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August 13, 2003

BY HAND DELIVERY

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Blanca Bayo, Director
Division of the Commission Clerk
and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

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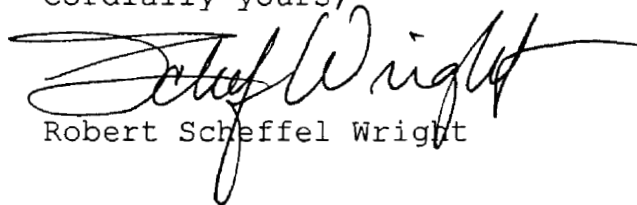
Re: Indiantown Gas Company's Petition for Approval of Amended
and Restated Natural Gas Transportation Service Agreement
Between Indiantown Cogeneration, L.P. and Indiantown Gas
Company

Dear Ms. Bayo:

Enclosed for filing are the original and fifteen copies of
Indiantown Gas Company's Petition for Approval of Amended and
Restated Natural Gas Transportation Service Agreement Between
Indiantown Cogeneration, L.P. and Indiantown Gas Company. I have
also enclosed a 3.5" diskette containing the Petition in
WordPerfect format. I will appreciate your confirming receipt of
this Petition by stamping the attached filing copy thereof and
returning same to my attention.

As always, my thanks to you and to your professional Staff for
their kind and courteous assistance. If you have any questions,
please give me a call at (850) 681-0311.

Cordially yours,



Robert Scheffel Wright

Enclosures

RECEIVED & FILED

in

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition of Indiantown Gas)
Company for Approval of Amended and)
Restated Natural Gas Transportation)
Service Agreement Between)
Indiantown Cogeneration, L.P. and)
Indiantown Gas Company, Inc.)
_____)

DOCKET NO. 030808 -GU

FILED: AUGUST 13, 2003

PETITION OF INDIANTOWN GAS COMPANY FOR APPROVAL OF
AMENDED AND RESTATED NATURAL GAS TRANSPORTATION SERVICE
AGREEMENT BETWEEN INDIANTOWN COGENERATION, L.P. AND
INDIANTOWN GAS COMPANY, INC.

Indiantown Gas Company (the "Company" or "IGC" or "Indiantown Gas"), pursuant to Rule 28-106.201, Florida Administrative Code ("F.A.C."), Rule 25-9.034, F.A.C., and Sections 366.03, 366.04, 366.05(1), 366.06(4), and 366.076(1), Florida Statutes,¹ hereby respectfully petitions the Florida Public Service Commission ("Commission" or "PSC") for approval of the attached Amended and Restated Natural Gas Transportation Service Agreement Between Indiantown Cogeneration, L.P. and Indiantown Gas Company, Inc. (the "ICL-IGC Gas Transportation Agreement" or the "Agreement"). (Indiantown Cogeneration, L.P. is abbreviated herein as "ICL" or as "Indiantown Cogen.") A copy of the executed Agreement is attached as Exhibit A to this Petition.

In summary, the Commission should approve the ICL-IGC Gas Transportation Agreement because (1) it provides an appropriate

¹ All references herein to the Florida Statutes are to the 2002 edition thereof.

vehicle for continuing the business relationship between ICL and the Company under the Company's recently approved transportation service-only mode of operation, (2) under the Agreement, the Company will provide gas transportation service to ICL on fair, just, and reasonable terms and conditions, specified in the Agreement to address the unique circumstances of service to ICL, and (3) the Agreement provides for ICL to pay the rates, already approved by the Commission, that would be applicable to ICL, based on its usage level, pursuant to the Company's applicable tariffed rate schedules. In short, the Agreement does not involve a deviation from the Company's filed rate schedules but rather provides for certain terms and conditions of service that are specific to the services to be provided to Indiantown Cogen under the Company's recently approved transportation service tariff.²

In support of its Petition, the Company states the following.

PROCEDURAL BACKGROUND AND INFORMATION

1. The name and address of the petitioner is:

Indiantown Gas Company
Post Office Box 8
16600 S.W. Warfield Boulevard
Indiantown, Florida 34956.

² In Re: Petition for Authority to Convert All Remaining Sales Customers to Transportation Service and to Terminate Merchant Function by Indiantown Gas Company, Docket No. 020471-GU, Order No. PSC-02-1655-FOF-GU (Fla. Pub. Serv. Comm'n, November 26, 2002).

2. All pleadings, motions, orders, and other documents directed to the Company are to be served on the following:

Robert Scheffel Wright
John T. LaVia, III
Landers & Parsons, P.A.
310 West College Avenue (ZIP 32301)
Post Office Box 271
Tallahassee, Florida 32302

with a courtesy copy to:

Brian J. Powers, General Manager
Indiantown Gas Company
Post Office Box 8
16600 S.W. Warfield Boulevard
Indiantown, Florida 34956.

3. The agency affected by this Petition is:

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850.

RULES AND STATUTES THAT ENTITLE THE COMPANY TO RELIEF

4. Indiantown Gas Company is entitled to the relief requested herein by Rule 25-9.034, F.A.C., relating to the filing and approval by the Commission of special contracts between public utilities and individual customers, and by Sections 366.03, 366.04, 366.05(1), 366.06(4), and 366.076(1), Florida Statutes. In summary, as to the substantive aspects of the Company's proposals, the Company is required to provide service upon terms required by the Commission, subject to the Commission's plenary jurisdiction over the Company's rates and service. See Fla. Stat. §§ 366.03, 366.04, and 366.05(1). As to the procedural aspects of the relief requested by the Company, the Commission is authorized to process such requests in limited proceedings pursuant to 366.076(1),

Florida Statutes, and also to process such requests by natural gas public utilities using the Commission's proposed agency action procedure by Section 366.06(4), Florida Statutes.

FACTUAL BACKGROUND

5. Indiantown Gas Company is a public utility, and specifically a local distribution company ("LDC"), that provides natural gas transportation service to the public within its service area in Indiantown, Florida, and the surrounding area. The Company is accordingly subject to the regulatory jurisdiction of this Commission under Chapter 366, Florida Statutes. The Company's substantial interests in providing services that meet the specific and unique needs of its customers, in this case, Indiantown Cogen, will be determined by the Commission's disposition of this Petition.

