted or otherwise would be calculated by Florida Gas Transmission Company for each day when delivery to Company by Pool Manager differs from Pool Manager's Pool(s) aggregated DCQ. The Company may waive this charge from time-to-time on a non-discriminatory basis.

Pool Manager Nominations

Each Pool Manager shall submit to Company first of the month scheduling and nomination information simultaneously with its submission to Transportation Service Provider(s). In addition, no later than the fifteenth (15<sup>th</sup>) of each month, Pool Manager may submit a mid-month nomination change for each Customer Pool. Pool Manager shall submit to Company, this scheduling and nomination information simultaneously with its submission to Transportation Service Provider(s).

Such Nomination shall include the following information:

1. The Customer, Shipper's Designee or Pool Manager's account number under which service is being nominated – "Del Loc" (Delivery Location);
2. The Company Receipt Point location including applicable POI and upstream pipeline name, package ID "Pkg ID" (Package ID), including Customer's or Pool Manager's Company account number "Dn K" (Downstream Contract), and quantity in Therms of Gas to be tendered at each Company Receipt Point "Nom Del Qty" (PM Delivery

POOL MANAGER SERVICE – (PMS) - CONTINUED

Pool Manager Nominations Continued

- Quantity);
3. The downstream delivery facility name, and quantity in Therms of Gas to be delivered for each Company Customer account or Pool "Dn Name" (Duns Number);
  4. A beginning and ending date for each Nomination;
  5. Ranking for allocation "Del Rank" (Delivery Rank)

Only Nominations with clearly matching identifiers will be scheduled and subsequently delivered by Company.

Company shall be entitled to retain at no cost to Company a percentage of the quantity of Gas delivered by or for the account of Customer at each Company Receipt Point for transportation to Customer, as Gas which shall be deemed to be an allowance for transportation Retainage in the performance of service under each applicable Rate Schedule. Such percentage shall not be higher than 1.5% without prior approval of the Florida Public Service Commission.

Capacity Exceeding Released Quantities:

If Pool Manager's Customer Pool's aggregated DDR is greater than Pool Manager's Customer Pool's aggregated DCQ, Pool Manager shall be responsible for taking such actions as are required to obtain sufficient Transportation Service Provider capacity to meet its Customer Pool requirements, such additional quantities shall be equal to Pool Manager's Customer Pool's DDCV. Pool Manager may acquire such Transportation Service Provider capacity quantities from any source.

Pool Manager Warranty:

Each Pool Manager warrants that it will have at the time it delivers or causes the delivery of natural Gas into the Company's distribution system good title to deliver the Gas. Each Pool Manager warrants that the natural Gas it delivers or causes to be delivered shall be free and clear of all liens, encumbrances, and claims whatsoever; that it will indemnify the Company and hold it harmless from all suits, actions, debts, losses and expenses arising from any adverse claims of any person to the natural Gas; and that it will indemnify the Company and hold it harmless from all taxes or assessments which may be levied and assessed upon such delivery and which are by law payable by the party making delivery.

Responsibility for Natural Gas:

The Company and the Pool Manager shall be jointly and severally liable for the natural Gas while it is in the Company's distribution system between Company's City Gate(s) and the point of delivery to the Customer. The Pool Manager shall be solely liable for the natural Gas until it is delivered to Company's City Gate(s). The party or parties thus responsible for the natural Gas shall bear liability for all injury or damage caused thereby. Notwithstanding anything to the contrary stated herein, a Pool Manager shall indemnify the Company for all injury, damage, loss, or liability of the Company caused by Pool Manager's delivery of natural Gas not complying with the Natural Gas Quality Section of this Tariff.



POOL MANAGER SERVICE – (PMS) - CONTINUED

Natural Gas Quality:

All-natural Gas delivered, or caused to be delivered, into Company's distribution system by or on behalf of a Pool Manager will be merchantable and shall conform to the natural Gas quality specifications set forth in the "Quality of Gas" section of this Tariff.

Billing:

The Company shall render to a Pool Manager on or before the 20<sup>th</sup> calendar day of each Month a bill for Pool Manager's monthly Customer Charge and for all imbalance charges as defined in Billing Adjustments during the preceding Month.

Payment:

Pool Manager shall pay the Company the amount due under any bill from the Company within ten (10) days after receipt by the Pool Manager of the bill from the Company. The Company may at its option require the Pool Manager to make payment of any bill by electronic transfer within such ten (10) day period. Any bill not paid within such ten (10) day period shall bear interest at the rate of one and one-half percent (1.5%) per Month.

Billing Disputes:

Pool Manager may dispute the amount of any bill by notifying the Company within sixty (60) days of receipt by the Pool Manager of the bill from the Company. If a Pool Manager in good faith disputes the amount of any bill, the Pool Manager shall nevertheless pay to the Company the amount of such bill. Company shall have thirty (30) days to resolve such disputes with Pool Manager and will refund to Pool Manager any amount resolved in favor of Pool Manager within ten (10) days of such resolution.

Standards of Conduct:

In addition to the above terms and conditions, Pool Managers must agree to comply with any standards of conduct or other requirements set forth by the FPSC.

Termination of Service:

Pool Manager will be responsible for providing Company with a duly executed CI Pool Manager Customer Termination Notice (See Sheet No. 93) not less than thirty (30) Working Days prior to the Pool Manager's desired date for termination of service to Customer.

**SHIPPER ADMINISTRATIVE SERVICE - (SAS)**

Availability:

Throughout the Service Areas of the Company.

Applicability:

Service under this Rate Schedule is mandatory for all CI Pool Managers, delivering, or causing to be delivered, Gas to the Company's distribution system for transportation to Customers.

Monthly Rate:

CI Pool Administration Charge:

Space Coast and South Florida Service Areas: \$400.00 per pool

Per Customer Charge:

Space Coast and South Florida Service Areas \$6.21 per Customer

Minimum Charge:

The CI Pool Administration Charge.

**OFF SYSTEM SALES SERVICE – 1 – (OSSS-1)**

Availability:

Available within areas served by the Company, and within the area served by an interstate or intrastate natural Gas pipeline also serving the Company.

Applicability:

Interruptible Natural Gas, interstate or intrastate pipeline capacity releases, or delivered natural Gas capacity and supply combined, released or delivered by Company through the facilities of a Transportation Service Provider, using Company's transportation capacity rights on such Transportation Service Provider's pipeline, to any person not connected to Company's distribution system.

This rate schedule is applicable to both bundled and unbundled gas service, i.e., interstate or intrastate pipeline capacity only that is released by Company pursuant to Transportation Service Provider's FERC gas Tariff as well as interstate or intrastate pipeline capacity that is bundled with natural gas supply and is subsequently delivered by the Company to Customer.

Limitation of Service:

Company may notify Customer at any time to reduce or cease using Natural Gas. Company will endeavor to give as much notice as possible to Customer.

Any Gas taken in excess of the volume allocated to Customer during an interruption or Curtailment order shall be considered to be unauthorized overrun Gas. Company may bill and Customer shall pay for such unauthorized overrun Gas, in addition to other charges payable hereunder, at the greater of \$1.50 per Therm or the rate per Therm imposed on Company by the delivering Pipeline.

For each day on which Customer desires to receive service pursuant to this rate schedule, Customer shall provide a Nomination to Company specifying the quantity of Natural Gas it desires to receive at the specified point of delivery pursuant to this Agreement. Following receipt of a timely and complete Nomination from Customer, Company will confirm the quantities of Natural Gas to be made available for delivery to Customer at such point of delivery. Quantities confirmed by Florida Public Utilities Company for delivery shall be "Scheduled Quantities".

Except as nominated by Customer and scheduled by Company, neither Customer nor Company shall have any obligation to the other for any specific minimum quantity of Natural Gas or pipeline capacity on any day or during any Month. Deliveries pursuant to this rate schedule shall be subject to Curtailment or interruption at any time in the sole discretion of Company.

The point of delivery for all-natural Gas sold pursuant to this rate schedule shall be the Delivery Point of the delivering Pipeline specified by Customer. The Delivery Point operator shall be

OFF SYSTEM SALES SERVICE - 1 – (OSSS-1) - CONTINUED

Limitation of Service Continued

solely responsible for all balancing with the Pipeline, financially and physically.

Customer and Company shall rely on measurement made by the Pipeline. Unless curtailed, all Nominations to Customer's Transportation Service Provider's Delivery Point shall be considered to have been made by the Transportation Service Provider.

Character of Service:

Natural Gas or its equivalent, with an approximate average heating value of in the range of one thousand one hundred (1,000) to one thousand one hundred (1,100) British Thermal Units per standard cubic foot.

Monthly Rate:

Customer Charge: None

Non-Fuel Energy Charge:

For all Scheduled Quantities, an amount not less than \$.000 per Therm, which Non-Fuel Energy Charge shall be established by agreement between Company and Customer prior to each transaction pursuant to this rate schedule.

The Non-Fuel Energy Charge for service pursuant to this rate schedule shall be determined by Company based upon Company's evaluation of competitive conditions. Company may from time to time increase or reduce the Non-Fuel Energy Charge as it deems necessary or appropriate to remain competitive but shall have no obligation to do so; provided, however, that the Non-Fuel Energy Charge shall at all times remain within the limits set forth above.

The bill for Therms billed at the above rates shall be increased by the agreed upon price per Therm of the Natural Gas delivered to Customer pursuant to this rate schedule, including all costs incurred by Company associated with Transportation Service Provider transportation.

This rate schedule shall not be adjusted by the Company's Purchased Gas Cost Recovery Clause.

Transportation

Administration Charge: Not applicable

Minimum Bill: Not applicable

Terms of Payment:

Bills are rendered net and are due and payable within ten (10) calendar days of receipt of invoice from Company.

OFF SYSTEM SALES SERVICE - 1 – (OSSS-1) - CONTINUED

Billing Adjustment:

Purchased Gas Cost Recovery Factor: Not applicable to this rate schedule.

All other Billing Adjustments: Riders A through E may apply

Term of Service:

As mutually agreed between Company and Customer.

Terms and Conditions:

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to gas service.

Disposition of Net Revenues:

For purposes of this rate schedule "net revenues" shall mean the total Non-Fuel Energy Charges received by Company for service pursuant to this rate schedule, revenues received by Company for Natural Gas above the cost of Natural Gas to the Company and revenues received by Company for pipeline demand charges above the prevailing rates for like period(s) as negotiated by Pipeline Customers via the Transportation Service Provider's Relinquishment program on its Electronic Bulletin Board system. Disposition of net revenues received by Company during each Month that service is provided pursuant to this rate schedule shall be as follows:

Fifty percent (50%) of the net revenues shall be retained by Company. The remaining fifty percent (50%) of the net revenues shall be used to reduce Company's cost of Natural Gas recovered through the Purchased Gas Cost Recovery Factor Clause.

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**FLEXIBLE GAS SERVICE – (FGS)**

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Objective:

The objective of this Rate Schedule is to enable the Company the opportunity to compete in markets where natural gas service is not a monopoly service.

This Tariff provides the Company with both the opportunity and risk to compete in these markets. It is designed to increase load by working with Customers with regard to the specific terms and conditions of service.

This Tariff places the Company's shareholders at risk, not the general body of ratepayers (see rate-making treatment).

Applicability:

This service is available at the Company's option to Customer(s) meeting the applicability standards, which include: (1) the Customer must provide the Company with a viable economic energy alternative including verifiable documentation of Customer alternative, and (2) the Company must demonstrate that this new Customer will not cause any additional cost to the Company's other rate classes. The Company is under no obligation to grant service under this Tariff. Absent a service agreement with the Company under this rate schedule, Customers are under no obligation to accept service under this rate schedule and may elect to receive service under other applicable Tariff rate schedules.

Terms of service under this rate schedule, including pressure, capital repayment, operating conditions and length of service are separately set forth in individual agreements between the Company and the Customers.

Monthly Rate:

The rate will be developed based on economic market conditions at the time gas service is requested. The rate shall not be set lower than the incremental cost the Company incurs to serve the Customer.

Confidentiality:

The Company and Customer each regard the terms and conditions of the negotiated service agreement as confidential, proprietary business information.

The Company and Customer agree to utilize all reasonable and available measures to guard the confidentiality of said information, subject to requirements of courts and agencies having jurisdiction hereof.

In the event either party is asked to provide the information by such a court or agency, it will promptly inform the other of the request, and will cooperate in defending and maintaining the confidentiality of the information.

This provision shall not prohibit or restrict the FPSC from reviewing the service agreement in the performance of its duties, but the FPSC shall treat the service agreement as a confidential document.

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**FLEXIBLE GAS SERVICE – (FGS) - CONTINUED**

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Rate-Making Treatment:

To the extent that the Company enters into Flexible Gas Service agreements with Customers, the Company is at risk for the capital investment necessary to serve the Flexible Gas Service Tariff Customers, not the general body of ratepayers.

Rate Base:

In the case of providing service to a new Customer under this Tariff, the Company will identify the incremental capital costs, including construction work-in-progress, required to provide service to the Customer. In this instance, the Company will separately account for all such costs, excluding them from rate base.

Where the Customer is served from the Company's existing distribution system, a portion of the net book value of common distribution facilities, including Mains and measuring and regulating stations, reflecting the Customer's distance from the nearest point on an Interstate Gas Pipeline and the size of pipe required to serve that Customer's peak demand for Gas shall be removed from rate base.

In the case of transferring an existing Customer to this Tariff, in addition to excluding all incremental capital costs and common distribution facilities from rate base, the net book value of Mains, Service Lines, and metering equipment that were specifically installed to serve the particular Customer shall be removed from rate base.

Operating, Maintenance and Administrative Expenses:

The Company will specifically identify all incremental costs, if any, associated with the Flexible Gas Service Tariff Customer. These expenses will primarily be related to the incremental capital required to serve the Customer. In addition, the Company will allocate embedded costs including general distribution and maintenance, Meter reading, Customer billing and accounting, sales, and administrative expenses.

Operating, Maintenance, and Administrative Expenses Continued

The Company will specifically identify all incremental costs, if any, associated with the Flexible Gas Service Tariff Customer. These expenses will primarily be related to the incremental capital required to serve the Customer. In addition, the Company will allocate embedded costs including general distribution and maintenance, meter reading, Customer billing and accounting, sales, and administrative expenses. In future rate cases and earnings surveillance reports, the Company will exclude all operating, maintenance, and administrative costs related to this Tariff as determined by this methodology.

Depreciation and Amortization Expenses:

The Company will exclude all depreciation and amortization expenses related to this Tariff in future rate cases and in its earnings surveillance report. Depreciation and amortization expenses may be incremental and/or allocated and will be determined based on the rate base allocated to each Customer under this Tariff as defined above.

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**FLEXIBLE GAS SERVICE – (FGS) - CONTINUED**

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Revenue and Related Taxes:

Revenues related to this Tariff will be excluded from regulated revenues. In filing earnings surveillance reports, the Company will remove actual revenues related to this Tariff, as well as revenue related taxes and income taxes from its calculation of FPSC adjusted rate of return.

All cost allocation related to this Tariff shall remain subject to FPSC audit.



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***INDEX OF STANDARD FORMS***

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**A. TRANSPORTATION SERVICE AGREEMENT**

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**FLORIDA CITY GAS  
TRANSPORTATION SERVICE AGREEMENT**

This Agreement entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Florida City Gas, herein after referred to as "Company" and:

Company Name: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Contact Person & Title: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

Herein referred to as "Customer."

**WITNESSETH:**

Subject to the terms and conditions contained herein, Company agrees to sell or deliver and Customer agrees to purchase or pay for services required by Customer under Company's Rate Schedule \_\_\_\_\_, \_\_\_\_\_.

Term of Agreement

Service under this Agreement shall commence on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, or on the first day following the date the Company completes the installation of necessary Mains, meters, and other essential equipment to service the Customer, whichever is later. This Agreement will remain in effect for an initial term of year(s) beginning with the commencement of service by the Company, and thereafter from year to year. At any time after the initial term, either party may terminate this contract by giving written notice of termination (specifying a termination date at the end of such contract year or any contract yearly period thereafter) upon at least sixty (60) days prior notice.

Duly Constituted Authorities

The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the FPSC.

Tariff for Gas Service

All terms and conditions set forth in Company's FPSC Tariff are incorporated herein by reference. All services are subject to the Rules and Regulations of Company's FPSC Tariff and more specifically by the conditions contained in the Rate Schedule elected herein. Copies of

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**A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED**

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Company's FPSC Tariff are available for public reference during normal business hours at each of the Company's natural Gas offices.

Type of Service

The service contemplated hereunder is of an Industrial or commercial character and Company does not guarantee it to be free from interruption or that the chemical composition or specific gravity of the Gas delivered may not vary from time to time. The Customer agrees to provide and maintain suitable safety and control equipment on Customer's facilities and equipment and to use only equipment of a character to ensure safe utilization of Gas sold or delivered hereunder. In case the supply of Gas is interrupted by any cause, Company shall not be held liable for damages on account of such interruption or any consequences resulting there from or from the restoration of service thereafter.

Full Requirements

Customer agrees Customer shall transport all of their natural gas quantity requirements through Company's distribution system. Regulated Sales Service shall not be available from the Company.

Responsibility and Liability

The Company and Customer do respectively assume full liability for the maintenance and operation of facilities operated by each party. Each party shall indemnify and save harmless the other from any and all loss or damage sustained, and from any and all liability including injury to persons and property insured, arising from any act or accident in connection with the installation, presence, maintenance and operation of facilities operated by the indemnifying party unless the same shall be due to the sole negligence of the other party, its agents, employees, contractors, guests or invitees.

Notices

All correspondence and notices required under this Agreement, except notice of Gas supply interruption or restoration of service are to be addressed at the above listed address or e-mail address and to Company at Florida City Gas, Energy Logistics Department PO Box 960, Winter Haven, Florida 33882. Notices with respect to interruption or restoration of deliveries of Gas shall be sufficient if given by Company, at the Company's option, in writing or orally in person or by telephone to the person or one of the persons designated from time to time by Customer as authorized to receive such notice. If Customer shall not have made such designation or, if made, Company is unsuccessful in its effort promptly to establish communication with the person or one of the persons so designated then in any such event, said notice shall be sufficient if given by Company to any person or persons who are on said premises

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**A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED**

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or who answer Customer's telephone.

Customer Designation of Pool Manager

Customer shall designate a Pool Manager from Company' List of Approved Pool Managers on Company's website. Customer shall deliver a Letter of Authorization with a duly authorized signature acknowledging such election to the selected Pool Manager.

Point of Receipt and Point of Delivery

ITS Customers or Customer's Designee will cause Customer's natural Gas to be delivered to Company's Point of Receipt as specified in Exhibit A. Customer has requested and Company agrees to receive and transport Customer's natural Gas from the Company's Point of Receipt to the Customer's Point of Delivery as specified in Exhibit A.

Election of Service Level

ITS Customers will elect a Maximum Daily Contract Quantity ("MDCQ") by Month in Exhibit A. If applicable, Customer's Pool Manager will be required to accept a capacity Relinquishment in a quantity equal to the Maximum Daily Contract Quantity elected by Customer.

Monthly Minimum Bill Quantity (Applicable Rate Schedules)

Customers who are served under certain specific rate schedules requiring minimum monthly billing quantities and ITS Customers agree to purchase or receive from Company and Company agrees to sell or deliver to Customer the monthly minimum bill quantity of natural Gas at the Point of Delivery as listed in Exhibit A.

Miscellaneous Provisions

(A) No agent or employee of Company has any power to amend or waive any of the provisions of this Agreement or to make any promise or representation contrary to, or inconsistent with, the provisions hereof. (B) This Agreement with portions included by reference constitutes the entire contract between the parties. (C) This Agreement shall not be binding upon Company until approved and accepted on its behalf by one of its executive officers in the space provided below, and thereafter shall bind and benefit the parties hereto, their successors and assigns.

Delivery Pressure

The Company shall endeavor to deliver Gas to Customer at the Point of Delivery at a pressure of not less than p.s.i.g.

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**A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED**

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Bills for Service

Bills and payments shall be rendered in accordance with the Rules and Regulations section of the Company's currently effective FPSC Tariff.

Assignment

Customer shall not assign this Agreement or any portion hereof, or any of its rights and obligations under this Agreement without the express written permission of the other party.

Headings and Captions

The headings and captions in this Agreement are for convenience and shall not constitute a part of the Agreement or be considered interpretive of the Agreement.

Performance

The failure of either Party to insist upon strict performance of any provision of this Agreement shall not constitute a waiver of or estoppel against asserting the right to require such performance in the future, nor shall a waiver or estoppel in any one instance constitute a waiver or estoppel with respect to a later breach of a similar nature or otherwise.

Governmental Agencies

Governmental agencies that are Customers under this Agreement may attach a Rider detailing matters that are required to be included by such agencies pursuant to Florida Law. The Rider is to be prepared at Customer's expense and submitted in duplicate as an attachment to this Agreement.

Interpretation

This Agreement shall be interpreted, construed, and governed by the laws of the State of Florida, without regard to principles of conflict of law.

Settlement of Disputes

The parties desire to resolve disputes arising out of this Agreement without litigation. Accordingly, except for any 1) dispute which is subject to the exclusive jurisdiction of the Florida Public Service Commission, 2) action seeking a restraining order or an injunction related to the purposes of the Agreement, and 3) suit to compel compliance with this dispute resolution process, the parties agree to use the following dispute resolution procedure as their

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**A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED**

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sole remedy with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

At the written request of a party, each party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising under this Agreement. The parties intend that these negotiations be conducted by non-lawyer, business representatives. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as confidential information developed for the purposes of settlement, exempt from discovery and production, which shall not be admissible in the arbitration described below or in any lawsuit without the concurrence of all parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise admissible, be admitted in evidence in the arbitration or lawsuit.

If the negotiations do not resolve the dispute within sixty (60) days of the initial written request, the dispute shall be submitted to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. A party may demand such arbitration in accordance with the procedures set out in those rules. Discovery shall be controlled by the arbitrator and shall be permitted to the extent set out in this section. Each party may submit in writing to a party, and that party shall so respond to, a maximum of thirty-five (35) (none of which may have subparts) of the following: interrogatories, demands to produce documents, or requests for admission. Each party is also entitled to take the oral deposition of one individual of another party. Additional discovery may be permitted upon mutual agreement of the parties. The arbitration hearing shall commence within sixty (60) days of the demand for arbitration. The arbitration shall be held in West Palm Beach, Florida for West Palm Beach Customers and in DeBary, Florida for Mid-Florida Customers. The arbitrator shall control the scheduling so as to process the matter expeditiously. The parties may submit written briefs. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) days after the close of hearings. The times specified in this section may be extended upon mutual agreement of the parties or by the arbitrator upon a showing of good cause. Judgement upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

Each party shall bear its own costs of these procedures. A party seeking discovery shall reimburse the responding party the costs of production of documents (including search time and reproduction costs). The parties shall equally split the fees of the arbitration and the arbitrator.

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 Palm Beach County, Florida.

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**A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED**

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IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed the day and year first written above.

Attest:

Florida City Gas

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Attest:

CUSTOMER:

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

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**A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED**

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**EXHIBIT A**  
**TO THE TRANSPORTATION SERVICE AGREEMENT BY AND BETWEEN FLORIDA CITY**  
**GAS**  
**AND \_\_\_\_\_**

CAPACITY RELEASE QUANTITIES – MMBTUS PER DAY

|           |           |           |
|-----------|-----------|-----------|
| JAN _____ | FEB _____ | MAR _____ |
| APR _____ | MAY _____ | JUN _____ |
| JUL _____ | AUG _____ | SEP _____ |
| OCT _____ | NOV _____ | DEC _____ |

TRANSPORTATION SERVICE PROVIDER \_\_\_\_\_

POI Number \_\_\_\_\_

**COMPANY'S RECEIPT POINT**

Customer shall deliver natural Gas to Company at:

\_\_\_\_\_  
Point Name

**COMPANY'S DELIVERY POINT**

Company shall deliver natural Gas to Customer at Company owned Meter located at:

\_\_\_\_\_  
Customer's Service Address, City, State, Zip code

MONTHLY MINIMUM BILL QUANTITY (THERMS), IF APPLICABLE

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**B. ITS SHIPPER DESIGNEE FORM**



**ITS or OS-DPO  
Shipper Designee Form**

\_\_\_\_\_ ("Shipper") hereby notifies Florida City Gas ("Company") that \_\_\_\_\_ ("Designee") as its Agent to perform the following identified (i.e., marked with an "X") obligations of Shipper as provided by the Company Tariff and the OS-DPO Shipper Agreement:

- |  |  |
|--|--|
| <input type="checkbox"/> Invoice/Payment | <input type="checkbox"/> Monthly Imbalance Resolution  |
| <input type="checkbox"/> Nominations     | <input type="checkbox"/> Operator Order Responsibility |

Shipper, Designee, and Company hereby agree, for all purposes relating to the functions identified above, that:

1. The designation by Shipper of Agent as Shipper's Agent shall be effective as of the beginning of the day commencing on \_\_\_\_\_.
2. Communications by Company to Designee shall be deemed to be notice to Shipper. Company has the right to rely on any written or verbal communication from Designee.
3. Designee shall perform the functions identified above in a manner consistent with Company's Tariff on file with the Florida Public Service Commission (FPSC), as the same may be amended from time to time.
4. Shipper shall remain liable to Company (a) with respect to any act or omission of Designee in the performance of the functions identified above and, (b) for all charges arising from services provided to Shipper by Company as provided by Company's FPSC Tariff and/or OS-DPO Shipper Agreement. Shipper shall indemnify, hold harmless and defend Company from and against any and all acts or omissions of Designee.