6. Indiantown Cogen is the owner and operator of an approximately 330 MW qualifying cogeneration facility ("QF") located in the Company's service area. Indiantown Cogen sells firm electric capacity and energy to Florida Power & Light Company ("FPL") pursuant to a long-term negotiated power purchase agreement approved by the Commission.³ ICL also provides steam to a citrus processing plant located adjacent to ICL's cogeneration power plant. Although ICL's plant is primarily coal-fired, ICL uses

³ In Re: Petition for Approval of Cogeneration Agreement Between Florida Power & Light Company and Indiantown Cogeneration, L.P., Docket No. 900731-EI, Order No. 24269 and 24269-A (Fla. Pub. Serv. Comm'n 1991).

substantial amounts of natural gas as start-up and supplementary fuel. On August 21, 1992, the Company and Indiantown Cogen entered into an agreement pursuant to which ICL purchased gas (sales service) from the Company. Since its plant came on-line in 1995, ICL has been the Company's largest customer. In 2002, ICL accounted for approximately 49 percent of the Company's total system throughput. Historically, ICL has accounted for even greater percentages of the Company's throughput.

7. In April 2000, the Commission adopted Rule 25-7.0335, F.A.C. (hereinafter the "Gas Transportation Rule" or simply the "Rule"). The Rule requires each LDC to offer transportation service for natural gas to all of the LDC's non-residential customers. The Rule further provides that each LDC "may offer the transportation of natural gas to residential customers when it is cost effective to do so." At the time of the Commission's adoption of the new Gas Transportation Rule, the Company did not offer transportation service to any of its customers. In accordance with the Rule, on July 20, 2000, the Company filed a proposed transportation service tariff that was fundamentally similar in form and substance to the Commission's "pro forma" transportation tariff. By Order No. PSC-01-0070-TRF-GU, issued on January 9, 2001, the Commission approved the Company's proposals, and the Company's transportation service tariff became effective on January 1, 2001.

8. By Order No. PSC-02-1166-PAA-GU and Consummating Order No. PSC-02-1829-CO-GU,⁴ the Commission approved the Company's new Natural Gas Tariff, Original Volume No. 2 (the "New Tariff"), and by Order No. PSC-02-1655-TRF-GU,⁵ the Commission approved the Company's proposal to exit the merchant function and to transfer all remaining sales customers to transportation service. The Commission's approval was for Phase One of the Company's proposal, as set forth in the Company's petition. As such, the Commission approved the Company's proposal for an initial period of two years as an experimental and transitional pilot program pursuant to Section 366.075, Florida Statutes. (The subsequent implementation of Phases Two and Three of the Company's proposal are subject to further Commission action.)

9. The Company and Indiantown Cogen have entered into the ICL-IGC Gas Transportation Agreement in order to continue their business relationship in a mutually agreeable, acceptable, and beneficial manner under the Company's New Tariff and within the scope of the Company's new transportation-only service mode. The New Tariff contemplates such unique Company-customer gas transportation agreements.

⁴ In Re: Request for Limited Proceeding by Indiantown Gas Company for Approval of Natural Gas Tariff, Original Volume No. 2, Implementing Restructured Rates, Docket No. 020470-GU (Fla. Pub. Serv. Comm'n 2002).

⁵ In Re: Petition for Authority to Convert All Remaining Sales Customers to Transportation Service and to Terminate Merchant Function by Indiantown Gas Company, Docket No. 020471-GU (Fla. Pub. Serv. Comm'n 2002).

10. The Agreement has the following major features.
 - A. The Agreement obligates the Company to provide transportation service to ICL within parameters specified in the Agreement.
 - B. The Agreement provides specific procedures for the handling of scheduling and balancing of deliveries of gas transported by the Company. This is particularly important given the overwhelming magnitude of ICL's usage (throughput) relative to the Company's system.
 - C. The Agreement contains specific provisions governing the design, construction, maintenance, operation, and protection of the interconnection facilities by which ICL receives gas transported on the Company's system.
 - D. The Agreement contains extensive specific provisions governing the measurement and testing of gas transported by the Company.
 - E. The Agreement contains specific provisions relating to billing.
 - F. The Agreement contains specific dispute resolution procedures that are appropriate to a negotiated transaction between sophisticated business partners like Indiantown Cogen and the Company.
 - G. The Agreement governs the parties' obligations in the event that the Commission should decide to modify the Company's New Tariff so as to require or allow the

Company to again provide natural gas sales service.

- H. The Agreement contains numerous other provisions that are reasonable and appropriate to transactions between sophisticated business partners such as ICL and the Company, particularly in light of the significant magnitude of ICL's usage and in light of the importance to ICL of ensuring reliable gas utility services for the long-term operation of its cogeneration power plant.

SUMMARY OF PETITION

11. By this Petition, Indiantown Gas Company is seeking the Commission's approval of the ICL-IGC Gas Transportation Agreement. The Commission's approval of the Agreement will be "revenue neutral" in that, in and of itself, the Agreement will have no net revenue effect, because ICL will be billed at the rates applicable to its class of service as determined by its usage level in accordance with the New Tariff rate classifications. The charges to be paid by ICL pursuant to the proposed ICL-IGC Gas Transportation Agreement have been determined by the Commission to be fair, just, reasonable, non-discriminatory, and compensatory, as required by Sections 366.03, 366.041, 366.06(1), and 366.06(2), Florida Statutes. The terms and conditions set forth in the ICL-IGC Gas Transportation Agreement are also fair and reasonable as required by Section 366.05(1), Florida Statutes. The terms and conditions of the Agreement are also appropriate to the particular business relationship between Indiantown Cogen and the Company.

12. The Company respectfully requests that the Commission process this Petition as a limited proceeding pursuant to Section 366.076(1), Florida Statutes, and using the Commission's proposed agency action procedure pursuant to Section 366.06(4), Florida Statutes.

DISCUSSION

13. The purpose of this Petition is to obtain the Commission's approval of the ICL-IGC Gas Transportation Agreement pursuant to Commission Rule 25-9.034, F.A.C., and pursuant to applicable sections of Chapter 366, Florida Statutes.

14. Indiantown Cogen has been and continues to be the largest customer, in terms of throughput and total system demand, on the system of Indiantown Gas Company, accounting for nearly half of the total system throughput on the Company's system in 2002. Indiantown Cogen has particular, unique and specific needs for ensuring the long-term availability of natural gas service to support the operation of its cogeneration power plant. Under the Company's Commission-approved New Tariff, ICL will now obtain transportation service from the Company and will purchase natural gas from a supplier (or suppliers) of its own choice.

15. As noted above, the Agreement contains numerous specific provisions that have been negotiated by ICL and the Company and that are appropriate to this particular business arrangement, in light of the magnitude of ICL's demands on the Company's system and in light of ICL's own needs. These provisions are non-

discriminatory and will not adversely affect any of the Company's other customers. These provisions, having been agreed to by ICL and the Company, are reasonable and appropriate and should be approved by the Commission. It is noteworthy that the rates to be paid by ICL pursuant to the Agreement will be the rates otherwise applicable to ICL's usage in conformity with the rate schedule classifications in the Company's Commission-approved New Tariff.

DISPUTED ISSUES OF MATERIAL FACT

16. The Company is not aware of any disputed issues of material fact. Given the fact that the Agreement was negotiated and has been executed by both Indiantown Cogen and Indiantown Gas Company, Indiantown represents that the Agreement is supported by Indiantown Cogen as well as by the Company.

ULTIMATE FACTS ALLEGED

17. The ultimate facts alleged that entitle the Company to the relief requested herein are set forth in paragraphs 1 through 15 above. The key facts that entitle the Company to relief are summarized below.

- a. The terms and conditions of the gas transportation service to be provided by the Company to ICL pursuant to the Agreement are fair, reasonable, and non-discriminatory.
- b. The terms and conditions in the Agreement have been negotiated by ICL and the Company and are appropriate to this particular business arrangement, in light of the magnitude of ICL's demands on the Company's system and in light of ICL's own needs for reliable gas transportation service on known terms and conditions.
- c. The rates to be paid by ICL pursuant to the Agreement will be the rates otherwise applicable to ICL's usage in conformity with the rate schedule classifications in the Company's

Commission-approved New Tariff.

- d. The Agreement provides specific procedures for the handling of scheduling and balancing of deliveries of gas transported by the Company. This is particularly important given the magnitude of ICL's usage (throughput and system demand) relative to the Company's system.

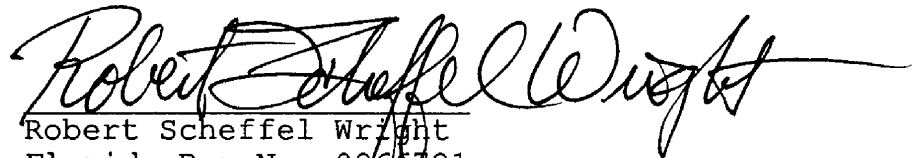
CONCLUSION AND PRAYER FOR RELIEF

18. The proposed ICL-IGC Gas Transportation Agreement complies with the intent and specific requirements of the applicable statutes and rules, namely that the terms and conditions provided for therein are fair and reasonable (and not unduly discriminatory). Given that the rates to be paid by ICL are (or will be) the same as they would be under the otherwise applicable Transportation Service rates schedules approved by the Commission as part of the Company's New Tariff, the Agreement will not adversely affect any of the Company's other customers.

19. The Company requests that the Commission's approval of the Agreement be made effective for bills rendered on and after the date of the Commission vote approving the Agreement.

WHEREFORE, Indiantown Gas Company requests that the Commission GRANT this Petition and APPROVE the accompanying Amended and Restated Natural Gas Transportation Service Agreement Between Indiantown Cogeneration, L.P. and Indiantown Gas Company, Inc. to become effective for bills rendered on and after the date of the Commission vote approving the Agreement.

Respectfully submitted this 13th day of August 2003.



Robert Scheffel Wright
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John T. LaVia, III
Florida Bar No. 0853666
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Attorneys for Indiantown Gas Company

EXHIBIT A

AMENDED AND RESTATED NATURAL GAS TRANSPORTATION SERVICE
AGREEMENT BETWEEN INDIANTOWN COGENERATION, L.P. AND
INDIANTOWN GAS COMPANY, INC.

AMENDED AND RESTATED
NATURAL GAS TRANSPORTATION SERVICE AGREEMENT

BETWEEN

INDIANTOWN
COGENERATION, L.P.

AND

INDIANTOWN GAS COMPANY, INC.

THIS AMENDED AND RESTATED AGREEMENT is made as of this 24th day of June, 2003, by and between INDIANTOWN COGENERATION, L.P., a Delaware limited partnership ("ICL") and INDIANTOWN GAS COMPANY, INC., a Florida corporation ("Indiantown Gas" or "the Company").

WITNESSETH

WHEREAS, ICL owns and operates an approximately 330 MW clean coal-fired cogeneration facility (the "Facility") that generates electricity for sale to Florida Power & Light Company; and

WHEREAS, ICL requires natural gas for start-up of the Facility and for other limited purposes; and

WHEREAS, on August 21, 1992 ICL and Indiantown Gas entered an Agreement (the "1992 Agreement") pursuant to which ICL has purchased natural gas from Indiantown Gas; and

WHEREAS, by Order No. PSC-02-1655-TRF-GU, issued in Docket No. 020471-GU on November 26, 2002, the Florida Public Service Commission ("FPSC") authorized Indiantown Gas to convert all of its sales customers to Transportation Service on an experimental basis; and

WHEREAS, the FPSC intends to review the first phase of the experimental tariff after a period of two years; and

WHEREAS, ICL and Indiantown Gas wish to modify and amend the 1992 Agreement so as to terminate the obligation for the purchase and sale of the natural gas commodity and provide for the transportation by Indiantown Gas of natural gas purchased by ICL from sellers other than Indiantown Gas; and

WHEREAS, to effect such modification of the 1992 Agreement, and for ease of reading and simplicity, ICL and Indiantown gas have agreed to enter into an amendment and restatement of the 1992 Agreement.

NOW, THEREFORE, in consideration of their mutual promises, and intending to be legally bound, the Parties hereto covenant and agree as follows:

**ARTICLE I
DEFINITIONS**

For the purposes of this Amended and Restated Agreement, the following terms shall have the following meanings assigned to them:

1.1 Agreement - This Amended and Restated Natural Gas Transportation Service Agreement between Indiantown Cogeneration, L.P. and Indiantown Gas Company, Inc. dated as of June 24, 2003.