**B. ITS SHIPPER DESIGNEE FORM - CONTINUED**

| <b>SHIPPER INFORMATION<br/>(Full Company Legal Name)</b> | <b>DESIGNEE INFORMATION<br/>(Full Company Legal Name)</b> |
|--|---|
| SHIPPER:   | DESIGNEE:   |
| DUNS NO:   | DUNS NO:  |
| COMPANY ACCOUNT NO.                                      | COMPANY ACCOUNT NO.                                       |
| MAILING ADDRESS:   | MAILING ADDRESS:  |
| CITY:  | CITY:   |
| STATE AND ZIP CODE:                                      | STATE AND ZIP CODE:                                       |
| CONTACT PERSON:  | CONTACT PERSON:   |
| TELEPHONE:   | TELEPHONE:  |
| E-MAIL:  | E-MAIL:   |

For Shipper:

For Designee:

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

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

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

Accepted for Company

By: \_\_\_\_\_

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

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**C. CI POOL MANAGER – CUSTOMER TERMINATION NOTICE**

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**CI Pool Manager – Customer Termination Notice**

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

**CI Pool Manager:** \_\_\_\_\_

CI Pool Manager provides notice to Florida City Gas ("Company") that Gas supply service to the following Customer shall be terminated as provided by Company's FPSC Tariff:

**Customer Name:** \_\_\_\_\_

**Service Location:** \_\_\_\_\_

**Customer Account No:** \_\_\_\_\_

**Effective Date of Termination:**  
\_\_\_\_\_

*Note: A separate termination notice must be provided for each Company account.*

A copy of this notice may be provided to the above listed Customer by Company. CI Pool Manager is responsible for providing notice to Customer of its Gas supply service termination.

Executed for CI Pool Manager:

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Accepted by Company: \_\_\_\_\_

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

**D. LETTER OF AUTHORIZATION**

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Florida City Gas  
Attn: Energy Logistics Department  
208 Wildlight Avenue  
Yulee, Florida 32097

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

**Florida Choice Aggregated Transportation Agreement  
Letter of Authorization ("LOA")**

Full legal name: \_\_\_\_\_

Address: \_\_\_\_\_

City/St/Zip: \_\_\_\_\_ E-mail: \_\_\_\_\_

Phone: \_\_\_\_\_

Contact name: \_\_\_\_\_ Title: \_\_\_\_\_

Account number – one per LOA: \_\_\_\_\_

Billing address: \_\_\_\_\_

If different from above

City/St/Zip \_\_\_\_\_

Service Area:           FCG – Space Coast \_\_\_\_\_ FCG – South Florida \_\_\_\_\_

This letter constitutes a formal request by the undersigned, "Customer," for Transportation Service pursuant to Florida City Gas's, as applicable (the "Company" or "FCG") provisions of the Company's Tariff, on file with the Florida Public Service Commission, as the same may be amended from time to time (the "Tariff") for the above account number(s).

Pool Manager: \_\_\_\_\_

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Issued by: Jeffrey Sylvester, Chief Operating Officer  
Florida City Gas

Effective:

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***D. LETTER OF AUTHORIZATION - CONTINUED***

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- Customer authorizes Company to release to the Pool Manager named above, the twelve-Month historic Gas usage for the above account number(s).
- Customer has entered, or intends to enter, into one or more agreement(s) with Pool Manager providing for Pool Manager's delivery of the Gas purchased by Customer from or through Pool Manager to Company. Delivery of the Gas takes place pursuant to a separate CI Pool Manager Agreement between Company and Pool Manager (the "Pool Manager Agreement").
- Provided the Pool Manager Agreement is in effect at the time Gas is tendered to Company by or on behalf of Pool Manager for Customer's account(s) listed above, Company will transport Gas delivered for such account(s) pursuant to the applicable provisions of Company's Tariff.
- Subject to the terms of this Agreement, this service shall continue until the Customer, Pool Manager or Company gives written notice to the others of termination of this agreement. If this Agreement is terminated for any reason as it applies to Gas to be delivered for Customer's account(s), and Customer has not executed a service contract with another Pool Manager, Company has the right to immediately reassign Customer to Company's regulated sales service Pool.
- In the event the Pool Manager terminates its agreement with the Customer, the Customer may select a new Pool Manager.
- CI Customer understands that it is responsible for the payment of all bills rendered to Customer by Pool Manager, and that each Pool Manager's bill for Gas purchased by Customer will be rendered separately from Company's CI Customer's bill(s) for Transportation Service. It is the Customer's obligation to make payments to the Company (or to an Authorized Payment Agent of the Company) of all bills rendered. Payment by a Customer to a third-party (including a third-party Gas supplier) which has not been designated by Company as an Authorized Payment Agent will not satisfy the Customer's obligation to make payment of Company's bill for Transportation service.
- The undersigned Pool Manager agrees that it will keep confidential, and not use or disclose to any person not named herein, information released pursuant to the above authorization, or information received from the above Customer, except to the extent necessary to deliver Gas to Company for transportation to the above Customer account(s), or as may be required by law (in which case Pool Manager will provide notice to Company prior to making such disclosure).

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***D. LETTER OF AUTHORIZATION - CONTINUED***

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Customer: \_\_\_\_\_

Pool Manager: \_\_\_\_\_

Print name: \_\_\_\_\_

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**Pool Manager agrees to maintain the original copy of this LOA and present it upon  
Company request.**

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***D. LETTER OF AUTHORIZATION - CONTINUED***

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**Letter of Authorization  
Attachment "A"  
If Enrolling Additional Active Company Locations**

Please provide the following information for each location.

DBA: \_\_\_\_\_ Customer's Initials: \_\_\_\_\_

Service Address: \_\_\_\_\_ Billing Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_ Account No. \_\_\_\_\_

The above information can be duplicated for multiple locations.

***E. REQUEST TO RETURN TO REGULATED SALES SERVICE***

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**REQUEST TO RETURN TO REGULATED SALES SERVICE**

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

Customer Name: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Account Number: \_\_\_\_\_

This will serve as notice to Florida City Gas that the above Customer requests to return to Regulated Sales Service on \_\_\_\_\_, which does not predate the date of this notice. Customer can provide this Notice via email to [cfggascontrol@chpk.com](mailto:cfggascontrol@chpk.com) or other email as designated by Company.

A COPY OF THIS NOTICE WILL BE FORWARDED TO POOL MANAGER UPON APPROVAL BY COMPANY.

CUSTOMERS' ACCOUNTS THAT RETURN TO REGULATED SALES SERVICE WILL BE SUBJECT TO A SECURITY DEPOSIT REVIEW AND SUBSEQUENTLY CHARGED ANY ADDITIONAL DEPOSIT REQUIREMENTS TO THEIR ACCOUNT.

EACH PERSON WHOSE SIGNATURE APPEARS BELOW, represents, and warrants that he or she has authority to bind the party on whose behalf he or she has executed this document.

\_\_\_\_\_  
Customer Signature

\_\_\_\_\_  
Company Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title



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**F. OFF SYSTEM SALES LETTER AGREEMENT**

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**OFF SYSTEM SALES LETTER AGREEMENT**

Date \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

City, State, Zip Code \_\_\_\_\_

Dear \_\_\_\_\_,

As was verbally requested by \_\_\_\_\_ on \_\_\_\_\_, 20\_\_\_\_, \_\_\_\_\_ ("Customer") desires to purchase up to \_\_\_\_\_ MMBtu per day of natural Gas, pipeline capacity and / or delivered natural Gas from Florida City Gas ("Company") for the term beginning \_\_\_\_\_, 20\_\_\_\_ and ending \_\_\_\_\_, 20\_\_\_\_. Company is will and able to deliver such quantity of natural Gas directly to Customer for the specified term pursuant to Company's Rate Schedule OSSS-1 a copy of which is attached here to and becomes part hereof and under the terms and conditions of this agreement. Company will purchase gas supply and/or release Transportation Service Provided interstate pipeline capacity for necessary quantities of Gas supply and capacity and, if applicable nominate the necessary quantity of transportation capacity at Receipt and Delivery Points on the interstate pipeline system of \_\_\_\_\_ in order to effectuate this transaction. This Letter Agreement expresses the mutual understanding of Company and Customer with respect to the terms to apply to such deliveries of natural gas.

In consideration of the mutual benefits set forth herein, this Letter Agreement is being made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between Company and Customer, in accordance with the following terms and conditions:

**1. Daily Delivery Quantity:**

Customer shall make a reasonable effort to nominate supplies evenly throughout the term of this Agreement, subject to the requirements of Transportation Service Provider's Tariff, including but not limited to Nomination changes for monthly balancing, "Alert Days", and plant operations. The Daily Delivery Quantity may be changed by mutual agreement of the parties.

**F. OFF SYSTEM SALES LETTER AGREEMENT - CONTINUED**

**2. Term:**

Company shall arrange for the delivery of the Daily Delivery Quantity of natural Gas purchased by Customer under this Letter Agreements during the above referenced term; after which this Letter Agreement shall continue in force thereafter subject to termination by either party on fifteen (15) days' notice.

**3. Delivery Point:**

Company shall deliver all-natural Gas under this letter Agreement directly to Customer's Delivery Point number(s) \_\_\_\_\_ on the \_\_\_\_\_ pipeline system.

**4. Authorization to Make Direct Deliveries:**

The natural Gas purchased by Customer pursuant to this Letter Agreement will be transported by \_\_\_\_\_ under Company's firm Transportation Service Agreement. In accordance with the Transportation Service Provider's currently effective Federal Energy Regulatory Commission ("FERC") Tariff. Company will exercise its alternate Delivery Point rights so that, upon Transportation Service Provider approval, Transportation Service Provider will deliver the natural Gas directly to Customer at the Delivery Point(s) set forth above. Customer shall be responsible for any applicable reporting or filings to be made with Federal or State governmental authorities associated with this transaction. Company retains the right to recall these volumes upon two (2) hours prior notice to Customer. This supply is fully Interruptible and will be made on a best efforts basis. Interruption and may be due to, but not limited to, the necessity of Company to use said Gas supply and/or capacity to service Customers behind its City Gate(s), loss of supply, unfavorable pipeline conditions, etc.

**5. Billing and Payment:** Company and Customer agree that the charge for the gas services provided under this Letter Agreement shall be as follows:

| <u>Description</u>            | <u>MMBtu/Day</u> | <u>Charge</u>      |
|-------------------------------|------------------|--------------------|
| Commodity Cost of Gas         | See below        | See following text |
| Reservation Charge            | DDQ              | \$ _____ per MMBtu |
| Usage Charge                  | DDQ              | \$ _____ per MMBtu |
| Company Administration Charge | See below        | \$ _____ per MMBtu |

TOTAL CHARGE \_\_\_\_\_ Sum of items 1 through 4

NOTE: As nominated for delivery to Transportation Service Provider as indicated on Exhibit A.

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**F. OFF SYSTEM SALES LETTER AGREEMENT - CONTINUED**

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The commodity cost of Gas for supplies nominated (if applicable) to be delivered starting with the first day of each Month shall be priced using the price posted per MMBtu in \_\_\_\_\_ plus \$ \_\_\_\_\_ per MMBtu until the first interruption of flowing Gas.

Thereafter, Gas supplies which start flowing after the first of each Month shall be priced using the \_\_\_\_\_ plus \$ \_\_\_\_\_ per MMBtu. The commodity cost of Gas shall be determined in accordance with \_\_\_\_\_.

The "Total Charge" set forth above includes the amount to be charged by Company to Customer for the natural Gas commodity, the applicable reservation and usage charges under the applicable Transportation Service Provider's FERC Gas Tariff, as well as all applicable surcharges under Transportation Service Provider's FERC Gas Tariff.

In addition to the "Total Charge" set forth above, Customer shall remit to Company any incremental charges that Company may incur as a result of the services provided under this Letter Agreement, to include, but not be limited to, any charge imposed by Transportation Service Provider directly related to this transaction, such as for imbalances and fuel reimbursement, reporting or filing fees associated with this transaction, and such other charges, fees, or assessments, including Federal and State taxes, authorized by governmental authorities.

Customer shall pay the "Total Charge", incidental charges, and any other obligations that arise as a result of this Letter Agreement, regardless of whether Customer has actually used the Daily Delivery Quantity, so long as Company has arranged for the delivery to Customer of the Daily Delivery Quantity as indicated in Exhibit A.

Customer shall remit payment to Company for the "Total Charge," any incidental charges, and any other obligation that arises as a result of this Letter Agreement within ten (10) calendar days of receipt of invoice from Company at the address set forth below in the "Execution" section of this Letter Agreement. Customer shall be deemed in receipt of Company's invoice upon delivery in person the third Business Day after mailing by registered or certified mail, postage prepaid; the next Business Day after timely delivery to a common carrier service, service fee payable by sending party, for next-day delivery. If Customer fails to pay any amount when due hereunder, Customer shall pay interest on the overdue amount at an annual rate of interest of eighteen (18) percent, calculated from the date that payment is due until the date of remittance hereunder.

**6. Warranty of Title:**

Company warrants that it will have title to the natural Gas sold hereunder from the time it is received at a Receipt Point until delivery to Customer at the Company Receipt Point(s) specified above, at which point(s) title shall pass to Customer.

**F. OFF SYSTEM SALES LETTER AGREEMENT - CONTINUED**

**7. Force Majeure:**

Force Majeure: The obligations of Company and Customer under this Letter Agreement, and the performance thereof, other than a failure or delay in the payment of money due hereunder, shall be excused during periods of Force Majeure. Force Majeure shall mean acts of God, strikes, lock-outs, or other Industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, including any government mandated quarantines associated therewith, landslides, sinkholes, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery, generating equipment, or lines of pipe, the necessity for maintenance of or making repairs or alterations to machinery, generating equipment, or lines of pipe, freezing of wells or lines of pipe, failure or depletion of wells, loss or interruption of supply, Curtailment of transportation capacity on the applicable Transportation Service Provider's pipeline system, interruption or unavailability of transportation due to an event constituting Force Majeure under Company's Transportation Service agreement(s) with the applicable Transportation Service Provider, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which in each of the above cases, by the exercise of due diligence such party is unable to prevent or overcome. The party whose performance is excused by an event of Force Majeure shall promptly notify the other party of such occurrence and its estimated time of duration and shall use all reasonable efforts to remedy such Force Majeure and resume such performance.

**8. Limitation on Liability:**

Neither Customer nor Company shall be liable to the other or to any other party claiming through the other for special, indirect or consequential damages relating to any matter covered by this Letter Agreement.

**9. Entire Agreement:**

This Letter Agreement constitutes the entire agreement between the parties with respect to the sale of natural Gas hereunder to Customer and supersedes all prior agreements and understandings between the parties.

WHEREFORE, in consideration of the foregoing terms and conditions of this Letter Agreement and the mutual benefits to be obtained therefore, the parties hereto have caused this Letter Agreement to be duly executed by their respective authorized officials.

Agreed to this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Officer

**F. OFF SYSTEM SALES LETTER AGREEMENT - CONTINUED**

**EXHIBIT "A"**  
**TO THE OFF-SYSTEM SALES LETTER AGREEMENT**  
**BY AND BETWEEN**  
**CHESAPEAKE UTILITES CORPORATION, FLORIDA DIVISION**  
**AND \_\_\_\_\_**

**DATED \_\_\_\_\_, 20\_\_\_\_**

NOMINATED FOR DELIVERY TO (TRANSPORTATION SERVICE PROVIDER)

\_\_\_\_\_  
MMBtu / DAY \*

DATE(S)

- 1.
- 2.
- 3.

\* INCLUDED FUEL PER TSP'S TARIFF

Chesapeake Utilities Corporation,  
Florida Division

\_\_\_\_\_  
(Customer)

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

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**G. CI POOL MANAGER AGREEMENT**

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**CI POOL MANAGER AGREEMENT**

This CI POOL MANAGER AGREEMENT is made and entered into by and between Florida City Gas hereinafter referred to as "Company" and \_\_\_\_\_, a \_\_\_\_\_ corporation hereinafter referred to as "CI Pool Manager".

**WITNESSETH:**

WHEREAS, Pool Manager desires to operate as a CI Pool Manager on Company's Gas distribution system, and is requesting service as provided in Company's FPSC Tariff,

WHEREAS, Company offers such services under the applicable Rate Schedules and Rules and Regulations of its FPSC Tariff, and

WHEREAS, Company is a party to Service Agreements with Transportation Service Providers;

WHEREAS, CI Pool Manager is an authorized shipper on Transportation Service Providers' interstate Gas transmission system(s), and wishes to ship certain quantities of Gas, on a firm basis, using Company's relinquished Transportation Service Provider Capacity to Company's respective Primary Delivery Points to Company's distribution system, for delivery by Company to the Customer Accounts comprising the Customer Pool (as hereinafter defined); and

WHEREAS, Company wishes to temporarily release to CI Pool Manager, and CI Pool Manager wishes to acquire, a portion of Company's Firm Capacity Rights under the Service Agreements, pursuant to the capacity relinquishment provisions of the General Terms and Conditions of Transportation Service Providers' Federal Energy Regulatory Commission ("FERC") Tariffs, the Rules and Regulations of Company's FPSC Tariff, and the terms and conditions of this Agreement, to enable CI Pool Manager to ship Gas hereunder; and

WHEREAS, Company, or its designee, has certain operational and administrative obligations, as the Delivery Point Operator ("DPO") under the Transportation Service Providers FERC Tariffs, the Company FPSC Tariff and this Agreement.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties agree as follows:

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***G. CI POOL MANAGER AGREEMENT - CONTINUED***

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1. This Agreement shall be effective on the date authorized by the FPSC for the implementation of Company's Transportation Service Programs and shall continue in effect for a period two (2) years and shall thereafter be extended for additional annual periods; unless either party gives written notice of termination to the other party, not less than ninety (90) days prior to the expiration of the initial term. This Agreement may be terminated earlier: i) at the Company's option in accordance with the provisions of its FPSC Tariff or ii) otherwise in accordance with the provisions of this Agreement and the Parties' respective rights under applicable law.
2. Should any amendment or modification to Company's authority to provide service under the CI Transportation Service program and Company's FPSC Tariff cause the terms and conditions hereof to change such that performance hereunder would be unreasonably burdensome for either party, then such burdened party may, by providing no less than thirty (30) days written notice to the other party, terminate this Agreement, without penalty, effective no earlier than on the first day of the Month subsequent to said thirty (30) day notice period.
3. CI Pool Manager agrees to comply with and be subjected to all the provisions of Company's FPSC Tariff applicable to the service provided to CI Pool Managers by Company.
4. CI Pool Manager understands that Company's Shipper Administrative Services (SAS) is mandatory for all CI Pool Managers. The SAS provides the administrative services related to Gas transportation deliveries. CI Pool Manager shall be billed for services in accordance with Company's SAS rate schedule.
5. Company shall temporarily relinquish to CI Pool Manager, and CI Pool Manager shall acquire, each Month a portion of the Firm Capacity Rights that Company is entitled to relinquish under its Transportation Service Provider Service Agreements, as provided by Company's FPSC Tariff. All capacity relinquishments shall be executed in accordance with the provisions of the respective Transportation Service Provider's FERC Tariff.
6. Except for Force Majeure events or Mutually Beneficial Transactions, as provide by Company's FPSC Tariff, CI Pool Manager shall have a firm obligation to deliver each day to the Company's distribution system, Gas quantities sufficient to meet the demand requirements of Pool Manager's CI Customer Pool(s). Pool Manager shall be obligated to cause sufficient quantities of Gas to be delivered for the Customer Pool each and every day such that scheduled quantities for the Customer Pool remain in reasonable balance with actual consumption. Delivery of all such Gas shall be at the Primary Delivery Point(s) and pathed along the Transportation Service Provider(s) pipeline, as established by the relinquishment notice describing the pipeline capacity release to the Pool Manager

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**G. CI POOL MANAGER AGREEMENT - CONTINUED**

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7. and released under the applicable FERC and Transportation Service Provider rules and regulations. The Company shall establish appropriate penalties to be enforced should the Pool Manager fail to perform under Rate Schedule PM. In the event of substantial non-performance, as defined in the Company's Tariff, the Company shall terminate the Pool Manager.
  
8. If any act or omission of Pool Manager causes Company to incur penalties or other expenses or liabilities for unauthorized overrun Gas, for imbalances on a pipeline system, for a failure to comply with Transportation Service Provider's Tariff, or for a failure to comply with a curtailment notice or to take deliveries as scheduled, Pool Manager will indemnify and reimburse Company for all such amounts which the acts or omissions of Pool Manager or its supplier have caused Company to incur. Nothing herein shall be deemed to foreclose Company from employing other remedies including cessation of deliveries, and Company reserves the right to do so, for the unauthorized consumption of Gas.
  
9. CI Pool Manager will participate in Company's Space Coast and South Florida Service Areas and the Company's i) CI Cycle Read Pool where released capacity equals up to 100% historical monthly quantities, ii) CI Daily Read Pool where released capacity equals not greater than 50% of historical monthly quantities and, iii) Special Contract Pool where capacity is release per contract with the Customer.
  
10. Notices or communications to CI Pool Manager shall be given to:  
  
Mailing Address:  
  
Attention: \_\_\_\_\_  
  
Telephone: \_\_\_\_\_  
  
E-mail: \_\_\_\_\_
  
11. This Agreement shall become effective at the start of the Gas Day (as defined in Transportation Service Provider's FERC Tariff) on \_\_\_\_\_.



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**G. CI POOL MANAGER AGREEMENT - CONTINUED**

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IN WITNESS WHEREOF, the parties have duly executed this agreement in multiple originals on \_\_\_\_\_.

**Florida City Gas:**

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**Pool Manager:**

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_



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## TECHNICAL TERMS AND ABBREVIATIONS

Agent. A contractually authorized Marketer or Designee of Customer under these Rules and Regulations.

Aggregated Transportation Service. Transportation Service provided by Company to those Customers assigned to the applicable Customer Pool wherein the authorized Pool Manager causes Gas to be delivered to Company for transportation to the Customer Accounts.

Aggregated Transportation Service Agreement. An agreement between the Company and the authorized Pool Manager establishing terms and conditions for the management of a CI Customer Pool.

Alert Day. Any Gas Day where Company notifies, Customer, Pool Manager, or Shipper's Designee of restrictions on the deliveries of Gas within certain specified tolerances.

Alternate Fuel. A gas which provides an equivalent amount of energy computed on a "BTU" basis. It is not limited to any specified source of energy. Alternate fuel may include natural gas and, in the Company's opinion, any viable economic alternatives.

Brevard Pool. The service area of the Company's distribution system that is north of Florida Gas Transmissions' compressor station number 21.

British Thermal Unit (BTU). The quantity of heat required to raise the temperature of one pound of water one degree Fahrenheit at or near 39.2 degrees Fahrenheit.

Biogas. residues or gases from forest products manufacturing, waste, byproducts, or products from agricultural and orchard crops, waste or coproducts from livestock and poultry operations, waste or byproducts from food processing, urban wood waste, municipal solid waste, municipal liquid waste treatment operations, and landfill gas.

CI Cycle Read Pool. That group of certain Space Coast Service Area and South Florida Service Area Non-residential Aggregated Transportation Service Customers who have, (i) executed a Letter of Authorization with a Company-approved Pool Manager to utilize Transportation Service through an aggregated Customer Pool and (ii) who have field meters that are "manually" read by the Company on a scheduled monthly cycle, once per month.

CI Daily Read Pool. That group of certain Space Coast Service Area and South Florida Service Area Non-residential Aggregated Transportation Service Customers who have (i) executed a Letter of Authorization with a Company-approved Pool Manager to utilize Transportation Service through an aggregated Customer Pool, and (ii) who have RTU and/or MTU measurement that is downloaded daily by the Company.

Commission or PSC. Unless otherwise indicated means the Florida Public Service Commission.

Company. Florida City Gas ("City Gas").

TECHNICAL TERMS AND ABBREVIATIONS CONTINUED

Company Delivery Point or Company Point of Delivery. The point at the interconnection between the facilities of Company and a Customer at which the Gas leaves the outlet side of Company's custody transfer point and enters the Customer's installation.

Company Operating Units. The Company's FCG Space Coast Service Area and South Florida Service Area, inclusive of those counties and communities served and identified individually in Sheet Nos. 4 and 5, maps and Communities Served in this Tariff.

Company Receipt Point. The point at the connection of the facilities of Transportation Service Provider and Company at which the Gas leaves the outlet side of Transportation Service Provider's custody transfer point and enters the Company's facilities.

Company's Regulated Sales Service Pool. The group of Company Customers who purchase their Gas supply directly from the Company and pays the Company's Purchased Gas Cost Recovery Factor listed in this Tariff.

Customer. A person or entity who takes service from the Company under a Rate Schedule.

Customer Pool. The group of Customers who are collectively served by a Company-authorized Pool Manager(s) in accordance with the applicable provisions of the Company's Aggregated Transportation Service program(s).

Curtailment. The suspension of gas service provided by Company to affected Customers, in accordance with the provisions of the Company's end use Curtailment plan, as amended from time to time, on file with the FPSC.

Daily Capacity (release) Quantity (DCQ). The quantity, in Dekatherms, of Transportation Service Provider pipeline capacity to be released to Customer's Pool Manager and Pool Manager is required to acquire for delivery by Pool Manager to the Company on a daily basis.

Daily Delivered Capacity (release) Variance (DDCV). The quantity of capacity, if any, each Pool Manager must deliver that is in addition to the quantity of firm capacity released by the Company to Pool Manager to meet Pool Manager's Customer Pool's aggregated Daily Demand Requirement i.e., the mathematical difference between each Pool Manager's specific Customer Pool's aggregated Daily Demand Requirement and Pool Manager's aggregated Daily Capacity (release) Quantity.

Daily Demand Requirement (DDR). The total demand requirement for any given day of all Customers participating in a Customer Pool. Calculated by the Company on a Monthly basis, the DDR is the average of the Customer's billed quantity divided by the number of Days in the then applicable billing period and divided by ten.

Essential Use. Consistent with "Priority 1 Use" as defined in Florida Gas Transmission's tariff.

TECHNICAL TERMS AND ABBREVIATIONS CONTINUED

Gas. Gas is any gas or mixture of gases suitable for domestic or industrial fuel and transmitted or distributed to the user through a piping system, including natural gas, manufactured gas, mixed gas, hydrogen gas, renewable natural gas, and liquefied petroleum gas distributed as a vapor with the mixture of air.

Letter of Authorization ("LOA"). An agreement executed by Customer and Customer's selected Pool Manager which i) authorizes Company to assign Customer to its selected Pool Manager's Customer Pool, ii) affirms Customer acceptance of Company's Tariff provisions, and iii) affirms Pool Manager's acceptance of Company's Tariff provisions.

Manufactured Gas. Any gas artificially produced by any generating or processing equipment, exclusive of naturally occurring hydrocarbon gas.

Margin Revenue. Revenue derived from applying undiscounted rates from billing Customer Charges, Demand Charges and Distribution Charges to a Customer.