1.2 Customer Charge – During calendar year 2003, the monthly rate denominated “Customer Charge” under Transportation Rate Schedule TS-4 of Indiantown Gas’s Natural Gas Tariff Original Volume No. 2, as approved by the FPSC. In calendar year 2004 and subsequent years, “Customer Charge” shall mean the monthly rate denominated “Customer Charge” under the particular Transportation Rate Schedule of Indiantown Gas’s Natural Gas Tariff, Original Volume No. 2, as approved by the FPSC, for which ICL would qualify based on the total amount of Gas transported for ICL during the prior calendar year.

1.3 Delivery Point - The point along the ICL Interconnect mutually agreed by the parties to be the point at which the metering equipment is installed to measure the delivery of gas by Indiantown Gas to ICL.

1.4 Facility - The approximately 330 MW clean coal-fired cogeneration facility near Indiantown, Florida, together with all property and equipment (including backup steam equipment) related thereto, as it presently exists or as it may be further constructed, modified, owned, and operated by or for ICL, including all changes, modifications, improvements, and additions thereto.

1.5 Force Majeure - An occurrence or series of occurrences meeting the definition set forth in Article X of this Agreement.

1.6 FPSC - Florida Public Service Commission

1.7 Gas – Means natural gas that meets the quality specifications of Indiantown Gas’s Tariff, Original Volume II, Section VI.

1.8 ICL - Indiantown Cogeneration, L.P., a Delaware limited partnership, and its permitted successors and assigns.

1.9 ICL Interconnect - The pipeline facilities to be constructed and owned by ICL which will connect Indiantown Gas’s existing pipeline to the Facility.

1.10 Indiantown Gas - Indiantown Gas Company, Inc., a Florida corporation, and its permitted successors and assigns.

1.11 Initial Commercial Operation Date - The “Commercial Operation Date” as defined in Section 1.14 of the Agreement for the Purchase of Firm Capacity and Energy, entered into as of the 31st day of March 1990, between ICL and Florida Power & Light. ICL and Indiantown Gas mutually understand and agree that the Initial Commercial Operation Date is December 22, 1995.

1.12 Maximum Daily Transportation Quantity or “MDTQ” – Means 9,500 MMBtu per day. Said daily quantity shall be the largest quantity of Gas that the Company is obligated to receive from a Transporter and make available for delivery to ICL at the Facility’s Delivery Point on a given day under this Agreement.

1.13 Nomination – Means notice delivered by ICL, its representatives or agents, to Indiantown Gas, specifying the quantity of Gas ICL desires Company to receive from Transporter and deliver to the Facility in a defined time period, usually one day, one week, or one month.

1.14 Operating Year - Any full calendar year, i.e., a twelve-month period commencing on January 1 and ending on December 31 of the same year, after the calendar year in which the Initial Commercial Operation Date occurred .

1.15 Partial Operating Year - The remainder of the calendar year after the date upon which initial Commercial Operation Date occurs and ending on December 31 of that year.

1.16 Parties - ICL and Indiantown Gas, collectively.

1.17 Party - Either ICL or Indiantown Gas.

1.18 PSIG - Pounds per square inch gauge.

1.19 Tariff - Natural Gas Tariff Original Volume No. 2 of Indiantown Gas Company Filed with Florida Public Service Commission.

1.20 Transporter – Means Florida Gas Transmission or any other third party pipeline or pipelines utilized to effect delivery of Gas to the point on Indiantown Gas's system at which it accepts delivery of gas from such pipeline or pipelines into its system, hereinafter referred to as the "Company's gate."

1.21 Transportation Charge – During calendar year 2003, the monthly rate denominated "Transportation Charge" under Transportation Service Rate Schedule TS-4 of Indiantown Gas's Natural Gas Tariff Original Volume No. 2, as approved by the FPSC. In calendar year 2004 and subsequent years, "Transportation Charge" shall mean the monthly rate denominated "Transportation Charge" under the particular Transportation Service Schedule Rate of Indiantown Gas's Tariff, as approved by the FPSC, that would be applicable to ICL's service based on the total amount of Gas transported for ICL during the prior calendar year.

1.22 Transportation Service – That service provided by Indiantown Gas in which ICL's, or its designated agent's or representative's, natural gas is received from Transporter for ICL's account and a equivalent quantity of natural gas is delivered by the Company to the Facility.

1.23 Therm – That volume of natural gas having a heating value equivalent to 100,000 British thermal units.

ARTICLE II TRANSPORTATION OF NATURAL GAS

2.1 Transportation Service of Natural Gas. (a) ICL shall have the right to obtain from Indiantown Gas, and Indiantown Gas shall have the duty to provide to ICL, Transportation Service, for such volumes of natural gas on any day as may be requested by ICL of Indiantown Gas from time to time in accordance with the provisions of this Agreement.

(b) Subject to the terms and conditions of this Agreement, Indiantown Gas agrees to receive from Transporter, at Company's gate or other designated Transporter's delivery point, on a daily basis, a quantity of Gas as specified by ICL up to ICL's MDTQ and to transport and deliver equivalent quantities to ICL at the Delivery Point.

(c) The rates to be charged and paid for Transportation Service purchased in any month under this paragraph 2.1 shall consist of the following:

- (i) The monthly Customer Charge;
- (ii) The Transportation Charge, multiplied by the volumes of natural gas transported by Indiantown Gas and received by ICL; and
- (iii) Any other rate element that may be approved by the FPSC and required by the FPSC to be incorporated in the portions of the Tariff applicable to Transportation Service provided to ICL.

ARTICLE III SCHEDULING AND BALANCING

3.1 ICL or its agent shall be responsible for nominating, to Indiantown Gas or its designee, quantities of Gas to be delivered by Transporter to Transporter's delivery point on the Company's system, and delivered by Indiantown Gas to ICL's Facility. ICL or ICL's agent shall notify Indiantown Gas of nominations as soon as practicable on the day prior to the date of delivery. Such notices shall be provided to Indiantown Gas by facsimile transmission or other electronic means. ICL agrees to use reasonable efforts to regulate its deliveries at a daily rate of flow not to exceed the applicable nomination in place. Imbalances between (i) quantities scheduled for delivery by the Transporter to Transporter's delivery point to be delivered by Indiantown Gas to the Facility and (ii) quantities actually delivered by the Transporter and Indiantown Gas shall be resolved in accordance with the applicable provisions of Indiantown Gas's Tariff, as such provisions may be amended (subject to approval by the FPSC) from time to time.