Maximum Daily Transportation Quantity (MDTQ). The maximum quantity of Gas that the Company is obligated to transport and make available for delivery to a Customer or Pool Manager under any applicable Transportation Service Agreement for Transportation Service on any one Day.

Miami-Dade Pool. The service area of the Company's distribution system that is south of Florida Gas Transmissions' compressor station number 21.

Mixed Gas. Any mixture of two or more gases of materially different physical character or chemical composition.

Month. The period between any two (2) regular readings of Company's Meters at approximately thirty (30) Day intervals.

Monthly Imbalance Quantity. The operational imbalance amount for a billing period for an individual Customer or group of Customers in a Customer Pool.

Natural Gas. Naturally occurring hydrocarbon gas mixture consisting primarily of methane, but commonly including varying amounts of other hydrocarbons occurring naturally underground and of a quality consistent with the specifications defined in Florida Gas Transmission's tariff.

Nomination. A request by a Customer, Pool Manager, or Shipper's Designee to a Transportation Service Provider and Company for receipt and delivery of a physical quantity of Gas pursuant to Transportation Service Providers' and or Company's Tariff.

Non-Residential Customers. Those Customers who are not Residential.

TECHNICAL TERMS AND ABBREVIATIONS CONTINUED

Operational Flow Order. Any Gas Day where Company notifies Customer, Pool Manager, or Shipper's Designee of conditions that could threaten the safe operation or system integrity of the Transportation Service Provider and / or Company or where Customer's, Pool Manager's, or Shipper's Designee's Gas deliveries are required to be within certain specified hourly or daily Gas flow quantities.

Pool Manager. An entity, authorized in accordance to the provisions of this FPSC-approved Tariff, that provides gas supply, Transportation Service Provider pipeline capacity management and other related services for those Customers receiving service under the Company's Aggregated Transportation Service program(s).

Primary Delivery Point(s). Delivery Point(s) listed in Customer's Transportation Service Agreement, or Pool Manager's Aggregated Transportation Service Agreement.

Primary Receipt Point(s). Point(s) of Receipt listed in Customer's Transportation Agreement or Pool Manager's Aggregated Transportation Service Agreement.

Receipt Point. The point at the interconnection between the facilities of the Transportation Service Provider(s) and upstream system at which the Gas enters the facilities of the Transportation Service Provider(s).

Relinquishment. The release of firm capacity right(s) pursuant to the Rules and Regulations in this Natural Gas Tariff and FERC rules.

Renewable Natural Gas (RNG). Biogas that has been conditioned and upgraded to a quality and standard such that it meets, in the sole view of the Company, the Company's gas quality and heat standards in effect and applicable at the time.

Residential Customers. All those Customers using gas service for domestic purposes, for use in single family dwellings, in separately metered housing units, or for use in commonly owned areas of condominium associations, cooperative apartments, and homeowner associations for non-commercial uses.

~~Sales Service.~~ ~~Customers receiving gas supply from the Company.~~

Retainage. A percentage of Customer's or ~~Sales~~ Customer's Agent's Gas that Company is allowed to retain for unaccounted for Gas at no cost to Company.

Shipper. Customer or Pool Manager who has executed a Transportation Service Agreement or an Aggregated Transportation Service Agreement, and who has acquired capacity with a Transportation Service Provider. ~~Customers receiving gas supply from a Third-Party Supplier.~~

Shipper's Designee. A contractually authorized Marketer or Agent of an Individual Transportation Service Customer under these Rules and Regulations who is appointed by Customer and approved by Company to perform the obligations of an ITS Customer or Pool Manager on the Company's system such as invoicing and payment, nominations, monthly imbalance resolution or operator order responsibility.

TECHNICAL TERMS AND ABBREVIATIONS CONTINUED

South Florida Service Area: FCG Service Area includes Customers located within the Company's service areas located south of Florida Gas Transmission Compressor Station 21 and excluding those Customers served in the Company's Space Coast Service Area.

Space Coast Service Area: FCG Service Area includes Customers located within the Company's service areas located north of Florida Gas Transmission Compressor Station 21 and excluding those Customers served in the Company's South Florida Service Area.

Therm. A unit of heating energy equivalent to one hundred thousand (100,000) British thermal units.

Transportation Service ~~or~~. The service provided by Company where Customer-owned Gas is received by Company from a Transportation ~~Customer~~ Service Provider at the Company Receipt Point(s), transported through Company's distribution system, and delivered by Company at the Company's Delivery Points to Customer.

Transportation Service Agreement. The fully executed Transportation Service Agreement or Contract Transportation Service Agreement between Company and Customer.

Transportation Service Provider. Any interstate pipeline, intrastate pipeline, or local distribution company that transports Gas to Company's Receipt Point(s).

Transportation Service Provider Delivery Point(s). The point at the connection of the facilities of Transportation Service Provider, at which the gas leaves the outlet side of the measuring equipment of Transportation Service Provider and enters an off-system facility.

Upstream Pipeline Capacity Costs. Expenses incurred by the Company including but not limited to reservation, demand, usage, commodity, fuel, and applicable fuel charges incurred by the Company as a result of Company's contractual arrangements with Transportation Service Provider(s).

Working Day. Shall have the same meaning as Business Day, previously defined herein.

RESERVED FOR FUTURE USE

15. TRANSPORTATION – SPECIAL CONDITIONS

A. ~~A Transportation Service Agreement or other means of enrollment accepted by the Company is a condition precedent for Transportation Service under each applicable Rate Schedule, the initial term of which shall be no less than one (1) year and year to year thereafter until terminated by ninety (90) days written notice by either party.~~

B. ~~The usage charges in the Rate Schedules shall be based upon actual or estimated consumption as determined by the Company, not by Third Party Supplier deliveries.~~

C. Nominations and Transportation of Gas

~~The Customer's Third Party Supplier ("TPS") shall nominate on behalf of its Customers the total monthly requirements for that billing month. The TPS is responsible for making arrangements for transporting the gas from its source to the Company's interconnection with the delivering pipeline supplier. The gas transported under this Rate Schedule is not the property of the Company. However, the Company reserves the right to commingle such gas with other supplies. Moreover, the Company reserves the right to utilize Customer's gas, when necessary, in accordance with its Gas Curtailment Plan.~~

D. Indemnification

~~As between Company and Customer, the Customer or its Third Party Supplier warrants that it has clear title to any gas supplies delivered into the Company's system for redelivery to Customer and Customer shall be deemed to be in exclusive control and possession of gas prior to its delivery into the Company's system for redelivery to Customer. Customer agrees to indemnify, defend and hold harmless Company from any and all claims, suits or damage actions arising out of deliveries of gas on behalf of transporting Customer.~~

E. Gas Supply Obligation

~~In the event that Customer's Third Party Supplier fails to deliver gas on behalf of its Customers, the Company may, in its sole discretion, provide replacement gas supplies. The Company shall have no obligation to provide gas supplies to Customers that contract for gas supply from a TPS. In the event that a Customer seeks to purchase gas supplies from the Company, such sales may be made by the Company in its sole discretion under such terms and conditions as the Company may require.~~

F. Balancing Receipts and Deliveries

~~Third Party Suppliers will be billed for all their Customers' balancing and other transportation related charges, as set forth in the TPS Rate Schedule, determined by the Company to be billable to a TPS on behalf of their Customers. If there are any unpaid charges the TPS' Customers shall be individually responsible for any portion attributable to their individual action and/or for their prorata~~

RESERVED FOR FUTURE USE

~~share as follows: The Company will first determine individual Customer charges, if any, and second prorate charges based on allocating the~~

~~15. TRANSPORTATION SPECIAL CONDITIONS (Continued)~~

~~F. Balancing Receipts and Deliveries (Continued)~~

~~amount of TPS gas received, if any, in the following priority; first to the GS classes being served under ADDQ in the order of increasing annual usage, then to NGV, followed by the remaining GS classes in the order of increasing annual usage, then by KDS and lastly to FGS Customers. Each Customer in a Rate Schedule that does not receive gas supply to meet the entire Rate Schedule requirements will receive a prorata charge based on their percentage of gas consumed, as estimated or measured on the meter reading date following the incurrence of imbalance charges, to the total of their Rate Schedule for the period that charges apply.~~

~~G. Transportation Interruption and Curtailment~~

~~Company shall have the right to reduce or completely curtail deliveries to Customer as follows:~~

~~(1) If, in Company's opinion, Customer will overrun the volume of gas to which it is entitled from its supplier (or overrun the volume of gas being delivered to Company for Customer's account); or~~

~~(2) In the event Company is notified by its delivering pipeline pursuant to the Federal Energy Regulatory Commission approved curtailment plans or provision of its tariff to interrupt or curtail deliveries for uses of the same type or category as Customer's use of gas hereunder; or~~

~~(3) When necessary to maintain the operational reliability of Company's system.~~

~~Company will endeavor to give as much notice as possible to Customer in the event of interruption or curtailment. Any gas taken in excess of the volume allocated to the Customer in an interruption or curtailment order shall be considered Unauthorized Gas Use~~

~~H. Facilities~~

~~Company shall not be obligated to, but may, at its sole discretion on a non-discriminatory basis, construct or acquire new facilities, or expand existing facilities, including facilities necessary to provide measurement of volumes and communication of deliveries, in order to perform service requested under each applicable Rate Schedule. If in Company's reasonable judgment it is necessary to construct or acquire new facilities, or to expand existing facilities, to enable Company to receive or deliver Customer's gas at the Points of Receipt and Delivery requested, and Company determines in its sole discretion to construct, acquire, or expand such facilities, then Company shall notify Customer of the estimated costs of such facilities, including electronic measurement~~

~~equipment, shall, subject to the receipt and acceptance of any necessary regulatory approval, be constructed, acquired or expanded by Company in accordance with the terms of the executed Service Agreement.~~



RESERVED FOR FUTURE USE

RULES AND REGULATIONS (Continued)

15. TRANSPORTATION SPECIAL CONDITIONS (Continued)

H. Facilities (Continued)

Prior to the initial receipt of service hereunder, unless agreed otherwise, Customer shall reimburse Company in accordance with the terms of the Transportation Service Agreement, for the cost of any facilities which are constructed, acquired, or expanded by Company to receive or deliver Customer's gas.

All facilities required to provide service under each applicable Rate Schedule shall be designed, constructed, installed, operated, and owned by Company, unless otherwise agreed to by Company.

Company's execution of a Transportation Service Agreement under each applicable Rate Schedule may be conditioned on Customer's agreement to pay the total incremental cost of such facilities as specified herein and in the Service Agreement.

I. Designated Pools

This section designates the Pools that have been adopted for the Company's service territory in order to facilitate the operation of the Company's system.

Basic Pools result from the physical characteristics of the Company's system and the location of the delivery points of the interstate pipeline companies.

The Company's service territory is composed of two Primary Pools, each of which is composed of one or more Basic Pools:

- (a) Brevard
- (b) Miami-Dade

J. Allocation, Assignment, of Capacity and Supply Assets

This section sets forth the method and provisions by which the Company will allocate, on an equal access, nondiscriminatory basis, the Company's Interstate Pipeline Capacity to a Third Party Supplier based upon the Average Daily Delivery Quantity ("ADDQ") and Demand Charge Quantity ("DCQ") of the Transportation Customers served by the Third Party Shipper.

The portion of the Company's Interstate Pipeline Capacity not associated with premises served by Third Party Supplier will remain with the Company. The Company will hold the capacity required to service its Customers on a Design Day plus a reserve margin not to be less than 5%. The Company will post on the Electronic Bulletin Board ("EBB") each allocation of the Company's Interstate Pipeline Capacity to a Third Party Supplier for viewing only by such Third Party Shipper. Until the Company has sufficient Interstate Pipeline Capacity to satisfy 100% of its Sales and Essential Use Customers

~~throughput the Company may opt to not release capacity to Third Party Suppliers. Once adequate capacity is obtained to meet the Sales and Essential Use Customers' needs, capacity releases will be prioritized based upon Customer groups. The Company will first release Interstate Pipeline Capacity to service Cycle Read Customers (ADDQ) based upon Third Party Supplier market share.~~

RESERVED FOR FUTURE USE

RULES AND REGULATIONS (Continued)

~~15. TRANSPORTATION SPECIAL CONDITIONS (Continued)~~

~~The remaining Interstate Capacity will then be released to service Daily Read Customers (DCQ) that are identified as Essential Use based upon Third Party Supplier market share. Any remaining Interstate Pipeline Capacity will then be released to service Daily Read Customers that are not identified as Essential Use based upon Third Party Supplier market share.~~

~~Each month the Company will calculate market share for each Third Party Supplier based upon the sum of the ADDQ and DCQ of premises served by each Third Party Supplier. Each month the Company will make capacity allocations to each Third Party Supplier based upon their market share as calculated on the twentieth (20<sup>th</sup>) calendar day of the preceding month. The Company will post on the EBB on the twentieth (20<sup>th</sup>) calendar day of the preceding month, the total Interstate Pipeline Capacity that a Third Party Supplier is allocated for viewing only by such Third Party Shipper.~~

~~The rate for Interstate Pipeline Capacity will be the maximum rate stated in the applicable FERC Gas Tariff; provided, however, that if the proper regulatory approvals have been received, the rate for an assigned service will not exceed the rate charged to the Company as of the date of the assignment. Assignments will have a term of one calendar month and will be made and become effective on the first day of such month.~~

~~The Company will, when possible, provide firm gas delivery service to Sales Customers who were Transportation Customers. However, if sufficient interstate pipeline capacity is not available, those Customers may not receive firm gas delivery service.~~

~~All capacity charges associated with release of Interstate Capacity to Third Party Suppliers will be billed directly to the Third Party Supplier by the pipeline company.~~

~~K. Recall of Released Capacity~~

~~The Company, at its sole discretion, has the right to recall Interstate Pipeline Capacity from Third Party Suppliers if:~~

- ~~(a) A determination by the Company, in a Force Majeure event to recall capacity in order to maintain the operational integrity of the system;~~
- ~~(b) A Third Party Supplier's failure to meet the security requirements of this Tariff or meet its responsibilities as a replacement shipper on the Pipeline;~~
- ~~(c) A filing of bankruptcy by a Third Party Supplier;~~
- ~~(d) A Third Party Supplier fails to meet system delivery requirements;~~
- ~~(e) An order of the State or Federal Commissions where recall would be necessary to comply with Commission orders;~~
- ~~(a) The Company, for any reason, determines that recall is necessary to maintain the operational integrity of the system~~

RESERVED FOR FUTURE USE

RULES AND REGULATIONS (Continued)

15. TRANSPORTATION SPECIAL CONDITIONS (Continued)

L. Disposition of Recalled Capacity

Capacity recalled to the above section, shall be re-released as follows:

In the case of Interstate Pipeline Capacity is recalled, the Company will re-release the recalled Interstate Pipeline Capacity to all Third Party Suppliers promptly.

M. Limitations on Released Capacity

~~The Interstate Pipeline Capacity being released to Third Party Suppliers under the provisions of this tariff was obtained for the purpose of making gas available to Customers in Florida. It is being released to Third Party Suppliers for the same purpose. Accordingly, in addition to any other limitations on the released capacity that may apply, and as a condition for receiving the released capacity, Third Party Suppliers must comply with the following limitations on the use of released capacity.~~

~~Any agreement to trade, assign, sell, or otherwise re-release the released capacity shall include the right of FCG to recall the capacity under Section K.~~

~~In the event that a Third Party Shipper sells, trades, or otherwise transfers all or part of the Third Party Supplier's Customer base to another Third Party Supplier, it shall also release to the other Third Party Supplier an equal percentage of its released Interstate Pipeline Capacity;~~

~~Any agreement to trade, assign, sell, or otherwise re-release the released Interstate Pipeline Capacity shall include the right of Third Party Supplier to recall the capacity if the capacity is necessary to provide service to the Third Party Suppliers' Customers.~~

16. FORCE MAJEURE

~~Neither Company, Third Party Supplier, or Customer shall be liable for damages to the other for any act, omission, or circumstance occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, unforeseeable or unusual weather conditions, washouts, arrests and restraints of rulers and people, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, or software, line freezups, temporary failure of gas supply, temporary failure of firm transportation arrangements or curtailments, the binding order of any court or governmental authority which has been resisted in good faith by reasonable legal means, acts of third parties, and any other cause, whether~~

~~of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which by the exercise of reasonable diligence such party is unable to prevent or overcome.~~

~~Such causes or contingencies affecting the performance by the Company, Third Party Supplier or Customer, however, shall not relieve it of liability in the event of its concurrent negligence, nor shall such causes or contingencies affecting performance relieve either party from its obligations to make payments of amounts then due hereunder in respect of gas theretofore delivered.~~

15. TRANSPORTATION AND SPECIAL CONDITIONS

A. CLASSIFICATION OF POOL MANAGERS AND TRANSPORTATION SERVICES

1. Classification of Pool Managers:

a. CI Pool Manager:

Any Company-approved Pool Manager that is authorized to deliver Gas to: i) Company's Receipt Point(s), which is subsequently delivered by Company at the Company Delivery Point(s) to Commercial, Industrial, and/or Special Purpose Customers, or ii) a Transportation Service Provider Delivery Point(s) where Company provided the Off-System Delivery Point Operator Service.

2. Classification of Services:

a. Regulated Sales Service:

Gas sales made by the Company through Company's Purchased Gas Cost Recovery mechanism. This service is required for all Residential Customers located in all Florida City Gas' Service Areas and is optional for all Non-Residential Customers.

b. Transportation Service:

Transportation Service is optional for all Non-Residential Florida City Gas Customers. Transportation Services will be provided under Company's Individual or Aggregated Transportation Service Program(s), in accordance with the Rules and Regulations set forth in this Tariff.

i. Individual Transportation Service (ITS):

1. Individual Transportation Service is available to Customers who are served under Company's Flexible Gas Service, (FGS), Contract Demand Service (KDS) and Special Contract Customers. Individual Transportation Service Customers are required to execute a Transportation Service Agreement with the Company.

ii. Aggregated Transportation Service (ATS):

1. CI Service Pools:

All Florida City Gas Non-Residential Customers shall have the option of utilizing ATS and shall utilize a Company approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at the Company's Receipt Point(s) or purchasing Gas from Company's Regulated Sales Service Pool.

c. Special Contract Service (SCS):

Transportation Service provided to a Customer at the sole option of the Company pursuant to Florida Public Service Commission Rule 25-9.034, FAC, where the rates, terms and conditions for service may be different than those set forth in the Company's approved Tariff. All SCS Customers shall enter into a Special Contract Agreement with the Company, which is subject to the approval of the FPSC. Billing Adjustments and Taxes and Fees, as set forth in the Rate Schedule Section of this Tariff, may also apply.

RULES AND REGULATIONS - Continued

- d. Off System Sales Service (OSSS-1):  
Interruptible Natural Gas delivered by Company to any person not connected to Company's distribution system. Customer and Company shall rely on measurement made by the Transportation Service Provider. Unless curtailed, all Nominations to Customer's Transportation Service Provider Pipeline Delivery Point shall be considered to have been made by the Transportation Service Provider. Off-System Sales include i) intrastate and interstate pipeline capacity releases made by the Company, ii) commodity sales made by the Company, and / or iii) delivered sales made by the Company. Fifty percent (50%) of the net revenues shall be retained by Company. The remaining fifty percent (50%) of the net revenues shall be used to reduce Company's costs recovered through the Company's Purchase Gas Cost Recovery Clause.
- e. Shipper Administrative Service (SAS):  
Administrative service provided to a Pool Manager under the SAS rate schedule, in accordance with the Rules and Regulations set forth in this Tariff. The Company shall provide the following services to Pool Managers under the SAS: i) reading of Customer's Meters, ii) provision of Customer projected monthly usage information, along with Transportation Service Provider capacity quantity to be released to Pool Manager, iii) provision of Customer usage information to Pool Manager each Month, iv) retention of Customer's historical usage information, v) Letter of Authorization review and administration, and vi) other service as the company may determine necessary to administer Gas deliveries by Pool Managers to Customers. This service is required for CI Pool Managers. Billing Adjustments and Taxes and Fees, as set forth in the Rate Schedule Section of this Tariff, may also apply.

B. LIMITATIONS OF SUPPLY

Company reserves the right, subject to regulatory authority having jurisdiction, to limit, restrict or refuse service that will result in additions to its distribution system and/or production capacity and/or alterations in its contractual requirements of supply from nonaffiliated companies that may jeopardize service to existing Customers.

Under no circumstances is Company required to deliver hourly quantities of natural gas greater than the hourly quantities of natural gas that has been scheduled by the interstate or intrastate pipeline directly upstream of Company's facilities.

RULES AND REGULATIONS - Continued

C. WARRANTY, CONTROL, AND INDEMNIFICATION

1. Warranty:

Pool Manager warrants that it will have good and merchantable title to, all Gas delivered by Transportation Service Provider to Company for Shipper's account at Transportation Service Provider's Delivery Point(s), and that such Gas will be free and clear of all liens, encumbrances, and claims whatsoever. In the event any adverse claim in respect to said Gas is asserted, or Pool Manager breaches its warranty herein, Company shall not be required to perform its obligations to transport and deliver said Gas to Customer accounts in Pool Manager's Customer Pool or, subject to receipt of any necessary regulatory authorization, to continue service hereunder for Pool Manager until such claim has been finally determined; provided, however, that Pool Manager may receive service if i) in the case of an adverse claim, Pool Manager furnishes a bond to Company, conditioned for the protection of Company with respect to such claim, or ii) in the case of a breach of warranty, Pool Manager promptly furnishes evidence, satisfactory to Company, of Pool Manager's title to said Gas.

2. Control and Possession:

Pool Manager shall be deemed to be in control and possession of Gas prior to delivery to the Company Receipt Point(s) or Transportation Service Provider Delivery Point(s); and Company shall be deemed to be in control and possession of the Gas to be transported by it upon delivery of such Gas by Transportation Service Provider to the Delivery Point(s), and until it shall have been delivered to Company's Point(s) of Delivery. Each party, while deemed to be in control and possession of such Gas, shall be responsible for, and shall indemnify and hold the other harmless from any and all claims, actions, suits, including attorney's fees, arising out of or relating in any way to custody and control of such Gas.

3. Indemnification to Company by Customer:

The Customer shall indemnify, hold harmless, and defend the Company from and against any and all liability, proceedings, suits, cost or expense for loss, damage, or injury to persons or property, in any manner directly or indirectly connected with or growing out of the distribution and/or transportation of Gas by the Customer, as such may be defined in the CI Pool Manager Agreement.

D. TRANSPORTATION SERVICE

1. Individual Transportation Service:

a. Applicability:

Individual Transportation Service is available to Customers who are served under Company's KDS rate schedule, FGS rate schedule, and Special Contract Customers. Individual Transportation Service Customers are required to execute the applicable Transportation Service Agreement, KDS Service Agreement, FGS Service Agreement or, Special Contract (that has been approved by the FPSC) with the Company.



RULES AND REGULATIONS – Continued

- b. Company-Approved Pool Manager:  
Unless otherwise authorized by Company, all ITS Customers shall utilize a Company-approved Pool Manager to arrange for delivery of Customer-owned Gas to Company's Delivery Point(s). Customer shall have the right to change their Pool Manager pursuant to Section D4 below. Customer will not be charged to designate it's initial Pool Manager.
- c. Service Agreement:  
All Customers receiving Individual Transportation Service shall enter into the applicable Transportation Service Agreement with Company. Upon receipt of the Customer's executed Transportation Service Agreement, the Company shall have up to thirty (30) Days to initiate service under the Agreement, in addition to any time requirements for the physical extension or improvement to the Company's facilities required to provide such service.
- d. Service Initiation:  
Transportation Service may begin on the first day of the Month, provided that timely Nominations are submitted in accordance with the Company's Tariff, and such other actions as are required to cause Gas to be delivered to the Company for transportation to the Customer, are undertaken by Customer, or Customer's Agent.
- e. Full Requirements:  
All Customers receiving Individual Transportation Service shall transport all of their natural gas quantity requirements through Company's distribution system. Regulated Sales Service shall not be available from the Company. Gas quantities scheduled for delivery to the Company by the Customer, or Customer's Agent that are not in balance with actual metered consumption at the Company's Delivery Point shall be subject to the imbalance resolution provisions of this Tariff.
- f. Shipper Designee:  
Marketers, brokers, or other third-party suppliers of Gas that wish to act as Designees for Individual Transportation Service Customer, shall be required to execute a Shipper's Designee Form with the Company. Customer's Designee shall warrant clear title, any Gas delivered into Company's system, and Customer's facilities. Designee shall be deemed to be in exclusive control and possession of Gas prior to delivery into Company's system for redelivery to Customer. Customer's Designee shall indemnify, defend, and hold harmless Company from any and all claims, suits or damage actions arising out of deliveries on behalf of a transporting Customer.
- g. Limitation of Transportation Service:
- i. New Premise:  
Company reserves the right, subject to the regulatory authority having jurisdiction, to limit or restrict usage through establishment of an MDTQ or refuse Transportation Service to a new premise that will result in additions to

RULES AND REGULATIONS – Continued

its distribution system that may jeopardize Transportation Service to existing Customers.

ii. Existing Premise:

Company may establish a MDTQ for Gas for Non-Residential Customers at an existing premise that requests an increase in annual usage, if, in the reasonable opinion of Company, establishment of an MDTQ is necessary to protect system integrity or to ensure other existing premises are not adversely affected by said Non-Residential Customer(s) request. Company shall not be obligated to transport Non-Residential Customer-owned Gas above Non-Residential Customer's MDTQ, if established, but may do so if feasible and without adverse effect to other Customers, in the reasonable opinion of Company.

2. Aggregated Transportation Services:

a. CI Pools:

i. Obligation to Serve:

Company is responsible for the transportation of Customers' Gas. Company is not responsible for providing Gas commodity for Customers. If Customer, or Customer's Agent, if applicable, fails to provide Gas, Company may disconnect service to Customer. In the event, the Company's authorized Pool Manager fails to cause to be delivered on any day at the assigned Company Receipt Point(s) with the Company, any portion of the quantities of Gas for transportation to the Customers in the Customer Pool, the Company may immediately seek the remedies set forth in Section E2, and the applicable provisions of the CI Pool Manager Agreement(s). If such remedies result in the termination of the Pool Manager, the Company shall immediately recall all capacity released to the Pool Manager Customer will be assigned to Company's Regulated Sales Service Pool, until such time as the Customer is enrolled in a subsequent applicable Transportation Service program.

i. Applicability:

All Florida City Gas Service Area Non-Residential Customers shall have the option of using Company's Transportation Service and shall utilize a Company-approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at the Company's Receipt Point(s).

ii. Company-Approved Pool Manager:

Unless otherwise authorized by Company, Company will require all Non-residential Customers who elect to use Company's Transportation Service to designate a Pool Manager from a list of approved Pool Managers posted by Company on Company's website. Customer shall have the right to change their Pool Manager pursuant to Section G4 below. Customer will not be charged to designate its initial Pool Manager.

RULES AND REGULATIONS – Continued

- iv. New Customers:  
New Customers must request CI Transportation Service by submitting a Request for Gas Service. All Non-Residential Customers will be assigned to an applicable Customer Pool pursuant to Section G2 below.
  
- v. Service Initiation:  
Service will be initiated to Customer pursuant to Section U below.  
  
Notwithstanding the above provisions, the Company may extend the time period for the initiation of service to accommodate the physical extension or improvement of the Company's facilities required to provide such service.
  
- vi. SAS Rate Schedule:  
Upon initiation of service, all CI Pool Managers shall be assigned to the SAS Rate Schedule.
  
- vii. Service Limitation:  
Customers served under a KDS, FGS, or a Special Contract shall not be eligible to receive Aggregated Transportation Service unless otherwise approved by Company.

E. AUTHORIZED POOL MANAGERS

- 1. CI Pool Manager Minimum Requirements:
  - a. Pool Manager(s) shall be a duly authorized shipper on all Company's Transportation Service Provider's interstate pipeline systems.
  - b. Pool Manager(s) shall demonstrate their capability to meet Company's standards for creditworthiness.
  - c. Pool Manager(s) shall execute a CI Pool Manager Agreement with the Company prior to providing gas supply and transportation management services to the Customer Pool(s).
  
- 2. Pool Manager's Non-performance:
  - a. The Company shall establish in the CI Pool Manager Agreements such standards of performance for the Pool Manager as are reasonably required to assure reliable service to the Customer Pool(s). At a minimum, all Pool Manager(s) shall be obligated to cause sufficient quantities of Gas to be delivered for the Customer Pool each and every day such that scheduled quantities for the Customer Pool remain in reasonable balance with actual consumption. The Company shall establish appropriate penalties to be enforced should the Pool Manager fail to perform. In the event of substantial non-performance, as defined in the CI Pool Manager Agreement, the Company shall terminate the Pool Manager, and transfer Pool Manager's Customers to the Company's Regulated Sales Service pool.

RULES AND REGULATIONS – Continued

3. Rate Impact of Aggregation:  
Aggregated loads will not result in lower transportation rates for individual Customers.

F. CUSTOMER'S AGENT OR SHIPPER'S DESIGNEE

1. Designee Agreement:  
Marketers, brokers, or other third-party suppliers of Gas that wish to act either as Agents for Individual Transportation Service Customers shall be required to execute an ITS Shipper Designee Form with the Company (Sheet No. 91).
2. Indemnification:  
Customer's Agent shall warrant clear title, or right to transport, any Gas delivered into Company's system, and Customer's Agent shall be deemed to be in exclusive control and possession of Gas prior to delivery into Company's system for redelivery to Customer. Customer's Agent agrees to indemnify, defend, and hold harmless Company from any and all claims, suits or damage actions arising out of deliveries on behalf of a transporting Customer.

G. SELECTION OF POOL MANAGER

1. Approved Pool Manager:  
Unless otherwise authorized by Company, all Non-Residential Customers who chose to utilize Company's Transportation Service shall utilize a Company-approved Pool Manager to arrange for delivery of Customer-owned Gas to Company at the Company's Receipt Point(s).
2. Service Initiation New Premise - Initial Service Assignment:  
New Customers will be initially assigned to Company's Regulated Sales Service Pool until such time as Customer receives an initial bill from the Company and Customer submits a Letter of Authorization to a Company-approved Pool Manager and Pool Manager enrolls Customer into Pool Manager's respective CI Customer Pool.
3. Service Initiation - Existing Premise:  
To initiate Transportation Service that includes Individual Transportation Service and CI Transportation Service, a Customer requesting service at an existing premise shall select a Company-approved Pool Manager and initial Pool Manager shall enroll Customer electronically via Company's website. Prior to electronic enrollment, Pool Manager shall obtain a Letter of Authorization from the Customer in the form set forth on Sheet Nos. 94-97 of this tariff and have signed by the Customer prior to enrollment.

Transportation Service by the Company to a Customer account to which an initial bill has been issued and for which service hereunder has been properly requested by electronic enrollment prior to the tenth (10<sup>th</sup>) Business Day prior to the end of the month will commence on the first day of the following calendar month following receipt by the Company of the aforesaid electronic enrollment.

RULES AND REGULATIONS – Continued

For new Customer premises to which an initial bill has not been issued, Service will be delayed until the first day of the second calendar month following enrollment by the Pool Manager.

4. Service Transfer Between Pools:

To initiate the transfer of service between Transportation Service pools that includes Individual Transportation Service, CI Transportation Service, a Customer shall select a Company-approved replacement Pool Manager and replacement Pool Manager shall enroll Customer electronically via Company's website. Prior to electronic enrollment transfer, Pool Manager shall obtain a Letter of Authorization from the Customer in the form set forth on Sheet Nos. 94-97 of this tariff and have signed by the Customer prior to enrollment. Transportation Service by the Company to a Customer account for which service hereunder has been properly requested by electronic enrollment prior to the tenth (10<sup>th</sup>) Business Day prior to the end of the month will commence on the first day of the following calendar month following receipt by the Company of the aforesaid electronic enrollment.

5. Customers Currently Receiving Service from CI Pool Manager:

Non-Residential Customers receiving service from a CI Pool Manager may select to be assigned to Company's Regulated Sales Service. Said Non-Residential Customer shall execute a Request to Return to Regulated Sales Service Form no later than ten (10) Working Days prior to the end of the Month. Customer who elects to return to Company's Regulated Sales Service Pool will be required to remain on Regulated Sales Service for a period of not less than twelve (12) Months.

6. Termination of Shipper Status:

a. CI Pool Manager:

If Company terminates a CI Pool Manager, Pool Manager's Customers shall be assigned by Company to Company's Regulated Sales Service Pool.

b. Non-Residential Customers:

i. CI Pool Manager:

Non-Residential Customers selecting an approved CI Pool Manager shall establish price and other terms and conditions of service directly with the selected CI Pool Manager.

1. Selection of CI Pool Manager:

Non-Residential Customers participating in Company's Regulated Sales Service Pool may select any approved CI Pool Manager at any time in accordance with the procedure set forth above.

RULES AND REGULATIONS – Continued

H. INITIATION OF TRANSPORTATION SERVICE

Initiation of Pool Manager Service:

Any Company-approved Pool Manager or Shipper Designee that is authorized to deliver Gas to Company's Receipt Point(s), which is subsequently delivered by Company at the Company's Delivery Point(s) under one of the Company's Transportation Service Programs will be required to meet the following provisions before service can be initiated to the Pool Manager.

1. CI Pool Manager Requirements:

a. An entity is eligible to become a CI Pool Manager shall:

- i. Execute a CI Pool Manager Agreement (Sheet Nos. 104-107);
- ii. Establish credit sufficient to Company in accordance with these Rules and Regulations;
- iii. Agree to retain copies of fully executed Customer Letter of Authorizations and provide such LOA upon request by the Company and
- iv. Agree to receive SAS service.

2. Establishment of Credit:

a. All Pool Managers shall establish credit prior to commencing deliveries of Gas and shall maintain such credit during the term hereof. The amount of credit established by each Pool Manager will be equal to the greater of \$10,000 or an amount equal to Pool Manager's highest two (2) months aggregated Daily Demand Requirement for the most recent 24-month period multiplied by the applicable Transportation Service Provider's applicable rate schedule(s). Credit will be established by one of the following methods:

- i. Payment of a cash deposit with Company;
- ii. Furnishing an irrevocable letter of credit from a bank;
- iii. Furnishing a surety bond issued by an entity acceptable to the Company;
- iv. Possessing and maintaining a Standard & Poor's Long-Term Debt Rating of A- or better, a Moody's rating of A3 or better, or a comparable rating by another nationally recognized rating organization acceptable to Company; or
- v. Providing an acceptable parental or corporate guarantee.

If the Pool Manager seeks to establish credit, Pool Manager shall furnish to Company Pool Manager's audited financial statements (accompanied by the opinion of and independent certified public accountants or chartered accountants of a recognized national or regional standing) for at least the two most recently completed fiscal years.

All Pool Manager deposits will be subject to an annual review by Company and will be adjusted and billed accordingly. The minimum deposit maintained by each Pool Manager will be \$10,000.

RULES AND REGULATIONS – Continued

I. CAPACITY ASSIGNMENT AND RECALL

1. Intent of Capacity Release:  
Company, through its Service Agreements with Transportation Service Providers, has contracted for firm capacity rights on the Transportation Service Providers' pipeline systems. Company will temporarily relinquish capacity to Customer or Pool Manager, as applicable, each Month, utilizing the methodology described below, on Transportation Service Provider's systems for Customers and Pool Managers' use in transporting Gas to Company's Individual Transportation Service, and CI Customer Pool(s). Company will retain enough capacity to serve Company's Regulated Sales Service Customer Pool each Month.
2. Capacity Release Methodology:  
The Company shall retain, adequate quantities of capacity on Transportation Service Providers' systems to serve Company's Regulated Sales Service Customer Pool prior to the allocation of capacity to Individual Transportation Service Customers who have executed a capacity release agreement with the Company, and Pool Manager Customer Pools. The Company shall temporarily relinquish quantities of Transportation Service Provider Capacity to i) individual Customers who have executed Capacity Release Agreements with the Company and ii) CI Pool Managers each Month.
3. Daily Demand Requirement Calculation and Quantity of Capacity for Release:  
Each Month after adequate capacity is allocated to Company's Regulated Sales Service Pool, Company shall determine the aggregated DDR to be relinquished to each Aggregated Transportation Service Pool Manager using the following methodology:

  - a. For each existing and new Aggregated Transportation Service Customer (both CI Daily and Cycle Read Pools), the aggregated DDR shall be determined by using the prior year's applicable Month Gas consumption for each Customer in the Customer Pool (adjusted for Customer additions and losses from the succeeding eleven-Month period) and dividing by the number of days in the applicable Month, then dividing the result of this calculation (Therms per Gas Day) by ten (10) (to convert Therms to Dekatherms); and then rounding up to the next whole Dekatherm. In the case of the CI Daily Read Pool(s) and only for the purposes of calculating the Pool Manager's aggregated Daily Capacity (release) Quantity ("DCQ"), the aggregated DDR calculated above will be multiplied by 0.0 or no greater than 1.0, ("DCQ Factor") at the Company's sole discretion. The DCQ Factor will be determined on an annual basis by the Company.
  - b. Daily Read Pool Managers may request and Company may provide, in Company's sole discretion, up to one hundred percent (100%) of Customer's total historical DDR.
  - c. Each Month, the Company shall determine the total aggregated DDR for each Customer Pool, in accordance with the methodology described herein. Adjustments to Pool Manager's aggregated DDR will occur from time to time to reflect changes in the Company's weighted average cost of capacity and as a

RULES AND REGULATIONS – Continued

Daily Demand Requirement Calculation and Quantity of Capacity for Release - Continued

result of the enrollment and transfer of Customers to and between Customer Pools.

For each existing and new Individual Transportation Service Customer, Company will relinquish capacity based on Customer MDTQ as provided in the Capacity Release Agreement (if any) between Customer and Company. Customer must elect a MDTQ of sufficient quantity to satisfy the Customer's Monthly natural gas requirements. Company will provide Customer a twelve-Month consumption history to assist in making its initial election.

4. Scope of Capacity Release:

- a. Pool Manager Service Agreements with Transportation Service Providers:  
Pool Manager shall enter into all required agreements with each Transportation Service Provider so that Pool Manager has all necessary rights to accept and acquire the relinquished capacity from Company hereunder. Capacity releases shall be made on a temporary basis, in accordance with applicable FERC rules and regulations, as they may change from time to time. Pool Manager shall have sole responsibility for complying with all provisions of such agreements and all applicable provisions of Transportation Service Providers' FERC Tariffs.
- b. Relinquishment Notices:  
Each Month, Company shall provide to Transportation Service Providers the notice of capacity release required under the rules and regulations of the respective Transportation Service Provider's FERC Tariff. Such notices shall offer to relinquish, on a temporary basis, that portion of the Pool Manager's aggregated DCQ to be relinquished by Company by Customer Pool. Company shall diligently and in a time sufficient for Pool Manager to commence use of the released capacity, take all other actions required under the rules and regulations of the respective Transportation Service Provider's FERC Tariff to relinquish capacity to Pool Manager. Capacity releases will be released to Customers, Pool Managers, and Shipper's Designee(s) pursuant to Company's state-approved retail choice programs as set forth in this Section W. of this Tariff.
- c. Acceptance of Capacity Release:  
Pool Manager shall diligently and in a timely manner take all actions necessary under the rules and regulations of Transportation Service Provider's FERC Tariffs to acquire and accept the capacity relinquished by Company. Company has no obligation to relinquish capacity to Pool Manager in quantities greater than the Aggregated DCQ. If after five (5) days, Pool Manager does not acquire requisite capacity, Pool Manager may be terminated.



RULES AND REGULATIONS – Continued

5. Capacity Exceeding Released Quantities:

If Pool Manager's Customer Pool's aggregated DDR is greater than Pool Manager's Customer Pool's aggregated DCQ, Pool Manager shall be responsible for taking such actions as are required to obtain sufficient Transportation Service Provider capacity to meet its Customer Pool requirements (aggregated DDR), such additional quantities shall be defined as Pool Manager's Customer Pool's Daily Delivery Capacity Variance ("DDCV"). Pool Manager may acquire such Transportation Service Provider capacity quantities from any source.

6. Capacity Charges:

Pool Manager shall pay to Transportation Service Provider the rate listed in Company's relinquishment notice. Such rate will be based on Company's annualized weighted average cost of capacity excluding releases to ITS Customers, Customers receiving service under Rate Schedules KDS, FGS, and those Customers served by the Company pursuant to a Special Contract, those Customers who utilize upstream capacity released by the Company pursuant to an asset management agreement, and capacity released by Company pursuant to a long term capacity release i.e., a period a longer than one (1) year) or the negotiated rate for the capacity relinquished by the Company. Pool Manager shall indemnify Company and hold it harmless from any and all rates and charges assessed by Transportation Service Provider to Company for the relinquished capacity.

7. Capacity Payments:

Pool Manager shall make all payments to Transportation Service Provider(s) for the relinquished capacity in accordance with Transportation Service Provider's FERC Tariffs, and by any applicable FERC rule or order. If Pool Manager fails to make such payments, Company may make such payments on behalf of Pool Manager (in a manner which preserves any rights which Pool Manager may have to dispute the nature or amount of the charges). Pool Manager shall reimburse Company for such payments inclusive of interest, at the highest interest rate allowed by law, from the date such payments are made by Company to Transportation Service Provider.

8. Recall Rights to Released Capacity:

- a. All capacity relinquished to Pool Manager by Company, may be recalled by Company from time to time to facilitate the redistribution of capacity among Pool Managers to accommodate Customer migration, or to change the rate of the release regardless of the term of a specific capacity release by Company to Pool Manager.
- b. Company shall have the right to recall temporarily or permanently a portion or all of the capacity relinquished hereunder, subject to the applicable notice requirements in Transportation Service Providers' FERC Tariffs, in the event that Pool Manager breaches its contractual obligations of payment to Transportation Service Provider for the released capacity; or (ii) Pool Manager otherwise breaches the terms and conditions of this Tariff. In the event Company temporarily recalls a portion of the relinquished capacity, Company shall re-release such capacity to Pool Manager within ten (10) Working Days after Pool

RULES AND REGULATIONS – Continued

Recall Rights to Released Capacity – Continued

Manager has provided assurance satisfactory to Company, in Company's reasonable discretion, that the cause which gave rise to Company's recall right has been removed.

- c. Capacity is required to serve Company's high priority Customer or to maintain the operational integrity of Company's distribution system(s).
  - d. A Pool Manager's failure to meet the security requirements of this Tariff.
  - e. A filing of bankruptcy by a Pool Manager.
  - f. An order from the FPSC or FERC where recall would be necessary to comply with Commission orders.
9. Retained Right of First Refusal:  
Company shall retain the sole right to affirmatively exercise, at the time specified in the Service Agreement, Transportation Service Provider's FERC Tariffs, or any FERC rule or order, any right of first refusal mechanism (however denominated), including the option to extinguish such right, applicable to the relinquished capacity; provided, however, that Company may not exercise any such right in a manner which would impair Pool Manager's right to use the relinquished capacity during the term of any release.
10. Periodic Open Seasons:  
Company may hold an open season for incremental capacity releases not less than once per year. The open season may be held from April 1<sup>st</sup> through April 15<sup>th</sup> of each calendar year or other such period that Company may elect. Primary firm capacity from the Company's interstate capacity portfolio will be made available to on-system Customers and Pool Managers on an as-available basis.
- Releases by the Company will be for a period of not less than one year. Incremental quantities when aggregated with existing capacity release quantities made by Company to a Customer or Pool Manager will be not greater than the monthly historical demand quantity of the Customer or Customer Pool.
- Releases requested during the applicable open season period will be awarded on a pro-rata basis and the awarded releases will be implemented not later than June 1<sup>st</sup> of the same calendar year or the first calendar Day of the month following the first full month after capacity has been awarded to the acquiring Customer or Pool Manager. Capacity awarded, if available, will be made on a not unduly discriminatory basis by the Company.

RULES AND REGULATIONS – Continued

11. Capacity Acquisition:

a. Customer Pools:

Company shall provide to Pool Managers each Month, at least four (4) Days prior to Transportation Service Provider's deadline for posting capacity releases for the first day of the following Month, (i) a list of the accounts comprising Pool Manager's Customer Pool and the associated Non-Residential Customer DDRs, (ii) the estimated total Gas requirements to meet the needs of each of Pool Manager's Customer Pools for such following Month i.e., Pool Manager's aggregated DDR and, (iii) the aggregated DCQ that Company proposes to relinquish to Pool Manager for each Customer Pool. Pool Manager shall confirm the accuracy of the list of accounts comprising Pool Manager's Customer Pool with Company within one (1) Business Day after delivery of the Customer list to Pool Manager. If Pool Manager fails to confirm the accuracy of said list, Company shall proceed with the release to Pool Manager based on the information provided.

b. Maximum Daily Transportation Quantity (MDTQ):

Company may establish a MDTQ for Gas for one or more Customer(s) or Pool Manager(s) if, in the reasonable opinion of the Company, it is necessary to protect system integrity or to ensure existing Customers are not adversely affected by Customer(s) and or Pool Manager(s) requiring an MDTQ. Company shall not be obligated to transport Gas above the Customer's or Pool Manager's MDTQ, if established, but may do so if feasible and without adverse effect to other Customers, in the reasonable opinion of the Company.

12. Pool Manager's Firm Delivery Requirements:

a. Unless excused by Force Majeure, Pool Manager shall cause Transportation Service Providers to deliver on each Gas Day to Company Primary Receipt Points where Company is the DPO a quantity of Gas sufficient to reliably serve the requirements of its Customer Pool and off-system Customers. Pool Manager shall have no obligation to deliver Gas to Company on behalf of Customers whose service is terminated, either upon request of the Customer or for cause. Company shall promptly notify the Pool Manager of any known change in Customer account status that will affect Gas quantity deliveries.

b. If any act or omission of Pool Manager causes Company, as the DPO, to incur any Transportation Service Provider penalties, other expenses or liabilities of any kind, Pool Manager will indemnify and reimburse Company for all said penalties, other expenses, or liabilities. Nothing herein shall be deemed to foreclose Company from employing other remedies, including cessation of deliveries for the unauthorized usage of Gas.

RULES AND REGULATIONS – Continued

J. NOMINATIONS AND SCHEDULING

Nominations and Scheduling:

All CI Daily, Cycle Read Pool Managers and ITS Customers, shall submit to the Company all Nomination and scheduling information affecting Company's Delivery Points simultaneous to any submission to Transportation Service Provider(s). In addition, each Customer, Pool Manager, or Shipper Designee shall submit to Company each day Nominated quantities for each Individual Transportation Service Customer that is required to have and has electronic telemetering equipment installed, ("Telemetered Customer").

CI Cycle Read Pools will be permitted one Nomination change within the Month. Such Nomination must be delivered to Company no later than the fifteenth (15<sup>th</sup>) of the applicable Month.

CI Daily Read Pool(s) will be permitted to change Nominations throughout the applicable Month.

Such Nomination shall include the following information:

1. The Customer, Shipper's Designee or Pool Manager's account number under which service is being nominated – "Del Loc" (Delivery Location);
2. The Company Receipt Point location including applicable POI and upstream pipeline name, package ID "Pkg ID" (Package ID), including Customer's or Pool Manager's Company account number "Dn K" (Downstream Contract), and quantity in Therms of Gas to be tendered at each Company Receipt Point "Nom Del Qty" (PM Delivery Quantity);
3. The downstream delivery facility name, and quantity in Therms of Gas to be delivered for each Company Customer account or Pool "Dn Name" (Duns Number);
4. A beginning and ending date for each Nomination;
5. Ranking for allocation "Del Rank" (Delivery Rank)

Only Nominations with clearly matching identifiers will be scheduled and subsequently delivered by Company.

Transportation Interruption and Curtailment:

Company shall have the right to reduce or completely curtail deliveries to Customers as follows:

1. If, in Company's opinion, Customer will overrun the volume of Gas to which it is entitled from its supplier (or overrun the volume of Gas being delivered to Company for Customer's account); or
2. In the event Company is notified by its delivering pipeline pursuant to the FERC approved curtailment plans or provision of its tariff to interrupt or curtail deliveries; or
3. When necessary to maintain the operation reliability of company's system.

Company will endeavor to give as much notice as possible to Customer in the event of interruption or curtailment. Any Gas taken in excess of an interruption or curtailment order shall be considered Unauthorized Gas Use.

Issued by: Jeffrey Sylvester, Chief Operating Officer

Effective:

Florida City Gas

RULES AND REGULATIONS – Continued

Unassigned Gas

“Unassigned Gas” shall mean any quantity of gas received at a Company Receipt Point for which there is no transportation nomination that can be readily identified by Company and assigned by Company to the appropriate Customer(s), Shipper’s Designee(s), and Pool Manager(s).

Company shall post on its website the quantity, production month received on the Company’s system, and the point of receipt associated with any Unassigned Gas (“Notice”). Company shall continue to post the Notice for a period of not less than one Business Day.

In order to be a valid claim for purposes hereof, a claim must:

1. Be provided to the Company in writing;
2. Identify the specific Unassigned Gas delivered;
3. Provide independent evidence of ownership of Unassigned Gas claimed; and
4. Agree to indemnify Company fully with respect to any adverse claims to ownership of the Gas or to the proceeds resulting from the sale thereof.

If a valid claim is received, such quantities will be subject to purchase by the Company at seventy-five percent (75%) of the Gas Daily index for Gas delivered at the Florida City Gate.

If a valid claim is not received, such quantities of Gas will be credited to the Company’s Regulated Sales Service fuel clause.

K. OPERATIONAL CONTROLS

1. Operational Controls Applicability:  
Operational Controls shall be applicable to all Customers, Customer Pools, Pool Managers, and Shipper Designees with the exception of Company’s CI Cycle Read Pool(s).
2. Contact Persons:  
Any Customer taking delivery of Gas from Company or any Pool Manager or Shipper Designees causing Gas to be delivered to Company, shall cooperate fully with Company in maintaining the integrity of its system. All Customers, Pool Managers, and Shipper’s Designees shall name an appropriate contact person(s) available to receive communication from Company on operating matters at any time, on a 24-hour a day, 365-day a year basis. For all Residential Customers, the contact person shall be that individual listed in the Company’s records as the applicant for service or the account holder of record. If Company is unable after reasonable efforts to contact any Customer or Customer’s contact person, such Customer shall be solely responsible for any consequences arising from such failure of communication.

RULES AND REGULATIONS – Continued

3. Maintaining Proper System Pressure:

In the event that Company determines in its sole discretion, reasonably exercised, that action is required to avoid an operating condition in which system pressure is not maintained, in which system pressure is maintained at an operationally unacceptably high level, and/or Transportation Service Provider has issued an operational directive under Transportation Service Provider's Tariff, Company may issue the following Operational Controls to Customers, Shipper Designees, and/or Pool Managers.

4. Operational Flow Orders (OFO) Notices:

The Company may issue an OFO notice and shall promptly notify via electronic means (electronic bulletin board, e-mail or telephone) all affected Customers, Customer's Designees and Pool Managers causing Gas to be delivered to the Company's Receipt Point(s), that such OFO has been issued.

a. Operational Flow Orders – Action Required:

Such Operational Flow Orders may require Customers, Customer's Designees and Pool Managers to undertake any of the following:

- i. Company may issue an Operational Flow Order to individual Customer, Shipper's Designees, and Pool Managers, specific geographic regions, or at one or a group of specific Company Receipt Points.
- ii. To commence or increase supply inputs by a specific quantity.
- iii. To cease or reduce supply inputs by a specified quantity.
- iv. To commence or increase takes of Gas from the system by a specified volume.
- v. To reduce takes of Gas from the system by specified volumes.
- vi. In the event the action(s) set forth in (a)-(e) are not operationally feasible, the Operational Flow Order may require Customers, Customer's Designees and Pool Managers, to take other such action within Customers, Customer's Designees and Pool Managers control which would tend to alleviate the operating condition to be addressed.

b. Failure to Comply with Operational Flow Orders:

If the Customers, Customer's Designees, or Pool Managers violates the terms of the OFO, the Company shall charge the responsible Customers, Customer's Designees and Pool Managers:

- i. If the Customers, Customer's Designees, or Pool Managers violates the terms of the OFO (i.e. is outside the established percentage usage tolerances of the notice), the Company shall charge the responsible Customers, Customer's Designees and Pool Managers two (2) times the applicable Transportation Service Provider's FERC approved Tariff OFO penalty. Company may waive OFO penalties on a nondiscriminatory basis.

d. Imbalances incurred on the of the Operational Flow Order shall be included in Customer or Pool Manager's monthly imbalance quantity and will be subject to monthly balancing.