**ARTICLE IV
PARTIES' OBLIGATIONS TO FURNISH INFORMATION**

4.1 Indiantown Gas's Provision of Information on Matters Relating to FPSC. During the term of this Agreement, Indiantown Gas shall notify ICL at least 3 working days in advance of its intent to submit any proposed change to Tariff. Further, no later than February 1 of each year, Indiantown Gas will provide ICL with a written summary of any amendment, termination, expiration, replacement or renewal of its Tariff, including any rate changes or service changes approved by the FPSC in the preceding calendar year.

4.2 Access to Books and Records. Indiantown Gas shall provide ICL with reasonable access to its books and records and other documents supporting or reflecting the information it is required to furnish pursuant to paragraph 4.1 above.

**ARTICLE V
ICL INTERCONNECT**

5.1 Construction and Ownership. ICL shall design, construct, maintain and own in accordance with the natural gas pipeline safety requirements of the U.S. Department of Transportation and the Florida Public Service Commission, the ICL Interconnect, as shown on Exhibit B.

5.2 Operation. Indiantown Gas shall be responsible for operating and protecting the ICL Interconnect in conjunction with Indiantown Gas's other natural gas distribution facilities.

5.3 Delivery Pressure - Indiantown Gas agrees to deliver gas to the ICL Interconnect at a minimum pressure of 100 PSIG.

**ARTICLE VI
MEASUREMENT AND TESTING OF GAS**

6.1 Meters. Indiantown Gas or its designee shall, at Indiantown Gas's expense, install, maintain and operate at the Delivery Point measuring equipment necessary for the accurate measurement of gas delivered by Indiantown Gas to ICL. Such equipment shall be capable of recording the quantity of gas delivered for each day, and shall be installed, operated and maintained, and gas quantities shall be computed, in accordance with the current published recommendations of the American Gas Association. The volumetric measurement base shall be one cubic foot of gas at a pressure base of 14 and 73/100ths (14.73) pounds per square inch absolute and a temperature base of 60° F (60 degrees) without adjustment for water vapor content. The average barometric pressure shall be assumed to be 14 and 65/100 (14.65) pounds per square inch absolute irrespective of actual variations of barometric pressure from time to time. The heating value of the gas delivered shall be assumed to be the same as the heating value determined by FGT to be applicable to volumes of gas concurrently received by Indiantown Gas from FGT.

6.2 Check Meters. ICL or ICL's designee may, at its option and expense, install and operate check measuring equipment at the Delivery Point to verify the accuracy of Indiantown Gas's measurements. ICL shall install and operate such check measuring equipment so that it will not interfere with the operation of Indiantown Gas's facilities.

6.3 Testing of Meters. The accuracy of the measuring and testing equipment at the Delivery Point described in Section 6.1 shall be verified when requested by either Party but not more often than quarterly. All such tests shall be made at Indiantown Gas's expense except that ICL shall bear the expense of tests of measuring and testing equipment made at its request if the inaccuracy found is two percent (2%) or less. If, upon any test, Indiantown Gas's measuring equipment is found to be inaccurate:

(a) By less than two percent (2%), previous readings thereof shall be considered correct but such meter shall be adjusted at once to read correctly.

(b) By two percent (2%) or more, the registration of such meter shall be corrected at the rate of such inaccuracy for any period which is definitely known or agreed upon, then for a period extending back one-half (1/2) of the time elapsed from the date of the last calibration then a corresponding adjustment shall be made with respect to any payment made hereunder during such period. Following any test, metering equipment found inaccurate shall be immediately corrected by Indiantown Gas or Indiantown Gas's designee to a condition of accuracy. If, for any reason, any meter is out of service or out of repair so that the quantity of gas delivered cannot be estimated or computed from the reading thereof, the amount of gas delivered through the period such meter is out of service or out of repair shall be estimated and agreed upon by the Parties hereto upon the basis of the best data available, using the first of the following methods which is feasible:

(i) By using the registration of ICL's check meters if installed and accurately registering.

(ii) By correcting the error if the percentage of error is ascertainable by calibration test or mathematical calculation.

(iii) By estimating the quantity of deliveries by deliveries during preceding periods under similar conditions when the meter was registering accurately.

6.4 Notice of Testing - Each Party shall give reasonable notice but in no event less than five (5) business days' notice to the other Party of tests so that each Party may conveniently at its own expense have its representative present at such tests. If such notice has been given, the Party giving the notice may proceed whether or not the other Party is present, and such test results shall be used until the next quarterly test or requested test.

6.5 Inspection. At all times during normal business hours, Indiantown Gas and ICL shall have the right, upon reasonable notice, to inspect equipment installed by the other and to review charts and other measurement of testing data of the other. The reading, calibration and

adjustment of such equipment and the changing of charts shall be done only by the responsible Party as designated herein or said Party's authorized representative.

**ARTICLE VII
BILLING AND PAYMENT**

7.1 Computation of Amounts Owed. Indiantown Gas shall be responsible for determining in each month the amounts ICL owes Indiantown Gas for Transportation Service provided pursuant to paragraph 2.1 of this Agreement.

7.2 Billing Statements. By the fifth day of each month, Indiantown Gas shall compute the amounts due for the prior month in accordance with paragraph 7.1 above, and shall render to ICL a billing statement for such amount. Computations shall be made to the nearest tenth of one percent (.1 %) and tenth of one cent (\$0.001). Each such statement shall reflect to the extent practical any rate or volumetric adjustments, refunds, negative surcharges, rebates, or credits provided for or referred to herein. ICL shall pay Indiantown Gas the amount billed within fifteen (15) days following the date of receipt of each statement or provide to Indiantown Gas an itemized statement of its objections to all or any portion of such statement. Nothing in this provision shall preclude Indiantown Gas from rendering to ICL a billing statement for any rate or volumetric adjustments, refunds, negative surcharges, rebates or credits determined by FPSC to be due or owed after the billing month has passed within a reasonable time of such determination.