RULES AND REGULATIONS – Continued

5. Alert Day Notices:

The Company may issue an Alert Day notice when in its sole discretion. Alert Days will be used when other operational tools are perceived to be inappropriate to resolve the operating situation and shall promptly notify via electronic means (electronic bulletin board, e-mail or telephone) all affected Customers, Customer's Designees and Pool Managers causing Gas to be delivered to the Company's Receipt Point(s), that such Alert Day notice has been issued.

a. Alert Day Notice – Action Required:

Such Alert Day Notices may require Customers, Customer's Designees, and Pool Managers to undertake any of the following:

- i. Company may issue an Alert Day to individual Customers, Customer's Designees and Pool Managers, specific geographic regions, or at one or a group of specific Company Receipt Points.
- ii. In the event the action(s) set forth above are not operationally feasible, the Alert Day notice may require Customers, Shipper's Designees, and Pool Managers, to take other such action within Customer's, Shipper's Designee's, or Pool Manager's control which would tend to alleviate the operating condition to be addressed.

b. Failure to Comply with Alert Day Notice:

If the Customers, Customer's Designees, or Pool Managers violates the terms of the Alert Day notice, the Company shall charge the responsible Customers, Customer's Designees and Pool Managers:

- i. For an overage Alert Day, two (2) times Transportation Service Provider's FERC approved Tariff Alert Day penalty.
- ii. For an underage Alert Day, 50% (fifty percent) of Transportation Service Provider's FERC approved Tariff Alert Day penalty.
- iii. Company may waive Alert Day penalties on a nondiscriminatory basis.

c. Imbalances incurred on the day of the Alert Day will not be included in Customer or Pool Manager's monthly imbalance quantity and will not be subject to monthly balancing.

6. Pipeline Balancing Charges:

As the DPO, the Company shall comply with any operational balancing tools order issued by Transportation Service Provider(s), and as applicable, the Company, shall issue penalty charges directly to the responsible Customer(s), Customer's Designees and Pool Managers(s), to the extent such charges are able to be directly assigned. Such expenses shall include but not be limited to expenses associated with the use of storage capacity and gas supply as well as Liquefied Natural Gas storage capacity and gas supply. The remaining balance of such charges will be allocated to the Company's Purchased Gas Cost Recovery Clause.

RULES AND REGULATIONS – Continued

7. Disposition of Penalties:

All penalties, net of payments to third parties, collected by the Company related to the operational control of the system, shall be issued directly to the responsible Customer(s), Shipper Designees and/or Pool Managers(s), to the extent such charges are able to be directly assigned. The remaining balance of such charges, if any, shall be allocated to the Company's Purchased Gas Cost Recovery Clause. The Company shall not, under any circumstances, retain any of the penalties collected from Customers, Customer's Designees, or the authorized Pool Manager, nor absorb any costs related to complying with valid Transportation Service Provider Operational Tool orders.

L. IMBALANCE RESOLUTION

1. Monthly Imbalances:

The balancing of the quantity of Gas scheduled and nominated for each Customer or Customer Pool at all Company Receipt Points for which Company, or Company's agent, is the DPO, and the actual usage by the sum of all Individual Transportation Service Customers and Customer Pools served by each Customer, Shipper Designee, or Pool Manager shall be calculated on a Monthly basis. Long or short Monthly Imbalance Quantities for each individual Customer Pool will be netted against Customer Pools administered by the same Pool Manager provided however, Customer Pools with an Imbalance Level (long or short) greater than 20% will not be eligible to be netted. The Company and Customer, Shipper's Designee or Pool Manager shall resolve all remaining Monthly Imbalance Quantities at the end of each Month, as follows:

- a. If the Monthly Imbalance Quantity is long (amount of Gas scheduled is greater than aggregated actual usage by Customer Pool(s)), the Company shall purchase from Customer or Pool Manager such Monthly Imbalance Quantity at a price per Therm (the "Unit Price") calculated by taking: (i) the lowest weekly average (weeks where Friday is within the calendar Month) of the "Daily price survey" for Gas under the "Midpoint" column for "Florida Gas, zone 1", "Florida Gas, zone 2" or "Florida Gas, zone 3", as reported in *Platt's Gas Daily*, for the Month in which the positive (long) Monthly Imbalance Quantity was incurred, multiplied by the applicable factor set forth below:

| <u>Imbalance Level</u>        | <u>Factor</u> |
|-------------------------------|---------------|
| <u>0% to 5%</u>               | <u>1.00</u>   |
| <u>Greater than 5% to 20%</u> | <u>0.90</u>   |
| <u>Greater than 20%</u>       | <u>0.80</u>   |

The total amount due Customer, Shipper Designee, or Pool Manager shall be the product of the Unit Price and the positive (long) monthly imbalance.

- b. If the Monthly Imbalance Quantity is short (amount of Gas scheduled is less than aggregated actual usage by Customer Pool(s)), the Company shall sell to Customer or Pool Manager such Monthly Imbalance Quantity at a price per Therm (the "Unit Price") calculated by taking the (i) the highest weekly average (weeks where Friday is within the calendar Month) of the "Daily price survey" for



RULES AND REGULATIONS – Continued

Monthly Imbalances - Continued

Gas posted under the “Midpoint” column for “Florida Gas, zone 1”, “Florida Gas, zone 2” or “Florida Gas, zone 3”, as reported in *Platts Gas Daily*, for the Month in which the negative (short) Monthly Imbalance Quantity was incurred, multiplied by the applicable factor set forth below:

| <u>Imbalance Level</u>        | <u>Factor</u> |
|-------------------------------|---------------|
| <u>0% to 5%</u>               | <u>1.00</u>   |
| <u>Greater than 5% to 20%</u> | <u>1.10</u>   |
| <u>Greater than 20%</u>       | <u>1.20</u>   |

and (ii) the Gulfstream Natural Gas 6% deliverability reservation per Therm tariff rate inclusive of all applicable surcharges (as it may change from time to time) plus the FGT FTS-1 usage rate per Therm, inclusive of all applicable surcharges.

The total amount due to the Company shall be the product of the Unit Price and the (short) negative monthly imbalance.

2. Daily Imbalances:

The Company shall, within the existing limitations of its system, provide for balancing between gas requirements and actual gas deliveries, net of an adjustment for Company Use and Unaccounted for Gas, received by the Company for the account of the Customers served by the PM that day. The Company shall not be obligated to provide gas service during an hourly, daily or monthly period in excess of the levels specified in the Rate Schedules under which Customers of the PM are served.

The Company reserves the right to require daily balancing on any other day in which the Company, in the exercise of its reasonable judgment, determines that such balancing is necessary for operational reasons. The Company will provide the PM in all instances with at least twenty-four (24) hours advance notice that daily balancing will be imposed.

In the event that daily balancing is imposed in accordance with this section, PM shall be assessed the following charges for daily imbalances:

| <u>Imbalance *</u>               | <u>Charge **</u>        |
|----------------------------------|-------------------------|
| <u>0 to 5%</u>                   | <u>\$0.00 per Therm</u> |
| <u>5.1% to 10%</u>               | <u>\$0.10 per Therm</u> |
| <u>Under Deliveries &gt; 10%</u> | <u>\$0.50 per Therm</u> |
| <u>Over Deliveries &gt; 10%</u>  | <u>\$0.10 per Therm</u> |

Company may waive penalties on a not unduly discriminatory basis.

RULES AND REGULATIONS – Continued

M. MUTUALLY BENEFICIAL TRANSACTIONS

Pool Manager and Customer recognize that Company maintains the operation and integrity of Company distribution system on a daily basis. Pool Manager and Customer also recognizes that as DPO for the Transportation Service Provider's pipeline interconnects, Company or its agent is subject to the rules and regulations of the Transportation Service Provider(s) with regard to operational flow rates, pressures, and penalties. As such, Company may need Pool Manager or Customer to vary its daily delivery from the nominated delivery quantities. On those occasions, Company may request, at its sole discretion, and Pool Manager and Customer may agree to, a change to Customer's or Pool Manager's nominated Gas supply quantities and Transportation Service Provider(s) pipeline capacity. Terms and conditions of such transactions shall be agreed upon at the time of the transaction and shall be recorded and confirmed in writing within two Business Days after the transaction.

Disposition of Net Revenues:

Net revenues shall mean the revenues received by Company for Natural Gas above the cost of Natural Gas to the Company and revenues received by Company for pipeline demand charges above the prevailing rates for like period(s) as negotiated by Transportation Service Provider Customers via the Transportation Service Provider's Relinquishment program on its Electronic Bulletin Board system. Disposition of net revenues received by Company during each Month that this service is provided shall be as follows:

Fifty percent (50%) of the net revenues shall be retained by Company. The remaining fifty percent (50%) of the net revenues shall be used to reduce Company's cost of Natural Gas recovered through the Purchased Gas Cost Recovery Clause.

O. TERMINATION OF POOL MANAGER STATUS

Termination of Shipper Status:

Unless excused by Force Majeure, Company may terminate the Pool Manager's rights for the following:

1. Pool Manager fails to satisfy in full the terms and conditions of this Tariff;
2. Pool Manager voluntarily suspends the transaction of business where there is an attachment, execution, or other judicial seizure of any portion of their respective assets;
3. Pool Manager becomes insolvent or unable to pay its debts as they mature or makes an assignment for the benefit of creditors;
4. Pool Manager files, or there is filed against it, a petition to have it adjudged bankrupt or for an arrangement under any law relating to bankruptcy;
5. Pool Manager applies for or consents to the appointment of a receiver, trustee, or conservator for any portion of its properties or such appointment is made without its consent; or,
6. Pool Manager engages in slamming or other unlawful activities.

RULES AND REGULATIONS – Continued

CI Pool Manager:

If Company terminates a CI Pool Manager, CI Pool Manager's Customers shall be assigned by Company to Company's Regulated Sales Service Pool.

16. FORCE MAJEURE

In the event either Company, Customer, Customer's Agent or Pool Manager is unable wholly or in part by Force Majeure to carry out its obligations under this Tariff, or under a Special Contract, other than to make payments due thereunder, it is agreed that on such party giving notice and full particulars of such Force Majeure to the other party as soon as possible after the occurrence of the cause relied on, then the obligations of the party giving such notice, so far as they are affected by such Force Majeure, shall be suspended during the continuance of any inability so caused but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch.

The term "Force Majeure", as employed herein, shall mean acts of God, strikes, lockouts, or other Industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, including any government-mandated quarantines associated herewith, landslides, lightning, earthquakes, fires, storms, hurricanes or evacuation orders due to hurricanes, floods, washouts, arrests and restraints of government and people, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, the necessity for making repairs or alterations to machinery or lines of pipe, freezing of well or lines of pipe, partial or entire failure of source of supply, and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome.; such term shall likewise include (a) in those instances where either party is required to obtain servitudes, rights of way grants, permits, or licenses to enable such party to fulfill its obligations hereunder, the inability of such party to acquire, or the delays on the part of such party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such servitude, right of way grants, permits, or licenses; and

(b) in those instances where either party is required to furnish materials and supplies for the purpose of constructing or maintaining facilities or is required to secure grants or permissions from any governmental agency to enable such party to acquire, or the delays on the part of such party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such materials and supplies, permits and permissions.

It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of an opposing party when such course is inadvisable in the discretion of the party having the difficulty.

RESERVED FOR FUTURE USE

GENERAL SERVICE - 1 (GS-1)

APPLICABILITY

Service is available to Non-Residential Customers using between 0 and 5,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' ~~Third Party Supplier~~ Pool Manager ("TPSPM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from TPSPM</u> |
|--------------------------------|----------------------------|------------------------------|
| Customer Charge                | \$31.00                    | \$31.00                      |
| Distribution Charge, per therm | \$0.57949                  | \$0.57949                    |
| Commodity Charge               | Per Rider "A"              | Per TPSPM Agreement          |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a TPSPM will be charged by the TPSPM for commodity according to any agreement between the Customer and the TPSPM. Only Non-Residential Customers are eligible to receive gas supply from a TPSPM.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.

GENERAL SERVICE - 1 (GS-1)  
(Continued)

SPECIAL CONDITIONS APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM  
THIRD PARTY SUPPLIER POOL MANAGERS (TPSPM)

1. See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a TPSPM.

~~2. Customer's TPS shall deliver an Average Daily Delivery Quantity ("ADDQ"), as determined monthly by the Company.~~

GENERAL SERVICE - 6K (GS-6K)

APPLICABILITY

Service is available to Non-Residential Customers using between 6,000 and 24,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' ~~Third-Party-Supplier~~ Pool Manager ("TPSPM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from TPSPM</u> |
|--------------------------------|----------------------------|------------------------------|
| Customer Charge                | \$44.00                    | \$44.00                      |
| Distribution Charge, per therm | \$0.48722                  | \$0.48722                    |
| Commodity Charge               | Per Rider "A"              | Per <u>TPSPM</u>             |
| Agreement                      |                            |                              |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a TPSPM will be charged by the TPSPM for commodity according to any agreement between the Customer and the TPSPM. Only Non-Residential Customers are eligible to receive gas supply from a TPSPM.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.

GENERAL SERVICE - 6K (GS-6K)  
(Continued)

SPECIAL CONDITIONS APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM  
THIRD PARTY SUPPLIERPOOL MANAGERS (TPSPM)

1. See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a TPSPM.

2. ~~Customer's TPS shall deliver an Average Daily Delivery Quantity ("ADDQ"), as determined monthly by the Company.~~



GENERAL SERVICE - 25K (GS-25K)

APPLICABILITY

Service is available to Non-Residential Customers using between 25,000 and 119,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' Third Party Supplier Pool Manager ("TPSPM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from TPSPM</u> |
|--------------------------------|----------------------------|------------------------------|
| Customer Charge                | \$188.00                   | \$188.00                     |
| Distribution Charge, per therm | \$0.44046                  | \$0.44046                    |
| Commodity Charge               | Per Rider "A"              | Per <u>TPSPM</u>             |
| Agreement                      |                            |                              |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a TPSPM will be charged by the TPSPM for commodity according to any agreement between the Customer and the TPSPM. Only Non-Residential Customers are eligible to receive gas supply from a TPSPM.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.

GENERAL SERVICE - 25K (GS-25K)  
(Continued)

SPECIAL CONDITIONS APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM  
THIRD-PARTY SUPPLIERPOOL MANAGERS (TPSPM)

1. See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a TPSPM.

2. ~~Customer's TPS shall deliver an Average Daily Delivery Quantity ("ADDQ"), as determined monthly by the Company.~~

GENERAL SERVICE - 120K (GS -120K)

APPLICABILITY

Service is available to Non-Residential Customers using between 120,000 and 1,249,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' ~~Third Party Supplier~~ Pool Manager ("TPSPM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from</u><br><del>TPSPM</del> |
|--------------------------------|----------------------------|--|
| Customer Charge                | \$375.00                   | \$375.00                                   |
| Demand Charge, per DCBQ        | \$0.719                    | \$0.719                                    |
| Distribution Charge, per therm | \$0.28336                  | \$0.28336                                  |
| Commodity Charge               | Per Rider "A"              | Per <u>TPSPM</u>                           |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a TPSPM will be charged by the TPSPM for commodity according to any agreement between the Customer and the TPSPM. Only Non- Residential Customers are eligible to receive gas supply from a TPSPM.

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ)

~~The DCQ to be used in setting the~~ The Customer's Billing-DCBQ will be determined by the Customer's maximum daily requirements in terms of therm units per day based on readings taken from an Automatic Meter Reading (AMR) device installed at the premise. ~~The DCQ quantity used in setting the Billing-DCBQ shall be those from the Customer's daily metered therm consumption recorded for a period of up to three (3) years ending each March 31st. If historical consumption information of at least twelve (12) months is not available, then the Billing-DCBQ level shall be based upon the rating and expected usage of the Customer's gas equipment as determined by the Company.~~

~~The Billing-DCBQ will be determined annually by the Company based on the DCQ consumption history, as determined above. The Customer's Billing-DCBQ shall be adjusted to reflect the maximum recorded DCBQ. Adjustments will be made in April except the Company shall not increase such a Customer's Billing-DCBQ unless the Customer has had at least three (3) occurrences of DCBQ's in excess of their current Billing-DCBQ.~~

GENERAL SERVICE - 120K (GS -120K)  
(Continued)

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ): (continued)

At any time a Customer may request an adjustment to its Billing-DCBQ. If the Customer is able to demonstrate an ongoing change in its maximum daily therm requirements then the Company may at its discretion adjust Customers Billing-DCBQ prospectively. However, the initial Billing DCBQ shall be established for all Customers with active service at the effective date of this tariff based on the highest daily actual therm consumption recorded at Customer's premises over the thirty-six month historic period ending March 31<sup>st</sup> of each year.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge and Demand Charge. In addition, a minimum annual charge shall be assessed by applying the Distribution Charge hereunder to the difference between the annual minimum qualifying therms specified in this Rate Schedule and the annual usage of the Customer.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

TERM OF CONTRACT

The initial term of which shall be no less than one (1) year and year to year thereafter until terminated by ninety (90) days written notice by either party.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.
3. Automatic Meter Reading (AMR) equipment capable of providing daily readings is required for all Customers served under this Rate Schedule. See the Rules and Regulations for Metering for terms and conditions related to AMR's.

SPECIAL CONDITIONS, APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM  
THIRD PARTY SUPPLIER POOL MANAGERS (TPSPM)

1. See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a TPSPM.

GENERAL SERVICE - 1,250K (GS-1,250K)

APPLICABILITY

Service is available to Non-Residential Customers using between 1,250,000 and 10,999,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' ~~Third Party Supplier~~ Pool Manager ("TPSPM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from TPSPM</u> |
|--------------------------------|----------------------------|------------------------------|
| Customer Charge                | \$625.00                   | \$625.00                     |
| Demand Charge, per DCBQ        | \$0.719                    | \$0.719                      |
| Distribution Charge, per therm | \$0.14073                  | \$0.14073                    |
| Commodity Charge               | Per Rider "A"              | Per TPSPM                    |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a TPSPM will be charged by the TPSPM for commodity according to any agreement between the Customer and the TPSPM. Only Non-Residential Customers are eligible to receive gas supply from a TPSPM.

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ)

~~The DCQ to be used in setting the~~ The Customer's ~~Billing-DCBQ~~ Billing-DCBQ will be determined by the Customer's maximum daily requirements in terms of therm units per day based on readings taken from an Automatic Meter Reading (AMR) device installed at the premise. ~~The DCQ quantity~~ used in setting the ~~Billing-DCBQ~~ Billing-DCBQ shall be those from the Customer's daily metered therm consumption recorded for a period of up to three (3) years ending each March 31st. If historical consumption information of at least twelve (12) months is not available, then the ~~Billing-DCBQ~~ Billing-DCBQ level shall be based upon the rating and expected usage of the Customer's gas equipment as determined by the Company.

The ~~Billing-DCBQ~~ Billing-DCBQ will be determined annually by the Company based on the ~~DCQ consumption~~ consumption history, as determined above. The Customer's ~~Billing-DCbQ~~ Billing-DCbQ shall be adjusted to reflect the maximum recorded DCbQ. Adjustments will be made in April except the Company shall not increase such a Customer's ~~Billing-DCbQ~~ Billing-DCbQ unless the Customer has had at least three (3) occurrences of DCbQ's in excess of their current ~~Billing-DCBQ~~ Billing-DCBQ.

GENERAL SERVICE - 1,250K (GS -1,250K)  
(Continued)

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ) (continued)

At any time a Customer may request an adjustment to its Billing-DCBQ. If the Customer is able to demonstrate an ongoing change in its maximum daily therm requirements then the Company may at its discretion adjust Customers Billing-DCBQ prospectively. However, the initial Billing DCBQ shall be established for all Customers with active service at the effective date of this tariff based on the highest daily actual therm consumption recorded at Customer's premises over the thirty-six month historic period ending March 31<sup>st</sup> of each year.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge and Demand Charge. In addition, a minimum annual charge shall be assessed by applying the Distribution Charge hereunder to the difference between the annual minimum qualifying therms specified in this Rate Schedule and the annual usage of the Customer.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

TERM OF CONTRACT

The initial term of which shall be no less than one (1) year and year to year thereafter until terminated by ninety (90) days written notice by either party.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.
3. Automatic Meter Reading (AMR) equipment capable of providing daily readings is required for all Customers served under this Rate Schedule. See the Rules and Regulations for Metering for terms and conditions related to AMR's.

SPECIAL CONDITIONS, APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM  
THIRD PARTY SUPPLIER POOL MANAGERS (TPSPM)

See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a TPSPM.

GENERAL SERVICE – 11M (GS - 11M)

APPLICABILITY

Service is available to Non-Residential Customers using between 11,000,000 and 24,999,999 therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company's system by any customer, delivered by the Company or Customers' ~~Third-Party-Supplier~~ Pool Manager ("TPSPM") with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from TPSPM</u> |
|--------------------------------|----------------------------|------------------------------|
| Customer Charge                | \$1,250.00                 | \$1,250.00                   |
| Demand Charge, per DCBQ        | \$0.719                    | \$0.719                      |
| Distribution Charge, per therm | \$0.10320                  | \$0.10320                    |
| Commodity Charge               | Per Rider "A"              | Per TPSPM                    |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a TPSPM will be charged by the TPSPM for commodity according to any agreement between the Customer and the TPSPM. Only Non-Residential Customers are eligible to receive gas supply from a TPSPM.

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ)

~~The DCQ to be used in setting the~~ The Customer's Billing-DCBQ will be determined by the Customer's maximum daily requirements in terms of therm units per day based on readings taken from an Automatic Meter Reading (AMR) device installed at the premise. ~~The DCQ quantity~~ used in setting the Billing-DCBQ shall be those from the Customer's daily metered therm consumption recorded for a period of up to three (3) years ending each March 31st. If historical consumption information of at least twelve (12) months is not available, then the Billing-DCBQ level shall be based upon the rating and expected usage of the Customer's gas equipment as determined by the Company.

The Billing-DCBQ will be determined annually by the Company based on the DCQ-consumption history, as determined above. The Customer's Billing-DCBQ shall be adjusted to reflect the maximum recorded DCQ. Adjustments will be made in April except the Company shall not increase such a Customer's Billing-DCBQ unless the Customer has had at least three (3) occurrences of DCBQ's in excess of their current Billing DCBQ.

GENERAL SERVICE - 11M (GS – 11M)  
(Continued)

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ) (continued)

At any time a Customer may request an adjustment to its Billing-DCBQ. If the Customer is able to demonstrate an ongoing change in its maximum daily therm requirements then the Company may at its discretion adjust Customers Billing-DCBQ prospectively. However, the initial Billing DCBQ shall be established for all Customers with active service at the effective date of this tariff based on the highest daily actual therm consumption recorded at Customer's premises over the thirty-six month historic period ending March 31<sup>st</sup> of each year.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge and Demand Charge. In addition, a minimum annual charge shall be assessed by applying the Distribution Charge hereunder to the difference between the annual minimum qualifying therms specified in this Rate Schedule and the annual usage of the Customer.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

TERM OF CONTRACT

The initial term of which shall be no less than one (1) year and year to year thereafter until terminated by ninety (90) days written notice by either party.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.
3. Automatic Meter Reading (AMR) equipment capable of providing daily readings is required for all Customers served under this Rate Schedule. See the Rules and Regulations for Metering for terms and conditions related to AMR's.

SPECIAL CONDITIONS, APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM  
THIRD PARTY SUPPLIER POOL MANAGERS (TPSPM)

See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a TPSPM.



GENERAL SERVICE – 25M (GS - 25M)

APPLICABILITY

Service is available to Non-Residential Customers using 25,000,000 or more therms per year as determined by the Company.

CHARACTER OF SERVICE

A firm delivery service of gas, including RNG delivered into the Company’s system by any customer, delivered by the Company or Customers’ ~~Third Party Supplier~~ Pool Manager (“TPSPM”) with a heating value on the order of 1,100 British Thermal Units per cubic foot.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from</u><br><u>TPSPM</u> |
|--------------------------------|----------------------------|--|
| Customer Charge                | \$2,500.00                 | \$2,500.00                             |
| Demand Charge, per <u>DCBQ</u> | \$0.719                    | \$0.719                                |
| Distribution Charge, per therm | \$0.05160                  | \$0.05160                              |
| Commodity Charge               | Per Rider “A”              | Per <u>TPSPM</u>                       |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a TPSPM will be charged by the TPSPM for commodity according to any agreement between the Customer and the TPSPM. Only Non-Residential Customers are eligible to receive gas supply from a TPSPM.

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ)

~~The DCQ to be used in setting the~~ The Customer’s Billing-DCBQ will be determined by the Customer’s maximum daily requirements in terms of therm units per day based on readings taken from an Automatic Meter Reading (AMR) device installed at the premise. ~~The DCQ quantity~~ used in setting the Billing-DCBQ shall be those from the Customer’s daily metered therm consumption recorded for a period of up to three (3) years ending each March 31st. If historical consumption information of at least twelve (12) months is not available, then the Billing-DCBQ level shall be based upon the rating and expected usage of the Customer’s gas equipment as determined by the Company.

The Billing-DCBQ will be determined annually by the Company based on the DCQ consumption history, as determined above. The Customer’s Billing-DCBQ shall be adjusted to reflect the maximum recorded DCBQ. Adjustments will be made in April except the Company shall not increase such a Customer’s Billing-DCBQ unless the Customer has had at least three (3) occurrences of DCBQ’s in excess of their current Billing-DCBQ.

GENERAL SERVICE - 25M (GS – 25M)  
(Continued)

DETERMINATION OF THE DEMAND CHARGE BILLING QUANTITY (DCBQ) (continued)

At any time a Customer may request an adjustment to its Billing-DCBQ. If the Customer is able to demonstrate an ongoing change in its maximum daily therm requirements then the Company may at its discretion adjust Customers Billing-DCBQ prospectively. However, the initial Billing DCBQ shall be established for all Customers with active service at the effective date of this tariff based on the highest daily actual therm consumption recorded at Customer's premises over the thirty-six month historic period ending March 31<sup>st</sup> of each year.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge and Demand Charge. In addition, a minimum annual charge shall be assessed by applying the Distribution Charge hereunder to the difference between the annual minimum qualifying therms specified in this Rate Schedule and the annual usage of the Customer.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

TERM OF CONTRACT

The initial term of which shall be no less than one (1) year and year to year thereafter until terminated by ninety (90) days written notice by either party.