7.3 Billing Disputes. (a) In the event that ICL disputes any portion of the statement provided by Indiantown Gas, ICL shall pay on or before the due date all of that portion of the statement that it does not dispute. ICL shall place that portion of the statement that is in dispute into an escrow account in a bank reasonably acceptable to Indiantown Gas. If any portion of a statement is disputed after a statement has been paid by ICL, then Indiantown Gas shall place the disputed amount into an escrow account with a bank reasonably acceptable to ICL. Billing disputes shall be resolved in accordance with Article XI of this Agreement.

(b) Within ten days after the resolution of the dispute, the disputed amount shall be distributed in accordance with the agreement reached by the Parties or the determination of the arbitrator, as the case may be, together with interest as calculated in accordance with paragraph 7.3(c) below.

(c)(i) Any disputed amount held in escrow shall be distributed to the Parties together with the greater of (A) the interest actually accrued on such amount in escrow and (B) interest at a rate per annum equal to the prime rate in effect from time to time at the Chase Manhattan Bank, New York plus one percent (1 %), accruing from the date due until paid.

(ii) Payments of any amounts not held in escrow shall bear interest as of the original due date. Such interest shall be calculated at a rate per annum equal to the prime rate in effect from time to time at the Chase Manhattan Bank, New York plus one percent (1%) accruing from the date such amount becomes due until the date such amount is paid.

**ARTICLE VIII
CERTAIN TARIFF PROVISIONS INCORPORATED**

8.1 Subsection No. 2 (Original Sheet No. 34), "Operational Balancing Account," and Subsection No. 3 (Original Sheet No. 35), "Taxes and Other Adjustments Applicable to All Rate Schedules," of the Billing Adjustments section of the Tariff shall be applicable to this Transportation Agreement. In addition, the following provisions of the Company's Tariff as the Tariff may be amended (subject to approval by FPSC) from time to time, applicable to Transportation Service are hereby incorporated by reference and made a part of this Transportation Agreement. This Transportation Agreement constitutes and shall serve as the separate transportation service agreement required by Section VIII(B) of the Tariff. In case of any conflict between the Tariff and the Agreement, the provisions of this Agreement shall govern:

I. General

- H. Interruptions
- I. Withholding of Transportation Service
- J. Discontinuance of Service by Company
- K. Unauthorized or Fraudulent use of Transportation Service
- N. Restoration of Service
- O. Limitation of Use

II. Customer's Installations

- A. General
- B. Inspection of Customer's Installation
- C. Changes in Customer's Installation
- D. Right of Way
- E. Protection of Company's Property
- F. Operation of Company's Facilities
- G. Access to Premises
- H. Indemnity to Company

VI. Gas Quality

- A. Transportation Gas Quality

VIII. Measurement

- A. Determination of Volume and Heating Value
- B. Unit of Transportation Volume
- C. Transportation Unit

X. Facilities

- B. Ownership of Gas Service Facilities
- XI. Main and Service Extensions
 - D. Relocation of Transportation Service Facilities
- XII. Possession of Gas, Indemnification and Title
 - A. Warranty of Title
 - B. Possession of Gas and Responsibility
 - C. Release and Indemnification
- XIV. Operational Controls
 - A. Contact Persons
 - B. Proper Scheduling
 - C. Maintaining Proper System Pressure
 - D. Operational Flow Orders
 - E. Operational Flow Orders Action Required
 - F. Failure to Comply with Operational Flow Orders
 - G. Alert Day Notices
 - H. Alert Day Notice – Action Required
 - I. Failure to Comply with Alert Day Notice
 - J. Other Balancing Tools
 - K. Non-Performance Penalty
 - L. Disposition of Penalties
- XV. Imbalance Resolution
 - A. Restoration of Delivery Point Operation Imbalance Amounts
 - B. Resolution of Distribution System Imbalance Amounts
 - C. Cash-Out Provisions
- XVI. Nominations and Scheduling
- XVIII. Individual Transportation Service
 - A. Customer Classification
 - B. Service Agreement
 - C. Transportation Quantities
 - D. Individual Transportation Customer Metering

8.2 Notwithstanding any provision to the contrary in the Tariff or elsewhere in this Agreement, any arrangements for relinquishment by Indiantown Gas for capacity on the system of Florida Gas Transmission are not encompassed within the scope of this Agreement.

ARTICLE IX CONDITIONS PRECEDENT AND TERM

9.1 Conditions Precedent. This AMENDED AND RESTATED Agreement containing modifications to the 1992 Agreement, shall be subject to, and shall be effective from the effective date of the order of the Florida Public Service Commission approving, without modification, the AMENDED and RESTATED Agreement

9.2 Term. (a) The initial term of this Agreement shall begin fifteen (15) days from the Initial Commercial Operation Date and shall continue until conclusion of the fifteenth Operating Year (the "Initial Term"). ICL shall provide Indiantown Gas with written notice within five days of the occurrence of the Initial Commercial Operation Date.

(b) This Agreement may be extended by either Party for an additional five (5) Operating Years following the expiration of any Initial or Renewal Term by providing the other Party with ninety (90) days written notice before the end of the effective term of its intention to renew; provided, however, that this Agreement shall not extend beyond thirty (30) Operating Years from the end of the Initial Term.

ARTICLE X FORCE MAJEURE

10.1 Definition of Force Majeure Event. The term "Force Majeure" shall include acts of God, strikes, lockouts, or other industrial disturbances, 'acts of the public enemy, sabotage, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, or other natural disasters, threats of physical harm or damage resulting in the evacuation or shut down of facilities necessary for the production or delivery or receipt or use of gas, arrests and restraints of governments and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe or facilities in which the gas is used, freezing of wells or lines of pipe, partial or entire failure of sources of supply, the necessity for testing or for making repairs or alterations to wells, machinery, facilities or lines of pipe through which the gas is moved or in which the gas is used, actions of any court, governmental authority, or agency having or asserting jurisdiction (unless such actions result from sole negligence of the Party claiming a Force Majeure event), the inability of any Party to obtain, at reasonable cost and after the exercise of due diligence, any servitude, rights-of-way, permits or licenses required to carry out performance hereunder, the inability of either Party to obtain materials or supplies necessary to carry out performance hereunder at a reasonable cost after the exercise of due diligence and any other causes, whether of the kind herein enumerated or otherwise, 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.

10.2 Strikes or Lockouts. 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 requirement that any Force Majeure event shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of the opposing person when such course is inadvisable in the discretion of the Party having the difficulty.