SPECIAL CONDITIONS OF SERVICE

1. Application of this rate is subject to the general Rules and Regulations of the Company as they may be in effect from time to time and as filed with the regulatory authorities.
2. Each year the Company shall re-determine each Customer's eligibility based on their annual usage. If reclassification to another schedule is appropriate such reclassification shall be prospective only and shall not be retroactive.
3. Automatic Meter Reading (AMR) equipment capable of providing daily readings is required for all Customers served under this Rate Schedule. See the Rules and Regulations for Metering for terms and conditions related to AMR's.

SPECIAL CONDITIONS, APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM  
THIRD PARTY SUPPLIER POOL MANAGERS (TPSPM)

See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a TPSPM.

NATURAL GAS VEHICLE SERVICE-I (NGV-I)  
(CLOSED SCHEDULE)

APPLICABILITY

For gas delivered to any Customer through a separate meter for the purpose of compression and delivery into motor vehicle fuel tanks or other transportation containers. NGV-I is only available to those Customers who are presently receiving this service as of August 13, 2013. Customers seeking such service after this date shall take service under the NGV-II terms of this Tariff.

\*MONTHLY RATE

|                                | <u>Gas Supply from PGA</u> | <u>Gas Supply from TPSPM</u> |
|--------------------------------|----------------------------|------------------------------|
| Customer Charge                | \$31.00                    | \$31.00                      |
| Distribution Charge, per therm | \$0.23232                  | \$0.23232                    |
| Commodity Charge Agreement     | Per Rider "A"              | Per <u>TPSPM</u>             |

\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company. A Customer that receives gas supply from a TPSPM will be charged for commodity according to any agreement between the Customer and the TPSPM.

MINIMUM BILL

The minimum monthly bill shall be the Customer Charge. In addition, a minimum annual charge, if applicable, shall be assessed by applying the applicable rates and adjustments hereunder to the difference between the minimum therms, if any, established per the Customer's Agreement and the Customers annual usage.

TERMS OF PAYMENT

Bills are due upon receipt by the Customer and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.

SPECIAL CONDITIONS

Service under this Rate Schedule shall be subject to the general Rules and Regulations of the Company as they may be in effect from time to time, and as filed with the regulatory authorities.

SPECIAL CONDITIONS APPLICABLE TO CUSTOMERS RECEIVING GAS SUPPLY FROM THIRD PARTY SUPPLIER POOL MANAGERS (TPSPM)

1. See the Rules and Regulations for Transportation - Special Conditions for terms related to Customers taking Gas Supply from a TPSPM.
2. Automatic Meter Reading (AMR) equipment is required for transportation Customers served under this Rate Schedule using over 120,000 therms per year. See the Rules and Regulations for Metering for terms and conditions related to Amr's.

RESERVED FOR FUTURE USE

THIRD PARTY SUPPLIER (TPS)

APPLICABILITY

~~The provisions of this Rate Schedule shall apply to brokers, marketers, Customers intending to act as their own gas supplier, and other third party suppliers (collectively "Third Party Suppliers" or "TPS") of natural gas that wish to either act as agents for Transportation Customers or deliver natural gas supplies to Company's City Gate for Transportation Customers. Third Party Suppliers wishing to sell and/or deliver gas on the Company's system will be required to sign a Service Agreement in which they will agree to be bound by the terms and conditions of the Company's Tariff.~~

TERM OF CONTRACT

~~The term of the contract shall be at least three (3) years and from month to month thereafter unless terminated on thirty (30) days written notice.~~

TERMS OF PAYMENT

~~The TPS agrees to pay for all balancing and other transportation related charges determined by the Company to be billable to a TPS on behalf of their Customers as provided for in this tariff. All charges due from a TPS under this Rate Schedule shall be paid in full within 20 days of the billing date. The TPS and the Company will resolve any disputed amounts. Adjustments, if any, will be reflected on future billings.~~

CREDITWORTHINESS

~~Company shall not be required to permit any TPS who fails to meet Company's standards for creditworthiness to sell or deliver gas on its system. Company may require that TPS provide the following information:~~

~~1. Current financial statements (to include a balance sheet, income statement, and statement of cash flow), annual reports, 10-K reports or other filings with regulatory agencies, a list of all corporate affiliates, parent companies and subsidiaries and any reports from credit agencies which are available. If audited financial statements are not available, then TPS also should provide an attestation by its chief financial officer that the information shown in the un-audited statements submitted is true, correct and a fair representation of TPS's financial condition.~~

~~2. A bank reference and at least three trade references.~~

~~3. A written attestation from TPS that it is not operating under any chapter of the bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditor's committee agreement. An exception can be made for a TPS who is a debtor in possession operating under Chapter XI of the Federal Bankruptcy Act but only with adequate assurances that any charges from the Company will be paid promptly as a cost of administration.~~

RESERVED FOR FUTURE USE

THIRD PARTY SUPPLIER (TPS)  
(Continued)

CREDITWORTHINESS (Continued)

~~4. A written attestation from TPS that it is not subject to the uncertainty of pending litigation or regulatory proceedings in state or federal courts which could cause a substantial deterioration in its financial condition or a condition of insolvency.~~

~~5. A written attestation from TPS that no significant collection lawsuits or judgments are outstanding which would seriously reflect upon the TPS's ability to remain solvent.~~

~~To remain in good standing, no uncontested delinquent balances should be outstanding for natural gas sales, storage, Transportation Services, or imbalances previously billed by Company, and TPS must have paid its account according to the established terms, and not made deductions or withheld payment for claims not authorized by contract.~~

~~TPS shall furnish Company at least annually, and at such other time as is requested by Company, updated credit information for the purpose of enabling Company to perform an updated credit appraisal. In addition, Company reserves the right to request such information at any time if Company is not reasonably satisfied with TPS's creditworthiness or ability to pay based on information available to Company at that time.~~

~~Company shall not be required to permit and shall have the ability to suspend any TPS who is or has become insolvent, fails to demonstrate creditworthiness, fails to timely provide information to Company as requested, or fails to demonstrate ongoing creditworthiness as a result of credit information obtained; provided, however, TPS may continue to sell / deliver gas on the Company's system if TPS elects one of the following options:~~

~~(A) Payment in advance for up to three (3) months service as determined by the Company.~~

~~(B) A standby irrevocable letter of credit in form and substance satisfactory to Company in a face amount up to three (3) months service. The letter of credit must be drawn upon a bank acceptable to Company.~~

~~(C) A guaranty in form and substance satisfactory to Company, executed by a person that Company deems creditworthy, of TPS's performance of its obligations to Company.~~

~~(D) Such other form of security as TPS may agree to provide and as may be acceptable to Company.~~

RESERVED FOR FUTURE USE

THIRD PARTY SUPPLIER  
(TPS)  
(Continued)

CREDITWORTHINESS (Continued)

In the event TPS fails to meet the terms of this Creditworthiness section, Company may, without waiving any rights or remedies it may have, and subject to any necessary authorizations, suspend TPS until such time as they are deemed compliant by the Company.

The insolvency of a TPS shall be evidenced by the filing by TPS, or any parent entity thereof, of a voluntary petition in bankruptcy or the entry of a decree or order by a court having jurisdiction adjudging the TPS, or any parent entity thereof, bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of the TPS, or any Parent entity thereof, under the Federal Bankruptcy Act or any other applicable federal or state law, or appointing a receiver, liquidator, assignee, trustee, sequestrator, (or similar official) of the TPS or any parent entity thereof or of any substantial part of its property, or the ordering of the winding-up or liquidation of its affairs.

MONTHLY RATE

|  |          |
|--|----------|
| Customer Charge  | \$400.00 |
| Charge for each Transportation<br>Customer served by the TPS | \$6.21   |

DETERMINATION OF THE AVERAGE DAILY DELIVERY QUANTITY ("ADDQ")

The ADDQ for each Customer without an AMR device will be calculated by the Company by dividing the Customer's usage for each of the most recent twelve (12) billing months by the total number of days in each billing month. Company may adjust Customer's ADDQ at any time, due to changes in Customer's equipment or pattern of usage. For new Customers, the initial ADDQ will be estimated by Company, based upon the rating of the Customer's gas equipment and expected utilization of the equipment. The TPS will be obligated to deliver the aggregate ADDQ each day for Customers it serves.

The Company will notify TPS of its aggregate ADDQ obligation for each day of the next succeeding month on the Company's EBB, or other means as determined by the Company. If TPS does not agree with Company's determination of TPS's aggregate ADDQ, it must notify the Company in writing within two business days no later than 5:00 p.m. Eastern Standard Time. Company and TPS will reconcile any differences no later than 5:00 p.m. Eastern Standard Time on the twentieth (20th) of the month.

RESERVED FOR FUTURE USE

THIRD PARTY SUPPLIER (TPS)  
(Continued)

NOMINATIONS FOR SERVICE

~~The TPS daily nominations shall consist of the ADDQ amount as provided by the Company, if applicable, plus an amount to meet their non-ADDQ Customers daily requirements. The TPS shall use its best efforts to match their daily nominations to ADDQ and non-ADDQ requirements for the Customers it serves. Failure to provide nominations may result in suspension of service to Customers of the offending TPS. In addition, TPS must identify interstate pipeline contract(s) on which deliveries will be made to the Company's distribution system on the Company's EBB conforming with NAESB cycles. Failure to comply with the Company's nominating procedures may result in curtailment of third party gas deliveries or additional monthly cash-outs. Company reserves the right to require daily balancing, and shall have the right to curtail service to ensure deliveries on a uniform basis and to correct any imbalances.~~

~~Company shall be entitled to retain at no cost to Company a percentage of the quantity of gas delivered by or for the account of Customer at each Receipt Point for transportation to Customer, as gas which shall be deemed to be an allowance for transportation shrinkage in the performance of service under each applicable Rate Schedule. Such percentage shall not be higher than 1.5% without prior approval of the Florida Public Service Commission. The Company shall have the right to adjust the percentage from time to time to reflect the actual operating experience of the Company and/or any change in the methodology used by Company to calculate the amount of gas deemed as transportation shrinkage. Upon request, Company shall furnish to Customer information to support any such adjustment to such percentage.~~

~~In making Nominations the TPS shall provide the following:~~

~~(1) — The pipeline company and the pipeline transportation contract identifiers under which gas deliveries will be made to the Company's distribution system.~~

~~(2) — The daily quantity of gas, expressed in MMBTU (Dekatherms), to be tendered at each receipt point, however the Company reserves the right to specify at which pipeline receipt point a TPS will deliver gas as a percentage of the TPS total monthly deliveries.~~

~~(3) — The estimated term of the nomination.~~

~~(4) — The name, address, and telephone number of a contact person that is available to receive communication from Company at any and all times and upon whose written and oral communications Company may exclusively rely.~~

RESERVED FOR FUTURE USE

THIRD PARTY SUPPLIER (TPS)  
(Continued)

NOMINATIONS FOR SERVICE (Continued)

(5) — Any additional information as may be required by the Company in order to perform its functions as a Delivery Point Operator on the pipeline transportation system.

If Customer's TPS fails to comply with provisions 1 through 5 above, Company may not schedule the commencement of service or change a prior nomination.

DAILY NOMINATION PENALTIES

The TPS shall deliver, or cause to be delivered, to the Company at the point(s) of receipt and receive, or cause to be received, from Company at the point(s) of delivery, on a uniform daily basis, that quantity of natural gas that has been Nominated for Service.

Except for conditions of Force Majeure or per prior agreement with the Company to modify nominations, on any day that the sum of the actual daily quantity of natural gas received by Company ("Actual Receipts") varies from the sum of daily quantities Nominated for Service during such day for transportation at the points of receipt (Scheduled Volumes) by more than ten percent of the Nominated Receipts, the Company may impose a penalty equal to Unauthorized Gas Use charge times the variance in excess of ten percent of the Nominated Receipts unless in its opinion the system or Customers receiving PGA service were not harmed as a result of the imbalance. The Company reserves the right to limit this imbalance to five percent upon twenty-four hours notice to the TPS representatives.

These charges are in addition to monthly cash-outs and any other imbalance charges and convey no rights to any quantities of gas to the TPS or its Customers. In the event of non-payment, these charges shall not be assessed to the TPS Customers by the Company. In addition, the Company shall not be required to continue to perform service for TPS Customers if their TPS fails to deliver adequate gas supplies per their daily nominations. The Company reserves the right to discontinue receipts from a TPS until the penalty is paid in full.

PIPELINE IMBALANCES AND CHARGES

Company and TPS recognize that Company may be subjected to imbalance charges from its interstate pipeline suppliers as a result of TPS's failure to deliver confirmed quantities of gas. In the event that Company is assessed penalties as a result of TPS's actions or omissions, TPS shall reimburse Company for such penalties as may be attributable to TPS's actions or omissions. The Company reserves the right to commingle and charge TPSs on a prorated basis, as determined by the Company, any pipeline charges related to transportation that are not readily identifiable to a specific TPS.



RESERVED FOR FUTURE USE

THIRD PARTY SUPPLIER (TPS)  
(Continued)

INDEMNIFICATION

~~As between the Company and TPS, TPS warrants that it has clear title to any gas delivered into the Company's system, and TPS shall be deemed to be in exclusive control and possession of gas prior to its delivery into the Company's system for redelivery to Customer. TPS agrees to indemnify, defend and hold harmless Company from any and all claims, suits or damage actions arising out of deliveries on behalf of a transporting Customer.~~

ALLOCATION OF SUPPLIES

~~Gas received by the Company from the TPS shall be allocated first to the GS classes being served under ADDQ in the order of increasing annual usage, then to NGV followed by the remaining GS classes in the order of increasing annual usage, then by KDS and lastly to FGS Customers.~~

DAILY AND MONTHLY CONTRACT BALANCING

~~Third Party Suppliers will be billed for all their Customers' balancing charges as follows:~~

a) ~~—~~ Daily Imbalance Charge

~~The Company shall, within the existing limitations of its system, provide for balancing between gas requirements and actual gas deliveries, net of an adjustment for Company Use and Unaccounted for Gas, received by the Company for the account of the Customers served by the TPS that day. The Company shall not be obligated to provide gas service during an hourly, daily or monthly period in excess of the levels specified in the Rate Schedules under which Customers of the TPS are served.~~

~~The Company reserves the right to require daily balancing on any other day in which the Company, in the exercise of its reasonable judgment, determines that such balancing is necessary for operational reasons. The Company will provide the TPS in all instances with at least twenty-four (24) hours advance notice that daily balancing will be imposed.~~

~~In the event that daily balancing is imposed in accordance with this section, TPS shall be assessed the following charges for daily imbalances:~~

|                 | <u>Imbalance *</u> | <u>Charge **</u> |
|-----------------|--------------------|------------------|
|                 | 0% to 5%           | \$0.00 per therm |
|                 | 5.1% to 10%        | \$0.10 per therm |
| Underdeliveries | > 10%              | \$0.50 per therm |
| Overdeliveries  | > 10%              | \$0.10 per therm |

RESERVED FOR FUTURE USE

THIRD PARTY SUPPLIER (TPS)  
(Continued)

DAILY AND MONTHLY CONTRACT BALANCING (Continued)

a) Daily Imbalance Charge (Continued)

~~\*The Company reserves the right to limit daily imbalances to plus or minus 5% of the actual quantity received. If the Company limits daily imbalances to plus or minus 5%, all underdeliveries in excess of 5% shall be considered Unauthorized Gas Use and shall be subject to the Unauthorized Gas Use charges.~~

~~\*\*The Company may suspend overdelivery charges if it determines such overdeliveries would be beneficial to the systems operation.~~

~~All TPSs will automatically be placed in a non-discriminatory daily balancing pool. The Company will aggregate the deliveries and receipts of gas of all TPS Customers participating in the pool for the purpose of determining whether imbalance charges will apply. In the event that charges are nonetheless assessed to certain TPSs, such charges will be no greater than the charges that otherwise would have been assessed if the Company did not have a daily balancing pool. TPSs trading imbalances will nonetheless have to set their own prices or methods by which over or under balances will be traded among individual TPSs.~~

b) Monthly Imbalance Cash-Out Charge

~~At the conclusion of every month, the Company will cash-out imbalances between TPS's deliveries and their Customers consumption made up of actual and or estimated volumes as follows:~~

| <u>Imbalance Level</u> | <u>Underdeliveries (1)<br/>Factor</u> | <u>Overdeliveries (2)<br/>Factor</u> |
|------------------------|---------------------------------------|--------------------------------------|
| 0 to 5%                | 1.00                                  | 1.00                                 |
| 5.1% to 20%            | 1.10                                  | 0.90                                 |
| > 20%                  | 1.20                                  | 0.80                                 |

~~The Company reserves the right to gross up Customer's total consumption for fuel loss at a rate not to exceed 1.5%.~~

~~(1) For underdeliveries the amount due to the Company shall be the Imbalance Quantity multiplied by the product of the corresponding Imbalance Level Factor and the applicable price per therm. The price per therm shall be the higher of the total GS-25k Sales Service rate or the monthly average spot price of gas delivered to Florida Gas Transmission at St. Helena Parish, as reported in Platts Gas Daily plus Florida Gas Transmission Company's transportation cost and fuel, if applicable. In the event that this price is no longer available or the basis upon which such price is reported or calculated in such publication changes substantively, Company will file to change its tariff and may, at its discretion, select a representative price in the interim period, subject to FPSC approval.~~

RESERVED FOR FUTURE USE

THIRD PARTY SUPPLIER (TPS)  
(Continued)

DAILY AND MONTHLY CONTRACT BALANCING (Continued)

b) Monthly Imbalance Cash-Out Charge (Continued)

~~(2) For overdeliveries the amount payable by the Company shall be the Imbalance Quantity multiplied by the product of the corresponding Imbalance Level Factor and the applicable price per therm. The price per therm shall be the Company's lowest supplier commodity rate applicable to the billing month in which the Customer over tendered gas to the Company, or the monthly average spot price for gas delivered to Florida Gas Transmission at Tivoli, as reported in Platts Gas Daily plus Florida Gas Transmission Company's transportation cost and fuel, if applicable. In the event that this price is no longer available or the basis upon which such price is reported or calculated in such publication changes substantively, Company will file to change its tariff and may, at its discretion, select a representative price in the interim period, subject to FPSC approval.~~

~~The offering of gas service above the 5% allowed imbalance for the month is at the sole discretion of the Company. If it determines that it cannot continue to provide such service or that it must limit such service, it will notify TPSs served under this Rate Schedule. The use of service above the level allowed by the Company after notification shall constitute Unauthorized Gas Use and shall be subject to the Unauthorized Gas Use charges specified in the Rules and Regulations section of this tariff.~~

CAPACITY ASSIGNMENT

~~TPSs will be required to obtain firm interstate pipeline capacity into the Company's distribution system at points designated by the Company at a quantity equivalent to their Customers' aggregate ADDQ. TPSs that do not demonstrate sufficient interstate firm capacity will be required to accept assignment of such capacity from the Company to the extent that it's available, and consistent with the capacity assignment process outlined in the Rules and Regulations Section 15 (Transportation — Special Conditions) section of the tariff.~~

~~Refer to Rules and Regulations Section 15 (Transportation — Special Conditions) for the terms associated with the Capacity Assignment process for TPSs.~~

TREATMENT OF REVENUE

~~All revenue produced under this Rate Schedule derived from any balancing charges or other revenue related to the recovery of gas costs, exclusive of applicable taxes and assessments, shall be credited to the Purchased Gas Adjustment Clause.~~

STANDARDS OF CONDUCT

~~In addition to the above terms and conditions, TPS' must agree to comply with any standards of conduct or other requirements set forth by the Florida Public Service Commission.~~

RESERVED FOR FUTURE USE

TRANSPORTATION SUPPLY SERVICE (TSS)

APPLICABILITY

~~Service is available to a TPS who signs a service agreement with the Company.~~

CHARACTER OF SERVICE

~~At the Company's discretion gas will be made available for this service only to the extent that such gas supplies can be incrementally purchased providing that Company facilities are suitable and gas supplies can be secured for this service. The Company reserves the right to interrupt this service upon two (2) hours notice at its sole discretion.~~

\*CHARGES

~~1. An Annual Service Charge of \$500 shall be assessed upon the initial request for this service. This charge will be reassessed for subsequent requests made after June 30 of any year.~~

~~2. A Daily Usage Charge of \$50.00 shall be assessed for each day this service is utilized.~~

~~3. The Commodity rate per therm for gas used shall be computed to be the higher of a) the PGA or b) the incremental cost of purchasing or producing said gas plus \$0.0750 per therm.~~

~~\*The charges set forth in this Rate Schedule will be adjusted for all other applicable Riders of this Tariff and any additional taxes, assessments or similar charges that are lawfully imposed by the Company.~~

TERMS OF PAYMENT

~~Bills are due upon receipt by the TPS and become delinquent if unpaid after expiration of twenty days from date of mailing or other delivery thereof by the Company.~~

SPECIAL CONDITIONS

~~1. Gas Supply: gas purchased for sale under this Rate Schedule shall not be included as part of the gas costs that are recoverable through the PGA Charge.~~

~~2. Balancing: gas supplied under this rate schedule shall be deemed a gas delivery by the TPS for purposes of applying the Daily and Monthly Contract Balancing terms of the TPS Rate Schedule.~~

RESERVED FOR FUTURE USE

TRANSPORTATION SUPPLY SERVICE (TSS)  
(Continued)

SPECIAL CONDITIONS (Continued)

~~3. Rules and Regulations: service under this Rate Schedule shall be subject to the Rules and Regulations set forth in the tariff, except to the extent modified under this Rate Schedule and / or in a service agreement.~~

RESERVED FOR FUTURE USE

OFF-SYSTEM SALES SERVICE (OSS)

AVAILABILITY

~~Throughout the service areas of Company, and of any interstate or intrastate gas pipeline serving the Company (collectively, the "Pipelines")~~

APPLICABILITY

~~Interruptible Gas delivered by Company through the facilities of a Pipeline, using Company's transportation capacity rights on such Pipeline, to any person not connected to Company's distribution system.~~

CHARGES

~~Customer Charge \_\_\_\_\_ None~~

~~Transaction Charge \_\_\_\_\_ \$100.00 per transaction~~

~~Commodity Charge \_\_\_\_\_ As set forth below~~

~~For all Scheduled Quantities (as such term is defined in Special Condition 4 below), the Commodity Charge per therm shall be established by agreement between Company and Customer prior to each transaction pursuant to this Rate Schedule.~~

~~The Commodity Charge for service pursuant to this Rate Schedule shall be determined by Company based upon Company's evaluation of competitive conditions. Such conditions may include, but are not necessarily limited to: the cost of gas which is available to service Customer; the delivered price and availability of Customer's designated alternate fuel; and the nature of Customer's operations (such as load factor, fuel efficiency, alternate fuel capacity, etc.). Company may from time to time increase or reduce the Commodity Charge as it deems necessary or appropriate to meet competition or remain competitive, but shall have not an obligation to do so.~~

~~The Commodity Charge per therm shall include, at a minimum, the cost per therm of the Gas delivered to Customer pursuant to this Rate Schedule, including all variable costs incurred by Company for (or in connection with) Pipeline transportation and all applicable taxes. Company's Purchase Gas Cost Recovery Adjustment Clause, Energy Conservation Cost Recovery Clause and Competitive Rate Adjustment Clause shall not apply to purchases of Gas made by Customer Pursuant to this Rate Schedule.~~

RESERVED FOR FUTURE USE

OFF-SYSTEM SALES SERVICE (OSS)  
(Continued)

SPECIAL CONDITIONS

~~1. Neither Customer nor Company shall have any obligation to other for any specific minimum quantity of Gas or pipeline capacity on any day or during any month, and deliveries pursuant to this Rate Schedule shall be subject to curtailment or interruption at any time in the sole discretion of Company.~~

~~2. Disposition of Net Revenues and Transaction Charges. For purposes of this paragraph "net revenues" shall equal the difference between the Commodity Charge and the cost of gas delivered to Customer inclusive of all taxes and adjustments. Fifty percent (50%) of all net revenues shall be retained by Company. The remaining fifty percent (50%) of such net revenues (and all Transaction Charges) shall be used to reduce Company's cost of gas recovered through the Purchased Gas Cost Recovery Adjustment Clause.~~

~~3. Interruption and Curtailment. Company may notify Customer at any time to reduce or cease using gas. Company will endeavor to give as much notice as possible to Customer. Any gas taken in excess of the volume allocated to Customer in an interruption or curtailment order shall be considered Unauthorized Gas Use. Company may bill and Customer shall pay for such unauthorized use per the charges in the Rules and Regulations - Unauthorized Gas Use section.~~

~~4. For each day on which Customer desires to receive service pursuant to this Rate Schedule, Customer shall provide a nomination to Company specifying the quantity of Gas it desires to receive at the specified point of delivery pursuant to this Agreement. Following receipt of a timely and complete nomination from Customer, Company will confirm the quantities of Gas to be made available for delivery to Customer at such point of delivery. Quantities confirmed by Company for delivery shall be "Scheduled Quantities".~~

~~5.1. The point of delivery for all gas sold pursuant to this Rate Schedule shall be the delivery point of the delivering Pipeline specified by Customer.~~

~~6.~~

~~Except as modified by the provisions set forth above, service under this Rate Schedule shall be subject to the Rules and Regulations set forth in this tariff.~~

POOL MANAGER RATE SCHEDULES  
POOL MANAGER SERVICE – (PMS)

Applicability:

The provisions of this Rate Schedule shall apply to each broker, marketer or other third-party supplier (collectively "Pool Manager") of natural Gas that wishes to act as Agents for the purpose of purchasing and scheduling natural Gas for Customers electing Transportation Services. Pool Managers desiring to provide service to Customers will be required to sign a Pool Manager Agreement in which they will agree to be bound by the terms and conditions of the Company's FPSC Gas Tariff.

Term of Contract:

The term of the Pool Manager Agreement shall be at least one (1) year and from month to Month thereafter unless terminated upon sixty (60) days written notice.

Creditworthiness:

1. All Pool Managers shall establish credit prior to commencing deliveries of Gas and shall maintain such credit during the term hereof. The amount of credit established by each Pool Manager will be equal to the greater of \$10,000 or an amount equal to Pool Manager's highest two months aggregated DDR for the most recent 24-month period multiplied by the applicable Transportation Service Provider's applicable rate schedule(s). Credit will be established by one of the following methods:
  - a. Payment of a cash deposit with Company;
  - b. Furnishing an irrevocable letter of credit from a bank;
  - c. Furnishing a surety bond issued by an entity acceptable to the Company;
  - d. Possessing and maintaining a Standard & Poor's Long-Term Debt Rating of A- or better, a Moody's rating of A3 or better, or a comparable rating by another nationally recognized rating organization acceptable to Company; or
  - e. Providing an acceptable parental or corporate guarantee.

If the Pool Manager seeks to establish credit pursuant to paragraph 1e above, Pool Manager shall furnish to Company Pool Manager's audited financial statements (accompanied by the opinion of and independent certified public accountants or chartered accountants of a recognized national or regional standing) for at least the two most recently completed fiscal years.

All Pool Manager deposits will be subject to an annual review by Company and will be adjusted and billed accordingly. The minimum deposit maintained by each Pool Manager will be \$10,000.



POOL MANAGER SERVICE – (PMS) - CONTINUED

Creditworthiness Continued

Upon meeting Company's standards for creditworthiness, Company will include Pool Manager on Company's list of Approved Pool Managers. Company shall not be required to permit any Pool Manager who fails to provide the above referenced documentation to sell natural Gas on Company's distribution system.

In the event that Pool Manager defaults in its payment obligation to Transportation Service Provider for capacity relinquished as defined below, Company upon receiving notification from Transportation Service Provider of such default shall immediately terminate Pool Manager Agreement with Pool Manager. Company will not be required to permit any Pool Manager who defaults in its payment obligation to Transportation Service Provider to sell natural Gas on Company's distribution system.

Capacity Relinquishment:

Pool Manager will be required to accept a Capacity Relinquishment as required in this Tariff. Failure to accept Capacity Relinquishment by Pool Manager may result in Curtailment of service to Customers being served by Pool Manager or termination of Pool Manager.

Supplying Gas for Delivery:

Pool Manager shall be responsible for purchasing the natural Gas to be delivered for Customers served by the Pool Manager and for causing the same to be delivered to the Company's City Gate(s). Pool Manager shall diligently and in a timely manner take all actions required under the General Terms and Conditions of Transportation Service Provider's FERC Tariff to effectuate such delivery of natural Gas.

Force Majeure:

Except for making payments due, neither the Company nor the Pool Manager shall be liable in damage to the other for any act, omission or circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, including any government-mandated quarantines associated therewith, landslides, lightning, earthquakes, fires, storms, floods, unforeseeable or unusual weather conditions, washouts, arrests and restraint of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, line freeze ups, temporary failure of Gas supply, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated, or otherwise, and whether caused or occasioned by or happening on account of the act or omission of Company or Customer or any other person or concern not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. A failure to settle or present any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered

POOL MANAGER SERVICE – (PMS) - CONTINUED

Force Majeure Continued

to be a matter within the control of the party claiming suspension.

Neither party will be entitled to the benefit of the force majeure provision hereof under either or both of the following circumstances: i) to the extent that the failure was caused by the party claiming suspension having failed to remedy the condition by taking all reasonable acts, short of litigation, if such remedy requires litigation, and having failed to resume performance of such commitments or obligations with reasonable dispatch; or ii) if the failure was caused by lack of funds, or with respect to the payment of any amount or amounts then due hereunder.

Aggregated Daily Demand Requirement:

Company will calculate the Pool Manager's aggregated Daily Demand Requirement by summing Pool Manager's Daily Demand Requirements, plus applicable Retainage, for each Customer being served by Pool Manager and rounding the total to the next greatest dekatherm. The Company will inform Pool Manager via e-mail of Pool Manager's aggregated Daily Demand Requirement by City Gate for the upcoming Month upon expiration of Company's enrollment deadline.

The Company shall assess the Pool Manager a per MMBtu charge equal to the maximum of \$15.00 or 200% of the otherwise applicable highest weekly overage Alert Day Price as is posted or otherwise would be calculated by Florida Gas Transmission Company for each day when delivery to Company by Pool Manager differs from Pool Manager's Pool(s) aggregated DCQ. The Company may waive this charge from time-to-time on a non-discriminatory basis.

Pool Manager Nominations

Each Pool Manager shall submit to Company first of the month scheduling and nomination information simultaneously with its submission to Transportation Service Provider(s). In addition, no later than the fifteenth (15<sup>th</sup>) of each month, Pool Manager may submit a mid-month nomination change for each Customer Pool. Pool Manager shall submit to Company, this scheduling and nomination information simultaneously with its submission to Transportation Service Provider(s).

Such Nomination shall include the following information:

1. The Customer, Shipper's Designee or Pool Manager's account number under which service is being nominated – "Del Loc" (Delivery Location);
2. The Company Receipt Point location including applicable POI and upstream pipeline name, package ID "Pkg ID" (Package ID), including Customer's or Pool Manager's Company account number "Dn K" (Downstream Contract), and quantity in Therms of Gas to be tendered at each Company Receipt Point "Nom Del Qty" (PM Delivery

POOL MANAGER SERVICE – (PMS) - CONTINUED

Pool Manager Nominations Continued

Quantity):

3. The downstream delivery facility name, and quantity in Therms of Gas to be delivered for each Company Customer account or Pool "Dn Name" (Duns Number);
4. A beginning and ending date for each Nomination;
5. Ranking for allocation "Del Rank" (Delivery Rank)

Only Nominations with clearly matching identifiers will be scheduled and subsequently delivered by Company.

Company shall be entitled to retain at no cost to Company a percentage of the quantity of Gas delivered by or for the account of Customer at each Company Receipt Point for transportation to Customer, as Gas which shall be deemed to be an allowance for transportation Retainage in the performance of service under each applicable Rate Schedule. Such percentage shall not be higher than 1.5% without prior approval of the Florida Public Service Commission.

Capacity Exceeding Released Quantities:

If Pool Manager's Customer Pool's aggregated DDR is greater than Pool Manager's Customer Pool's aggregated DCQ, Pool Manager shall be responsible for taking such actions as are required to obtain sufficient Transportation Service Provider capacity to meet its Customer Pool requirements, such additional quantities shall be equal to Pool Manager's Customer Pool's DDCV. Pool Manager may acquire such Transportation Service Provider capacity quantities from any source.

Pool Manager Warranty:

Each Pool Manager warrants that it will have at the time it delivers or causes the delivery of natural Gas into the Company's distribution system good title to deliver the Gas. Each Pool Manager warrants that the natural Gas it delivers or causes to be delivered shall be free and clear of all liens, encumbrances, and claims whatsoever; that it will indemnify the Company and hold it harmless from all suits, actions, debts, losses and expenses arising from any adverse claims of any person to the natural Gas; and that it will indemnify the Company and hold it harmless from all taxes or assessments which may be levied and assessed upon such delivery and which are by law payable by the party making delivery.

Responsibility for Natural Gas:

The Company and the Pool Manager shall be jointly and severally liable for the natural Gas while it is in the Company's distribution system between Company's City Gate(s) and the point of delivery to the Customer. The Pool Manager shall be solely liable for the natural Gas until it is delivered to Company's City Gate(s). The party or parties thus responsible for the natural Gas shall bear liability for all injury or damage caused thereby. Notwithstanding anything to the contrary stated herein, a Pool Manager shall indemnify the Company for all injury, damage, loss, or liability of the Company caused by Pool Manager's delivery of natural Gas not complying with the Natural Gas Quality Section of this Tariff.

POOL MANAGER SERVICE – (PMS) - CONTINUED

Natural Gas Quality:

All-natural Gas delivered, or caused to be delivered, into Company's distribution system by or on behalf of a Pool Manager will be merchantable and shall conform to the natural Gas quality specifications set forth in the "Quality of Gas" section of this Tariff.

Billing:

The Company shall render to a Pool Manager on or before the 20<sup>th</sup>-calendar day of each Month a bill for Pool Manager's monthly Customer Charge and for all imbalance charges as defined in Billing Adjustments during the preceding Month.

Payment:

Pool Manager shall pay the Company the amount due under any bill from the Company within ten (10) days after receipt by the Pool Manager of the bill from the Company. The Company may at its option require the Pool Manager to make payment of any bill by electronic transfer within such ten (10) day period. Any bill not paid within such ten (10) day period shall bear interest at the rate of one and one-half percent (1.5%) per Month.

Billing Disputes:

Pool Manager may dispute the amount of any bill by notifying the Company within sixty (60) days of receipt by the Pool Manager of the bill from the Company. If a Pool Manager in good faith disputes the amount of any bill, the Pool Manager shall nevertheless pay to the Company the amount of such bill. Company shall have thirty (30) days to resolve such disputes with Pool Manager and will refund to Pool Manager any amount resolved in favor of Pool Manager within ten (10) days of such resolution.

Standards of Conduct:

In addition to the above terms and conditions, Pool Managers must agree to comply with any standards of conduct or other requirements set forth by the FPSC.

Termination of Service:

Pool Manager will be responsible for providing Company with a duly executed CI Pool Manager Customer Termination Notice (See Sheet No. 93) not less than thirty (30) Working Days prior to the Pool Manager's desired date for termination of service to Customer.

**SHIPPER ADMINISTRATIVE SERVICE - (SAS)**

Availability:

Throughout the Service Areas of the Company.

Applicability:

Service under this Rate Schedule is mandatory for all CI Pool Managers, delivering, or causing to be delivered, Gas to the Company's distribution system for transportation to Customers.

Monthly Rate:

CI Pool Administration Charge:

Space Coast and South Florida Service Areas: \$400.00 per pool

Per Customer Charge:

Space Coast and South Florida Service Areas \$6.21 per Customer

Minimum Charge:

The CI Pool Administration Charge.

**OFF SYSTEM SALES SERVICE – 1 – (OSSS-1)**

Availability:

Available within areas served by the Company, and within the area served by an interstate or intrastate natural Gas pipeline also serving the Company.

Applicability:

Interruptible Natural Gas, interstate or intrastate pipeline capacity releases, or delivered natural Gas capacity and supply combined, released or delivered by Company through the facilities of a Transportation Service Provider, using Company's transportation capacity rights on such Transportation Service Provider's pipeline, to any person not connected to Company's distribution system.

This rate schedule is applicable to both bundled and unbundled gas service, i.e., interstate or intrastate pipeline capacity only that is released by Company pursuant to Transportation Service Provider's FERC gas Tariff as well as interstate or intrastate pipeline capacity that is bundled with natural gas supply and is subsequently delivered by the Company to Customer.

Limitation of Service:

Company may notify Customer at any time to reduce or cease using Natural Gas. Company will endeavor to give as much notice as possible to Customer.

Any Gas taken in excess of the volume allocated to Customer during an interruption or Curtailment order shall be considered to be unauthorized overrun Gas. Company may bill and Customer shall pay for such unauthorized overrun Gas, in addition to other charges payable hereunder, at the greater of \$1.50 per Therm or the rate per Therm imposed on Company by the delivering Pipeline.

For each day on which Customer desires to receive service pursuant to this rate schedule, Customer shall provide a Nomination to Company specifying the quantity of Natural Gas it desires to receive at the specified point of delivery pursuant to this Agreement. Following receipt of a timely and complete Nomination from Customer, Company will confirm the quantities of Natural Gas to be made available for delivery to Customer at such point of delivery. Quantities confirmed by Florida Public Utilities Company for delivery shall be "Scheduled Quantities".

Except as nominated by Customer and scheduled by Company, neither Customer nor Company shall have any obligation to the other for any specific minimum quantity of Natural Gas or pipeline capacity on any day or during any Month. Deliveries pursuant to this rate schedule shall be subject to Curtailment or interruption at any time in the sole discretion of Company.

The point of delivery for all-natural Gas sold pursuant to this rate schedule shall be the Delivery Point of the delivering Pipeline specified by Customer. The Delivery Point operator shall be

OFF SYSTEM SALES SERVICE - 1 – (OSSS-1) - CONTINUED

Limitation of Service Continued

solely responsible for all balancing with the Pipeline, financially and physically.

Customer and Company shall rely on measurement made by the Pipeline. Unless curtailed, all Nominations to Customer's Transportation Service Provider's Delivery Point shall be considered to have been made by the Transportation Service Provider.

Character of Service:

Natural Gas or its equivalent, with an approximate average heating value of in the range of one thousand one hundred (1,000) to one thousand one hundred (1,100) British Thermal Units per standard cubic foot.

Monthly Rate:

Customer Charge: \_\_\_\_\_ None

Non-Fuel Energy Charge:

For all Scheduled Quantities, an amount not less than \$.000 per Therm, which Non-Fuel Energy Charge shall be established by agreement between Company and Customer prior to each transaction pursuant to this rate schedule.

The Non-Fuel Energy Charge for service pursuant to this rate schedule shall be determined by Company based upon Company's evaluation of competitive conditions. Company may from time to time increase or reduce the Non-Fuel Energy Charge as it deems necessary or appropriate to remain competitive but shall have no obligation to do so; provided, however, that the Non-Fuel Energy Charge shall at all times remain within the limits set forth above.

The bill for Therms billed at the above rates shall be increased by the agreed upon price per Therm of the Natural Gas delivered to Customer pursuant to this rate schedule, including all costs incurred by Company associated with Transportation Service Provider transportation.

This rate schedule shall not be adjusted by the Company's Purchased Gas Cost Recovery Clause.

Transportation

Administration Charge: \_\_\_\_\_ Not applicable

Minimum Bill: \_\_\_\_\_ Not applicable

Terms of Payment:

Bills are rendered net and are due and payable within ten (10) calendar days of receipt of invoice from Company.

OFF SYSTEM SALES SERVICE - 1 – (OSSS-1) - CONTINUED

Billing Adjustment:

Purchased Gas Cost Recovery Factor: Not applicable to this rate schedule.

All other Billing Adjustments: Riders A through E may apply

Term of Service:

As mutually agreed between Company and Customer.

Terms and Conditions:

Service under this rate schedule is subject to the Company's Rules and Regulations applicable to gas service.

Disposition of Net Revenues:

For purposes of this rate schedule "net revenues" shall mean the total Non-Fuel Energy Charges received by Company for service pursuant to this rate schedule, revenues received by Company for Natural Gas above the cost of Natural Gas to the Company and revenues received by Company for pipeline demand charges above the prevailing rates for like period(s) as negotiated by Pipeline Customers via the Transportation Service Provider's Relinquishment program on its Electronic Bulletin Board system. Disposition of net revenues received by Company during each Month that service is provided pursuant to this rate schedule shall be as follows:

Fifty percent (50%) of the net revenues shall be retained by Company. The remaining fifty percent (50%) of the net revenues shall be used to reduce Company's cost of Natural Gas recovered through the Purchased Gas Cost Recovery Factor Clause.



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**FLEXIBLE GAS SERVICE – (FGS)**

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Objective:

The objective of this Rate Schedule is to enable the Company the opportunity to compete in markets where natural gas service is not a monopoly service.

This Tariff provides the Company with both the opportunity and risk to compete in these markets. It is designed to increase load by working with Customers with regard to the specific terms and conditions of service.

This Tariff places the Company's shareholders at risk, not the general body of ratepayers (see rate-making treatment).

Applicability:

This service is available at the Company's option to Customer(s) meeting the applicability standards, which include: (1) the Customer must provide the Company with a viable economic energy alternative including verifiable documentation of Customer alternative, and (2) the Company must demonstrate that this new Customer will not cause any additional cost to the Company's other rate classes. The Company is under no obligation to grant service under this Tariff. Absent a service agreement with the Company under this rate schedule, Customers are under no obligation to accept service under this rate schedule and may elect to receive service under other applicable Tariff rate schedules.

Terms of service under this rate schedule, including pressure, capital repayment, operating conditions and length of service are separately set forth in individual agreements between the Company and the Customers.

Monthly Rate:

The rate will be developed based on economic market conditions at the time gas service is requested. The rate shall not be set lower than the incremental cost the Company incurs to serve the Customer.

Confidentiality:

The Company and Customer each regard the terms and conditions of the negotiated service agreement as confidential, proprietary business information.

The Company and Customer agree to utilize all reasonable and available measures to guard the confidentiality of said information, subject to requirements of courts and agencies having jurisdiction hereof.

In the event either party is asked to provide the information by such a court or agency, it will promptly inform the other of the request, and will cooperate in defending and maintaining the confidentiality of the information.

This provision shall not prohibit or restrict the FPSC from reviewing the service agreement in the performance of its duties, but the FPSC shall treat the service agreement as a confidential document.

**FLEXIBLE GAS SERVICE – (FGS) - CONTINUED**

Rate-Making Treatment:

To the extent that the Company enters into Flexible Gas Service agreements with Customers, the Company is at risk for the capital investment necessary to serve the Flexible Gas Service Tariff Customers, not the general body of ratepayers.

Rate Base:

In the case of providing service to a new Customer under this Tariff, the Company will identify the incremental capital costs, including construction work-in-progress, required to provide service to the Customer. In this instance, the Company will separately account for all such costs, excluding them from rate base.

Where the Customer is served from the Company's existing distribution system, a portion of the net book value of common distribution facilities, including Mains and measuring and regulating stations, reflecting the Customer's distance from the nearest point on an Interstate Gas Pipeline and the size of pipe required to serve that Customer's peak demand for Gas shall be removed from rate base.

In the case of transferring an existing Customer to this Tariff, in addition to excluding all incremental capital costs and common distribution facilities from rate base, the net book value of Mains, Service Lines, and metering equipment that were specifically installed to serve the particular Customer shall be removed from rate base.

Operating, Maintenance and Administrative Expenses:

The Company will specifically identify all incremental costs, if any, associated with the Flexible Gas Service Tariff Customer. These expenses will primarily be related to the incremental capital required to serve the Customer. In addition, the Company will allocate embedded costs including general distribution and maintenance, Meter reading, Customer billing and accounting, sales, and administrative expenses.

Operating, Maintenance, and Administrative Expenses Continued

The Company will specifically identify all incremental costs, if any, associated with the Flexible Gas Service Tariff Customer. These expenses will primarily be related to the incremental capital required to serve the Customer. In addition, the Company will allocate embedded costs including general distribution and maintenance, meter reading, Customer billing and accounting, sales, and administrative expenses. In future rate cases and earnings surveillance reports, the Company will exclude all operating, maintenance, and administrative costs related to this Tariff as determined by this methodology.

Depreciation and Amortization Expenses:

The Company will exclude all depreciation and amortization expenses related to this Tariff in future rate cases and in its earnings surveillance report. Depreciation and amortization expenses may be incremental and/or allocated and will be determined based on the rate base allocated to each Customer under this Tariff as defined above.

**FLEXIBLE GAS SERVICE – (FGS) - CONTINUED**

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Revenue and Related Taxes:

Revenues related to this Tariff will be excluded from regulated revenues. In filing earnings surveillance reports, the Company will remove actual revenues related to this Tariff, as well as revenue related taxes and income taxes from its calculation of FPSC adjusted rate of return.

All cost allocation related to this Tariff shall remain subject to FPSC audit.

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**INDEX OF STANDARD FORMS**

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A. TRANSPORTATION SERVICE AGREEMENT

FLORIDA CITY GAS  
TRANSPORTATION SERVICE AGREEMENT

This Agreement entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Florida City Gas, herein after referred to as "Company" and:

Company Name: \_\_\_\_\_  
Account Number: \_\_\_\_\_  
Contact Person & Title: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

\_\_\_\_\_ Herein referred to as "Customer."

WITNESSETH:

Subject to the terms and conditions contained herein, Company agrees to sell or deliver and Customer agrees to purchase or pay for services required by Customer under Company's Rate Schedule \_\_\_\_\_.

Term of Agreement

Service under this Agreement shall commence on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, or on the first day following the date the Company completes the installation of necessary Mains, meters, and other essential equipment to service the Customer, whichever is later. This Agreement will remain in effect for an initial term of year(s) beginning with the commencement of service by the Company, and thereafter from year to year. At any time after the initial term, either party may terminate this contract by giving written notice of termination (specifying a termination date at the end of such contract year or any contract yearly period thereafter) upon at least sixty (60) days prior notice.

Duly Constituted Authorities

The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the FPSC.

Tariff for Gas Service

All terms and conditions set forth in Company's FPSC Tariff are incorporated herein by reference. All services are subject to the Rules and Regulations of Company's FPSC Tariff and more specifically by the conditions contained in the Rate Schedule elected herein. Copies of

A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED

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Company's FPSC Tariff are available for public reference during normal business hours at each of the Company's natural Gas offices.

Type of Service

The service contemplated hereunder is of an Industrial or commercial character and Company does not guarantee it to be free from interruption or that the chemical composition or specific gravity of the Gas delivered may not vary from time to time. The Customer agrees to provide and maintain suitable safety and control equipment on Customer's facilities and equipment and to use only equipment of a character to ensure safe utilization of Gas sold or delivered hereunder. In case the supply of Gas is interrupted by any cause, Company shall not be held liable for damages on account of such interruption or any consequences resulting there from or from the restoration of service thereafter.

Full Requirements

Customer agrees Customer shall transport all of their natural gas quantity requirements through Company's distribution system. Regulated Sales Service shall not be available from the Company.

Responsibility and Liability

The Company and Customer do respectively assume full liability for the maintenance and operation of facilities operated by each party. Each party shall indemnify and save harmless the other from any and all loss or damage sustained, and from any and all liability including injury to persons and property insured, arising from any act or accident in connection with the installation, presence, maintenance and operation of facilities operated by the indemnifying party unless the same shall be due to the sole negligence of the other party, its agents, employees, contractors, guests or invitees.

Notices

All correspondence and notices required under this Agreement, except notice of Gas supply interruption or restoration of service are to be addressed at the above listed address or e-mail address and to Company at Florida City Gas, Energy Logistics Department PO Box 960, Winter Haven, Florida 33882. Notices with respect to interruption or restoration of deliveries of Gas shall be sufficient if given by Company, at the Company's option, in writing or orally in person or by telephone to the person or one of the persons designated from time to time by Customer as authorized to receive such notice. If Customer shall not have made such designation or, if made, Company is unsuccessful in its effort promptly to establish communication with the person or one of the persons so designated then in any such event, said notice shall be sufficient if given by Company to any person or persons who are on said premises

A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED

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or who answer Customer's telephone.

Customer Designation of Pool Manager

Customer shall designate a Pool Manager from Company' List of Approved Pool Managers on Company's website. Customer shall deliver a Letter of Authorization with a duly authorized signature acknowledging such election to the selected Pool Manager.

Point of Receipt and Point of Delivery

ITS Customers or Customer's Designee will cause Customer's natural Gas to be delivered to Company's Point of Receipt as specified in Exhibit A. Customer has requested and Company agrees to receive and transport Customer's natural Gas from the Company's Point of Receipt to the Customer's Point of Delivery as specified in Exhibit A.

Election of Service Level

ITS Customers will elect a Maximum Daily Contract Quantity ("MDCQ") by Month in Exhibit A. If applicable, Customer's Pool Manager will be required to accept a capacity Relinquishment in a quantity equal to the Maximum Daily Contract Quantity elected by Customer.

Monthly Minimum Bill Quantity (Applicable Rate Schedules)

Customers who are served under certain specific rate schedules requiring minimum monthly billing quantities and ITS Customers agree to purchase or receive from Company and Company agrees to sell or deliver to Customer the monthly minimum bill quantity of natural Gas at the Point of Delivery as listed in Exhibit A.

Miscellaneous Provisions

(A) No agent or employee of Company has any power to amend or waive any of the provisions of this Agreement or to make any promise or representation contrary to, or inconsistent with, the provisions hereof. (B) This Agreement with portions included by reference constitutes the entire contract between the parties. (C) This Agreement shall not be binding upon Company until approved and accepted on its behalf by one of its executive officers in the space provided below, and thereafter shall bind and benefit the parties hereto, their successors and assigns.

Delivery Pressure

The Company shall endeavor to deliver Gas to Customer at the Point of Delivery at a pressure of not less than p.s.i.g.

**A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED**

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Bills for Service

Bills and payments shall be rendered in accordance with the Rules and Regulations section of the Company's currently effective FPSC Tariff.

Assignment

Customer shall not assign this Agreement or any portion hereof, or any of its rights and obligations under this Agreement without the express written permission of the other party.

Headings and Captions

The headings and captions in this Agreement are for convenience and shall not constitute a part of the Agreement or be considered interpretive of the Agreement.

Performance

The failure of either Party to insist upon strict performance of any provision of this Agreement shall not constitute a waiver of or estoppel against asserting the right to require such performance in the future, nor shall a waiver or estoppel in any one instance constitute a waiver or estoppel with respect to a later breach of a similar nature or otherwise.

Governmental Agencies

Governmental agencies that are Customers under this Agreement may attach a Rider detailing matters that are required to be included by such agencies pursuant to Florida Law. The Rider is to be prepared at Customer's expense and submitted in duplicate as an attachment to this Agreement.

Interpretation

This Agreement shall be interpreted, construed, and governed by the laws of the State of Florida, without regard to principles of conflict of law.

Settlement of Disputes

The parties desire to resolve disputes arising out of this Agreement without litigation. Accordingly, except for any 1) dispute which is subject to the exclusive jurisdiction of the Florida Public Service Commission, 2) action seeking a restraining order or an injunction related to the purposes of the Agreement, and 3) suit to compel compliance with this dispute resolution process, the parties agree to use the following dispute resolution procedure as their



**A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED**

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sole remedy with respect to any controversy or claim arising out of or relating to this Agreement or it's breach.

At the written request of a party, each party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising under this Agreement. The parties intend that these negotiations be conducted by non-lawyer, business representatives. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as confidential information developed for the purposes of settlement, exempt from discovery and production, which shall not be admissible in the arbitration described below or in any lawsuit without the concurrence of all parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise admissible, be admitted in evidence in the arbitration or lawsuit.