10.3 Notice of Force Majeure Event. In the event that a Party is rendered unable wholly or in part by a Force Majeure event to carry out its obligations under this Agreement, other than the obligation to make payments due hereunder, it is agreed that such Party shall give notice and full particulars of such Force Majeure event in writing or by telephone, facsimile transmission or radio communication confirmed properly in writing, to the other Party as soon as possible after the occurrence of the Force Majeure event. Upon such notice, the obligations of the Party giving such notice, so far as they are affected by such Force Majeure event, shall be suspended during the continuance of any inability to perform, but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch.

10.4 Termination Upon Continuation of Force Majeure Event. If either Party's obligations hereunder are excused for a period of six (6) months due to an event of Force Majeure, the other Party may terminate this Agreement upon written notice, and neither Party shall have any further liability to the other Party under this Agreement.

ARTICLE XI DISPUTE RESOLUTION

11.1 Resolution by Negotiation. If a controversy or claim between the Parties arises out of or relates to this Agreement, the Parties shall meet and attempt in good faith to settle such dispute by informal negotiations within forty-five days of the date one Party gives written notice of the dispute to the other Party.

11.2 Arbitrated Disputes. In the event that a controversy or claim between the Parties arising out of or relating to this Agreement cannot be settled through mutual discussion in accordance with paragraph 11.1 above, the dispute shall be settled through arbitration subject to the jurisdiction of the Circuit Court, 19th Judicial Circuit, in and for Martin County, Florida, in accordance with the provisions of this Article XI. The arbitrators shall utilize accepted procedures and protocols for arbitration proceedings, generally within the scope of such procedures and protocols as approved by the American Arbitration Association, and shall base their decision on basic principles of law, including equitable principles.

11.3 Notice of Arbitration. The Party desiring arbitration (the "Aggrieved Party") shall give written notice to that effect to the other Party (the "Respondent Party"), specifying in said notice the name and address of the person designated to act as arbitrator on its behalf. Within fifteen business days after the service of such notice, the Respondent Party shall give written notice to the Aggrieved Party specifying the name and address of the person designated to act as arbitrator on its behalf. If the Respondent Party fails to notify the Aggrieved Party of the appointment of its arbitrator, as aforesaid, within or by the time above specified, then the appointment of the second arbitrator shall be made in the same manner as appointment of a third arbitrator as provided in Section 11.4(b) below.

11.4 Appointment of Third Arbitrator. (a) The arbitrators chosen under subsection 11.3 above shall meet within ten days after the second arbitrator is appointed and if, within 30 days

after the second arbitrator is appointed, the said two arbitrators shall not agree upon the question in dispute, they shall themselves appoint a third arbitrator who shall be a competent and impartial person. In the event of their being unable to agree upon such appointment within ten days after the time aforesaid, the third arbitrator shall be selected by the Parties Themselves if they can agree thereon within a further period of fifteen days.

(b) If the Parties do not so agree, or if the Respondent Party has failed to appoint an arbitrator pursuant to Section 11.3 above, then either Party, on behalf of both, may request such appointment by the Circuit Court, 19th Judicial Circuit, in and for Martin County, Florida, for the appointment of such third arbitrator, and the other Party shall not raise any question as to the Court's full power and jurisdiction to entertain the application to make the appointment

11.5 Decision of Arbitrators. The decision of the arbitrators so chosen shall be rendered within a period of 60 days after the appointment of the third arbitrator. The decision in which any two arbitrators appointed and acting hereunder concur shall be binding and conclusive, in all cases, upon the Parties and judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction over the Parties. Each Party shall pay the fees and expenses of the one of the two original arbitrators appointed by such Party, or in whose stead as above provided, such arbitrator was appointed, and the fees and expenses of any third arbitrator appointed shall be borne equally by both Parties. The Parties consent to the jurisdiction of the Circuit Court, 19th Judicial Circuit, in and for Martin County, Florida, for all purposes in connection with arbitration.

**ARTICLE XII
REPRESENTATIONS AND WARRANTIES**

12.1 ICL's Representations and Warranties. ICL makes the following representations and warranties to Indiantown Gas, each of which is true and correct as of the date hereof:

- (i) ICL is a limited partnership duly organized and existing in good standing under the laws of the State of Delaware and is duly qualified to do business in the State of Florida;
- (ii) ICL possesses all requisite power and authority to enter into and perform this Agreement and to carry out the transactions contemplated herein;
- (iii) ICL's execution, delivery, and performance of this Agreement have been duly authorized by, and are in accordance with, its organic instruments; this Agreement has been duly executed and delivered for it by the signatories so authorized; and this Agreement constitutes its legal, valid and binding obligation, enforceable in accordance with its terms;
- (iv) ICL has all necessary power and authority to own and use its properties and to transact the business in which it is engaged and holds all franchises, licenses and permits necessary and required therefore, in each case as its business is currently transacted;

(v) ICL is not in violation of any material provision of any applicable law, or in default under, or in violation of, any provision of its partnership agreement or other organic documents or any mortgage, indenture, contract, deed or other agreement or instrument, or any judgment, award, or decree binding on it or any of its properties that might adversely affect the validity or enforceability of this Agreement, or that could result in any material adverse change in the business or financial condition of ICL, and the execution and delivery of this Agreement and the performance by ICL of its obligations under this Agreement and the transactions contemplated herein will not constitute or result in any such violation; and

(vi) No suit, claim, action, arbitration, or legal administrative or other proceeding is pending or threatened against ICL challenging, or that might adversely affect, the validity or enforceability of this Agreement, the ability of ICL to fulfill its commitments hereunder in any material respect, or that could result in any material adverse change in the business or financial condition of ICL.