If the negotiations do not resolve the dispute within sixty (60) days of the initial written request, the dispute shall be submitted to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. A party may demand such arbitration in accordance with the procedures set out in those rules. Discovery shall be controlled by the arbitrator and shall be permitted to the extent set out in this section. Each party may submit in writing to a party, and that party shall so respond to, a maximum of thirty-five (35) (none of which may have subparts) of the following: interrogatories, demands to produce documents, or requests for admission. Each party is also entitled to take the oral deposition of one individual of another party. Additional discovery may be permitted upon mutual agreement of the parties. The arbitration hearing shall commence within sixty (60) days of the demand for arbitration. The arbitration shall be held in West Palm Beach, Florida for West Palm Beach Customers and in Debarry, Florida for Mid-Florida Customers. The arbitrator shall control the scheduling so as to process the matter expeditiously. The parties may submit written briefs. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) days after the close of hearings. The times specified in this section may be extended upon mutual agreement of the parties or by the arbitrator upon a showing of good cause. Judgement upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

Each party shall bear its own costs of these procedures. A party seeking discovery shall reimburse the responding party the costs of production of documents (including search time and reproduction costs). The parties shall equally split the fees of the arbitration and the arbitrator.

The venue for any action at law or in equity, commenced by either party against the other and arising out of or of in connection with this Agreement, shall be in Palm Beach County, Florida.

A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED

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IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed  
the day and year first written above.

Attest:

Florida City Gas

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Attest:

CUSTOMER:

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

A. TRANSPORTATION SERVICE AGREEMENT - CONTINUED

EXHIBIT A  
TO THE TRANSPORTATION SERVICE AGREEMENT BY AND BETWEEN FLORIDA CITY  
GAS

AND \_\_\_\_\_

CAPACITY RELEASE QUANTITIES – MMBTUS PER DAY

|                  |                  |                  |
|------------------|------------------|------------------|
| <u>JAN</u> _____ | <u>FEB</u> _____ | <u>MAR</u> _____ |
| <u>APR</u> _____ | <u>MAY</u> _____ | <u>JUN</u> _____ |
| <u>JUL</u> _____ | <u>AUG</u> _____ | <u>SEP</u> _____ |
| <u>OCT</u> _____ | <u>NOV</u> _____ | <u>DEC</u> _____ |

TRANSPORTATION SERVICE PROVIDER \_\_\_\_\_

POI Number \_\_\_\_\_

COMPANY'S RECEIPT POINT

Customer shall deliver natural Gas to Company at:

\_\_\_\_\_  
Point Name

COMPANY'S DELIVERY POINT

Company shall deliver natural Gas to Customer at Company owned Meter located at:

\_\_\_\_\_  
Customer's Service Address, City, State, Zip code

MONTHLY MINIMUM BILL QUANTITY (THERMS), IF APPLICABLE

**B. ITS SHIPPER DESIGNEE FORM**

(Add)



**ITS or OS-DPO  
Shipper Designee Form**

\_\_\_\_\_ (“Shipper”) hereby notifies Florida City Gas (“Company”) that \_\_\_\_\_ (“Designee”) as its Agent to perform the following identified (i.e., marked with an “X”) obligations of Shipper as provided by the Company Tariff and the OS-DPO Shipper Agreement:

- |   |   |
|---|---|
| <input type="checkbox"/> <u>Invoice/Payment</u> | <input type="checkbox"/> <u>Monthly Imbalance Resolution</u>  |
| <input type="checkbox"/> <u>Nominations</u>     | <input type="checkbox"/> <u>Operator Order Responsibility</u> |

Shipper, Designee, and Company hereby agree, for all purposes relating to the functions identified above, that:

1. The designation by Shipper of Agent as Shipper’s Agent shall be effective as of the beginning of the day commencing on \_\_\_\_\_.
2. Communications by Company to Designee shall be deemed to be notice to Shipper. Company has the right to rely on any written or verbal communication from Designee.
3. Designee shall perform the functions identified above in a manner consistent with Company’s Tariff on file with the Florida Public Service Commission (FPSC), as the same may be amended from time to time.
4. Shipper shall remain liable to Company (a) with respect to any act or omission of Designee in the performance of the functions identified above and, (b) for all charges arising from services provided to Shipper by Company as provided by Company’s FPSC Tariff and/or OS-DPO Shipper Agreement. Shipper shall indemnify, hold harmless and defend Company from and against any and all acts or omissions of Designee.

B. ITS SHIPPER DESIGNEE FORM - CONTINUED

| <u>SHIPPER INFORMATION</u><br><u>(Full Company Legal Name)</u> | <u>DESIGNEE INFORMATION</u><br><u>(Full Company Legal Name)</u> |
|--|---|
| <u>SHIPPER:</u>  | <u>DESIGNEE:</u>  |
| <u>DUNS NO:</u>  | <u>DUNS NO:</u>   |
| <u>COMPANY ACCOUNT NO.</u>                                     | <u>COMPANY ACCOUNT NO.</u>                                      |
| <u>MAILING ADDRESS:</u>  | <u>MAILING ADDRESS:</u>   |
| <u>CITY:</u>   | <u>CITY:</u>  |
| <u>STATE AND ZIP CODE:</u>                                     | <u>STATE AND ZIP CODE:</u>                                      |
| <u>CONTACT PERSON:</u>   | <u>CONTACT PERSON:</u>  |
| <u>TELEPHONE:</u>  | <u>TELEPHONE:</u>   |
| <u>E-MAIL:</u>   | <u>E-MAIL:</u>  |

For Shipper:

For Designee:

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

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

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

Accepted for Company

By: \_\_\_\_\_

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

**C. CI POOL MANAGER – CUSTOMER TERMINATION NOTICE**

(Add)



**CI Pool Manager – Customer Termination Notice**

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

**CI Pool Manager:** \_\_\_\_\_

CI Pool Manager provides notice to Florida City Gas ("Company") that Gas supply service to the following Customer shall be terminated as provided by Company's FPSC Tariff:

**Customer Name:** \_\_\_\_\_

**Service Location:** \_\_\_\_\_

**Customer Account No:** \_\_\_\_\_

**Effective Date of Termination:**  
\_\_\_\_\_

*Note: A separate termination notice must be provided for each Company account.*

A copy of this notice may be provided to the above listed Customer by Company. CI Pool Manager is responsible for providing notice to Customer of its Gas supply service termination.

**Executed for CI Pool Manager:**

**By** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Accepted by Company:** \_\_\_\_\_

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

**D. LETTER OF AUTHORIZATION**

(Add)



Florida City Gas  
Attn: Energy Logistics Department  
208 Wildlight Avenue  
Yulee, Florida 32097

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

**Florida Choice Aggregated Transportation Agreement**  
**Letter of Authorization ("LOA")**

Full legal name: \_\_\_\_\_

Address: \_\_\_\_\_

City/St/Zip: \_\_\_\_\_ E-mail: \_\_\_\_\_

Phone: \_\_\_\_\_

Contact name: \_\_\_\_\_ Title: \_\_\_\_\_

Account number – one per LOA: \_\_\_\_\_

Billing address: \_\_\_\_\_

If different from above

City/St/Zip \_\_\_\_\_

Service Area: FCG – Space Coast \_\_\_\_\_ FCG – South Florida \_\_\_\_\_

This letter constitutes a formal request by the undersigned, "Customer," for Transportation Service pursuant to Florida City Gas's, as applicable (the "Company" or "FCG") provisions of the Company's Tariff, on file with the Florida Public Service Commission, as the same may be amended from time to time (the "Tariff") for the above account number(s).

Pool Manager: \_\_\_\_\_

Issued by: Jeffrey Sylvester, Chief Operating Officer  
Florida City Gas

Effective:

**D. LETTER OF AUTHORIZATION - CONTINUED**

---

- Customer authorizes Company to release to the Pool Manager named above, the twelve-Month historic Gas usage for the above account number(s).
- Customer has entered, or intends to enter, into one or more agreement(s) with Pool Manager providing for Pool Manager's delivery of the Gas purchased by Customer from or through Pool Manager to Company. Delivery of the Gas takes place pursuant to a separate CI Pool Manager Agreement between Company and Pool Manager (the "Pool Manager Agreement").
- Provided the Pool Manager Agreement is in effect at the time Gas is tendered to Company by or on behalf of Pool Manager for Customer's account(s) listed above, Company will transport Gas delivered for such account(s) pursuant to the applicable provisions of Company's Tariff.
- Subject to the terms of this Agreement, this service shall continue until the Customer, Pool Manager or Company gives written notice to the others of termination of this agreement. If this Agreement is terminated for any reason as it applies to Gas to be delivered for Customer's account(s), and Customer has not executed a service contract with another Pool Manager, Company has the right to immediately reassign Customer to Company's regulated sales service Pool.
- In the event the Pool Manager terminates its agreement with the Customer, the Customer may select a new Pool Manager.
- CI Customer understands that it is responsible for the payment of all bills rendered to Customer by Pool Manager, and that each Pool Manager's bill for Gas purchased by Customer will be rendered separately from Company's CI Customer's bill(s) for Transportation Service. It is the Customer's obligation to make payments to the Company (or to an Authorized Payment Agent of the Company) of all bills rendered. Payment by a Customer to a third-party (including a third-party Gas supplier) which has not been designated by Company as an Authorized Payment Agent will not satisfy the Customer's obligation to make payment of Company's bill for Transportation service.
- The undersigned Pool Manager agrees that it will keep confidential, and not use or disclose to any person not named herein, information released pursuant to the above authorization, or information received from the above Customer, except to the extent necessary to deliver Gas to Company for transportation to the above Customer account(s), or as may be required by law (in which case Pool Manager will provide notice to Company prior to making such disclosure).



**D. LETTER OF AUTHORIZATION - CONTINUED**

---

Customer: \_\_\_\_\_

Pool Manager: \_\_\_\_\_

Print name: \_\_\_\_\_

Print name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**Pool Manager agrees to maintain the original copy of this LOA and present it upon  
Company request.**

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**D. LETTER OF AUTHORIZATION - CONTINUED**

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**Letter of Authorization**  
**Attachment "A"**  
**If Enrolling Additional Active Company Locations**

Please provide the following information for each location.

DBA: \_\_\_\_\_

Customer's Initials: \_\_\_\_\_

Service Address: \_\_\_\_\_

Billing Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Account No. \_\_\_\_\_

The above information can be duplicated for multiple locations.

E. REQUEST TO RETURN TO REGULATED SALES SERVICE

(Add)



REQUEST TO RETURN TO REGULATED SALES SERVICE

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

Customer Name: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Account Number: \_\_\_\_\_

This will serve as notice to Florida City Gas that the above Customer requests to return to Regulated Sales Service on \_\_\_\_\_, which does not predate the date of this notice. Customer can provide this Notice via email to [cfggascontrol@chpk.com](mailto:cfggascontrol@chpk.com) or other email as designated by Company.

A COPY OF THIS NOTICE WILL BE FORWARDED TO POOL MANAGER UPON APPROVAL BY COMPANY.

CUSTOMERS' ACCOUNTS THAT RETURN TO REGULATED SALES SERVICE WILL BE SUBJECT TO A SECURITY DEPOSIT REVIEW AND SUBSEQUENTLY CHARGED ANY ADDITIONAL DEPOSIT REQUIREMENTS TO THEIR ACCOUNT.

EACH PERSON WHOSE SIGNATURE APPEARS BELOW, represents, and warrants that he or she has authority to bind the party on whose behalf he or she has executed this document.

\_\_\_\_\_  
Customer Signature

\_\_\_\_\_  
Company Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

F. OFF SYSTEM SALES LETTER AGREEMENT

OFF SYSTEM SALES LETTER AGREEMENT

Date \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

City, State, Zip Code \_\_\_\_\_

Dear \_\_\_\_\_,

As was verbally requested by \_\_\_\_\_ on \_\_\_\_\_  
20 \_\_\_\_\_ ("Customer") desires to purchase up to  
\_\_\_\_\_ MMBtu per day of natural Gas, pipeline capacity and / or delivered natural Gas  
from Florida City Gas ("Company") for the term beginning \_\_\_\_\_, 20 \_\_\_\_\_ and  
ending \_\_\_\_\_, 20 \_\_\_\_\_. Company is will and able to deliver such quantity of  
natural Gas directly to Customer for the specified term pursuant to Company's Rate Schedule  
OSSS-1 a copy of which is attached here to and becomes part hereof and under the terms and  
conditions of this agreement. Company will purchase gas supply and/or release Transportation  
Service Provided interstate pipeline capacity for necessary quantities of Gas supply and  
capacity and, if applicable nominate the necessary quantity of transportation capacity at Receipt  
and Delivery Points on the interstate pipeline system of \_\_\_\_\_ in order to  
effectuate this transaction. This Letter Agreement expresses the mutual understanding of  
Company and Customer with respect to the terms to apply to such deliveries of natural gas.

In consideration of the mutual benefits set forth herein, this Letter Agreement is being made and  
entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_, between Company and Customer, in  
accordance with the following terms and conditions:

**1. Daily Delivery Quantity:**

Customer shall make a reasonable effort to nominate supplies evenly throughout the  
term of this Agreement, subject to the requirements of Transportation Service Provider's  
Tariff, including but not limited to Nomination changes for monthly balancing, "Alert  
Days", and plant operations. The Daily Delivery Quantity may be changed by mutual  
agreement of the parties.

Issued by: Jeffrey Sylvester, Chief Operating Officer  
Florida City Gas

Effective:

**F. OFF SYSTEM SALES LETTER AGREEMENT - CONTINUED**

**2. Term:**

Company shall arrange for the delivery of the Daily Delivery Quantity of natural Gas purchased by Customer under this Letter Agreements during the above referenced term; after which this Letter Agreement shall continue in force thereafter subject to termination by either party on fifteen (15) days' notice.

**3. Delivery Point:**

Company shall deliver all-natural Gas under this letter Agreement directly to Customer's Delivery Point number(s) \_\_\_\_\_ on the \_\_\_\_\_ pipeline system.

**4. Authorization to Make Direct Deliveries:**

The natural Gas purchased by Customer pursuant to this Letter Agreement will be transported by \_\_\_\_\_ under Company's firm Transportation Service Agreement. In accordance with the Transportation Service Provider's currently effective Federal Energy Regulatory Commission ("FERC") Tariff. Company will exercise its alternate Delivery Point rights so that, upon Transportation Service Provider approval, Transportation Service Provider will deliver the natural Gas directly to Customer at the Delivery Point(s) set forth above. Customer shall be responsible for any applicable reporting or filings to be made with Federal or State governmental authorities associated with this transaction. Company retains the right to recall these volumes upon two (2) hours prior notice to Customer. This supply is fully Interruptible and will be made on a best efforts basis. Interruption and may be due to, but not limited to, the necessity of Company to use said Gas supply and/or capacity to service Customers behind its City Gate(s), loss of supply, unfavorable pipeline conditions, etc.

**5. Billing and Payment:** Company and Customer agree that the charge for the gas services provided under this Letter Agreement shall be as follows:

| <u>Description</u>                             | <u>MMBtu/Day</u> | <u>Charge</u>                   |
|--|------------------|---------------------------------|
| <u>Commodity Cost of Gas</u>                   | <u>See below</u> | <u>See following text</u>       |
| <u>Reservation Charge</u>                      | <u>DDQ</u>       | <u>\$ _____ per MMBtu</u>       |
| <u>Usage Charge</u>                            | <u>DDQ</u>       | <u>\$ _____ per MMBtu</u>       |
| <u>Company Administration Charge See below</u> |                  | <u>\$ _____ per MMBtu</u>       |
| <u>TOTAL CHARGE</u>                            |                  | <u>Sum of items 1 through 4</u> |

NOTE: As nominated for delivery to Transportation Service Provider as indicated on Exhibit A.

**F. OFF SYSTEM SALES LETTER AGREEMENT - CONTINUED**

The commodity cost of Gas for supplies nominated (if applicable) to be delivered starting with the first day of each Month shall be priced using the price posted per MMBtu in \_\_\_\_\_ plus \$ \_\_\_\_\_ per MMBtu until the first interruption of flowing Gas.

Thereafter, Gas supplies which start flowing after the first of each Month shall be priced using the \_\_\_\_\_ plus \$ \_\_\_\_\_ per MMBtu. The commodity cost of Gas shall be determined in accordance with \_\_\_\_\_.

The "Total Charge" set forth above includes the amount to be charged by Company to Customer for the natural Gas commodity, the applicable reservation and usage charges under the applicable Transportation Service Provider's FERC Gas Tariff, as well as all applicable surcharges under Transportation Service Provider's FERC Gas Tariff.

In addition to the "Total Charge" set forth above, Customer shall remit to Company any incremental charges that Company may incur as a result of the services provided under this Letter Agreement, to include, but not be limited to, any charge imposed by Transportation Service Provider directly related to this transaction, such as for imbalances and fuel reimbursement, reporting or filing fees associated with this transaction, and such other charges, fees, or assessments, including Federal and State taxes, authorized by governmental authorities.

Customer shall pay the "Total Charge", incidental charges, and any other obligations that arise as a result of this Letter Agreement, regardless of whether Customer has actually used the Daily Delivery Quantity, so long as Company has arranged for the delivery to Customer of the Daily Delivery Quantity as indicated in Exhibit A.

Customer shall remit payment to Company for the "Total Charge," any incidental charges, and any other obligation that arises as a result of this Letter Agreement within ten (10) calendar days of receipt of invoice from Company at the address set forth below in the "Execution" section of this Letter Agreement. Customer shall be deemed in receipt of Company's invoice upon delivery in person the third Business Day after mailing by registered or certified mail, postage prepaid; the next Business Day after timely delivery to a common carrier service, service fee payable by sending party, for next-day delivery. If Customer fails to pay any amount when due hereunder, Customer shall pay interest on the overdue amount at an annual rate of interest of eighteen (18) percent, calculated from the date that payment is due until the date of remittance hereunder.

**6. Warranty of Title:**

Company warrants that it will have title to the natural Gas sold hereunder from the time it is received at a Receipt Point until delivery to Customer at the Company Receipt Point(s) specified above, at which point(s) title shall pass to Customer.

F. OFF SYSTEM SALES LETTER AGREEMENT - CONTINUED

**7. Force Majeure:**

Force Majeure: The obligations of Company and Customer under this Letter Agreement, and the performance thereof, other than a failure or delay in the payment of money due hereunder, shall be excused during periods of Force Majeure. Force Majeure shall mean acts of God, strikes, lock-outs, or other Industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, including any government mandated quarantines associated therewith, landslides, sinkholes, earthquakes, fires, storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accident to machinery, generating equipment, or lines of pipe, the necessity for maintenance of or making repairs or alterations to machinery, generating equipment, or lines of pipe, freezing of wells or lines of pipe, failure or depletion of wells, loss or interruption of supply, Curtailment of transportation capacity on the applicable Transportation Service Provider's pipeline system, interruption or unavailability of transportation due to an event constituting Force Majeure under Company's Transportation Service agreement(s) with the applicable Transportation Service Provider, and any other causes, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which in each of the above cases, by the exercise of due diligence such party is unable to prevent or overcome. The party whose performance is excused by an event of Force Majeure shall promptly notify the other party of such occurrence and its estimated time of duration and shall use all reasonable efforts to remedy such Force Majeure and resume such performance.

**8. Limitation on Liability:**

Neither Customer nor Company shall be liable to the other or to any other party claiming through the other for special, indirect or consequential damages relating to any matter covered by this Letter Agreement.

**9. Entire Agreement:**

This Letter Agreement constitutes the entire agreement between the parties with respect to the sale of natural Gas hereunder to Customer and supersedes all prior agreements and understandings between the parties.

WHEREFORE, in consideration of the foregoing terms and conditions of this Letter Agreement and the mutual benefits to be obtained therefore, the parties hereto have caused this Letter Agreement to be duly executed by their respective authorized officials.

Agreed to this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Officer

Issued by: Jeffrey Sylvester, Chief Operating Officer  
Florida City Gas

Effective:

F. OFF SYSTEM SALES LETTER AGREEMENT - CONTINUED

EXHIBIT "A"  
TO THE OFF-SYSTEM SALES LETTER AGREEMENT  
BY AND BETWEEN  
CHESAPEAKE UTILITES CORPORATION, FLORIDA DIVISION  
AND \_\_\_\_\_

DATED \_\_\_\_\_, 20\_\_\_\_

NOMINATED FOR DELIVERY TO (TRANSPORTATION SERVICE PROVIDER)

\_\_\_\_\_  
MMBtu / DAY \*

DATE(S)

- 1.
- 2.
- 3.

\* INCLUDED FUEL PER TSP'S TARIFF

Chesapeake Utilities Corporation,  
Florida Division

\_\_\_\_\_  
(Customer)

BY: \_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_



G. CI POOL MANAGER AGREEMENT

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CI POOL MANAGER AGREEMENT

This CI POOL MANAGER AGREEMENT is made and entered into by and between Florida City Gas hereinafter referred to as "Company" and \_\_\_\_\_, a \_\_\_\_\_ corporation hereinafter referred to as "CI Pool Manager".

WITNESSETH:

WHEREAS, Pool Manager desires to operate as a CI Pool Manager on Company's Gas distribution system, and is requesting service as provided in Company's FPSC Tariff,

WHEREAS, Company offers such services under the applicable Rate Schedules and Rules and Regulations of its FPSC Tariff, and

WHEREAS, Company is a party to Service Agreements with Transportation Service Providers;

WHEREAS, CI Pool Manager is an authorized shipper on Transportation Service Providers' interstate Gas transmission system(s), and wishes to ship certain quantities of Gas, on a firm basis, using Company's relinquished Transportation Service Provider Capacity to Company's respective Primary Delivery Points to Company's distribution system, for delivery by Company to the Customer Accounts comprising the Customer Pool (as hereinafter defined); and

WHEREAS, Company wishes to temporarily release to CI Pool Manager, and CI Pool Manager wishes to acquire, a portion of Company's Firm Capacity Rights under the Service Agreements, pursuant to the capacity relinquishment provisions of the General Terms and Conditions of Transportation Service Providers' Federal Energy Regulatory Commission ("FERC") Tariffs, the Rules and Regulations of Company's FPSC Tariff, and the terms and conditions of this Agreement, to enable CI Pool Manager to ship Gas hereunder; and

WHEREAS, Company, or its designee, has certain operational and administrative obligations, as the Delivery Point Operator ("DPO") under the Transportation Service Providers FERC Tariffs, the Company FPSC Tariff and this Agreement.

NOW THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties agree as follows:

**G. CI POOL MANAGER AGREEMENT - CONTINUED**

1. This Agreement shall be effective on the date authorized by the FPSC for the implementation of Company's Transportation Service Programs and shall continue in effect for a period two (2) years and shall thereafter be extended for additional annual periods; unless either party gives written notice of termination to the other party, not less than ninety (90) days prior to the expiration of the initial term. This Agreement may be terminated earlier: i) at the Company's option in accordance with the provisions of its FPSC Tariff or ii) otherwise in accordance with the provisions of this Agreement and the Parties' respective rights under applicable law.
2. Should any amendment or modification to Company's authority to provide service under the CI Transportation Service program and Company's FPSC Tariff cause the terms and conditions hereof to change such that performance hereunder would be unreasonably burdensome for either party, then such burdened party may, by providing no less than thirty (30) days written notice to the other party, terminate this Agreement, without penalty, effective no earlier than on the first day of the Month subsequent to said thirty (30) day notice period.
3. CI Pool Manager agrees to comply with and be subjected to all the provisions of Company's FPSC Tariff applicable to the service provided to CI Pool Managers by Company.
4. CI Pool Manager understands that Company's Shipper Administrative Services (SAS) is mandatory for all CI Pool Managers. The SAS provides the administrative services related to Gas transportation deliveries. CI Pool Manager shall be billed for services in accordance with Company's SAS rate schedule.
5. Company shall temporarily relinquish to CI Pool Manager, and CI Pool Manager shall acquire, each Month a portion of the Firm Capacity Rights that Company is entitled to relinquish under its Transportation Service Provider Service Agreements, as provided by Company's FPSC Tariff. All capacity relinquishments shall be executed in accordance with the provisions of the respective Transportation Service Provider's FERC Tariff.
6. Except for Force Majeure events or Mutually Beneficial Transactions, as provide by Company's FPSC Tariff, CI Pool Manager shall have a firm obligation to deliver each day to the Company's distribution system, Gas quantities sufficient to meet the demand requirements of Pool Manager's CI Customer Pool(s). Pool Manager shall be obligated to cause sufficient quantities of Gas to be delivered for the Customer Pool each and every day such that scheduled quantities for the Customer Pool remain in reasonable balance with actual consumption. Delivery of all such Gas shall be at the Primary Delivery Point(s) and pathed along the Transportation Service Provider(s) pipeline, as established by the relinquishment notice describing the pipeline capacity release to the Pool Manager

**G. CI POOL MANAGER AGREEMENT - CONTINUED**

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7. and released under the applicable FERC and Transportation Service Provider rules and regulations. The Company shall establish appropriate penalties to be enforced should the Pool Manager fail to perform under Rate Schedule PM. In the event of substantial non-performance, as defined in the Company's Tariff, the Company shall terminate the Pool Manager.
8. If any act or omission of Pool Manager causes Company to incur penalties or other expenses or liabilities for unauthorized overrun Gas, for imbalances on a pipeline system, for a failure to comply with Transportation Service Provider's Tariff, or for a failure to comply with a curtailment notice or to take deliveries as scheduled, Pool Manager will indemnify and reimburse Company for all such amounts which the acts or omissions of Pool Manager or its supplier have caused Company to incur. Nothing herein shall be deemed to foreclose Company from employing other remedies including cessation of deliveries, and Company reserves the right to do so, for the unauthorized consumption of Gas.
9. CI Pool Manager will participate in Company's Space Coast and South Florida Service Areas and the Company's i) CI Cycle Read Pool where released capacity equals up to 100% historical monthly quantities, ii) CI Daily Read Pool where released capacity equals not greater than 50% of historical monthly quantities and, iii) Special Contract Pool where capacity is release per contract with the Customer.
10. Notices or communications to CI Pool Manager shall be given to:
- Mailing Address:
- Attention: \_\_\_\_\_
- Telephone: \_\_\_\_\_
- E-mail: \_\_\_\_\_
11. This Agreement shall become effective at the start of the Gas Day (as defined in Transportation Service Provider's FERC Tariff) on \_\_\_\_\_.

**G. CI POOL MANAGER AGREEMENT - CONTINUED**

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IN WITNESS WHEREOF, the parties have duly executed this agreement in multiple originals on  
\_\_\_\_\_.

**Florida City Gas:**

**Pool Manager:**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_