12.2 Indiantown Gas's Representations and Warranties. Indiantown Gas makes the following representations and warranties to ICL, each of which is true and correct as of the date hereof:

(i) Indiantown Gas is a corporation duly organized and existing in good standing under the laws of the State of Florida and is duly qualified to do business in the State of Florida;

(ii) Indiantown Gas possesses all requisite corporate power and authority to enter into and perform this Agreement and to carry out the transactions contemplated herein;

(iii) Indiantown Gas's execution, delivery, and performance of this Agreement have been duly authorized by, and are in accordance with, its articles of incorporation or bylaws; this Agreement has been duly executed and delivered for it by the signatories so authorized; and this Agreement constitutes its legal, valid and binding obligation, enforceable in accordance with its terms;

(iv) Indiantown Gas has all necessary corporate power and authority to own and use its properties and to transact the business in which it is engaged and holds all franchises, licenses and permits necessary and required therefore, in each case as its business is currently transacted;

(v) Indiantown Gas is not in violation of any material provision of any applicable law, state regulation or enforceable requirement of all state regulatory authorities having jurisdiction over it or its properties, or in default under, or in violation of, any provision of its articles of incorporation or bylaws or any mortgage, indenture, contract, deed or other agreement or instrument, or any judgment, award, or decree binding on it or any of its properties, and the execution and delivery of this Agreement and the performance by

Indiantown Gas of its obligations under this Agreement and the transactions contemplated herein will not constitute or result in any such violation; and

(vi) No suit, claim, action, arbitration, or legal administrative or other proceeding is pending or threatened against Indiantown Gas challenging, or that might adversely affect, the validity or enforceability of this Agreement, the ability of Indiantown Gas to fulfill its commitments hereunder in any material respect, or that could result in any material adverse change in the business or financial condition of Indiantown Gas.

**ARTICLE XIII
NOTICES**

13.1 Giving of Notice. Any notice, communication, request, reply or advice ("Notice") required by, or incidental to the performance of, this Agreement shall be provided in writing and may be given or served by depositing the Notice in the United States Mail, addressed to the Party to be notified, postage prepaid, or by delivering the same in person to such Party, or by transmitting the same by telex or telecopy to such Party. Notice deposited in the mail or by telex or telecopy in the manner described above shall be effective only if and when actually received by the Party to be notified. At the option of the Party giving Notice, Notice may be effected by overnight courier service, e.g., Federal Express, UPS Overnight, or similar service, and the signature confirming receipt of such Notice shall constitute proof of receipt of such Notice by the receiving Party.

13.2 Addresses of the Parties. Notices shall be directed to the following addresses, until those addresses are changed as provided below:

ICL:

All notices, shall be sent to:

By overnight delivery service, not including U.S. mail:

Indiantown Cogeneration, L.P.
13303 Southwest Silver Fox Lane
Indiantown, FL 34956-9704
Attn: General Manager
Telephone No.: (772) 597-6500
Fax No.: (772) 597-6520

By U.S. mail:

Indiantown Cogeneration, L.P.

P.O. Box 1620
Indiantown, FL 34956-9704
Attn: General Manager
Telephone No.: (772) 597-6500
Fax No.: (772) 597-6520

with a copy to:

PG&E National Energy Group
7500 Old Georgetown Road
Bethesda, MD 20814
Attn: General Counsel
Telephone No.: (301) 280-6800
Fax No.: (301) 280-6319
Indiantown Gas:

President and Chief Executive Officer
Indiantown Gas Company
P.O. Box 8
Indiantown, Florida 34916
Telephone: 407-597-2168
Facsimile: 407-597-2068

13.3 Changes in Addresses of the Parties. From time to time either Party may designate a new address for itself for purposes of Notice by providing written Notice to the other Party, as specified above.

**ARTICLE XIV
INDEMNIFICATION**

Each Party shall indemnify and hold the other Party harmless from and against all damages, losses or expenses suffered or paid as a result of any proceedings, claims, judgments, and liabilities, including reasonable counsel fees, incurred in litigation or otherwise, assessed, incurred or sustained by or against any such Party that may result from, or arise out of the willful or negligent act or failure to act by the indemnifying Party except to the extent that any such damages, losses or expenses are the result of the willful or negligent act or omission of, or the willful or negligent failure to comply with the terms and conditions of this Agreement by, the other Party.

**ARTICLE XV
OBLIGATION IN THE EVENT THE EXPERIMENTAL
"TRANSPORTATION ONLY" RATE STRUCTURE IS MODIFIED**

The Parties acknowledge that in Order No. PSC-02-1655-TRF-GU, issued on November 26, 2002, in Docket No. 020471-GU, the FPSC approved, on an experimental basis, Indiantown Gas's proposal to no longer offer sales of the commodity of natural gas, and that the Commission intends to revisit the experiment after two years. In the event the Commission modifies Indiantown Gas's rate structure again during the term of this Agreement so as to require or allow Indiantown Gas to sell the commodity of natural gas, the parties agree that ICL shall at that time and thereafter have the right, upon reasonable notice to Indiantown Gas of not less than 30 days, to elect to purchase natural gas from Indiantown Gas. Further, the parties agree that in the event Indiantown Gas becomes a seller of natural gas and ICL elects to purchase natural gas from Indiantown, then the Parties will have no further obligations regarding the terms for Transportation Service delineated herein, and the following provisions shall govern said purchase and sale:

- (a) The rate shall consist of a Customer Charge equal to the Customer Charge identified in accordance with Section 1.2 above, and an energy charge per therm equivalent to the Transportation Charge identified in accordance with 1.21 above.
- (b) The maximum quantity of gas that Indiantown Gas is obligated to sell to ICL on a given day will be identical to the quantities specified as MDTQ herein.
- (c) Except as modified by (a) and (b) above, upon the election by ICL to purchase natural gas from Indiantown Gas, the terms of the original 1992 Agreement, which are hereby incorporated by reference, and a copy of which is attached as Exhibit A, will govern the sales/purchase transactions for the duration of the term of this Agreement.

**ARTICLE XVI
MISCELLANEOUS**

16.1 Governing Law. THIS AGREEMENT AND ALL LEGAL RELATIONS BETWEEN THE PARTIES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF FLORIDA, BUT WITHOUT REGARD TO THE CONFLICTS OF LAWS PROVISIONS OF FLORIDA'S LAWS. ANY LAWSUIT BROUGHT TO ENFORCE OR INTERPRET THIS AGREEMENT SHALL BE BROUGHT AND MAINTAINED IN THE CIRCUIT COURT, 19TH JUDICIAL CIRCUIT, IN AND FOR MARTIN COUNTY, FLORIDA, STATE OF FLORIDA.

16.2 Waiver of Jury Trial. THE PARTIES HERETO MUTUALLY AND WILLINGLY WAIVE THE RIGHT TO A TRIAL BY JURY OF ANY AND ALL CLAIMS, DEFENSES, COUNTERCLAIMS, CROSS CLAIMS, THIRD PARTY CLAIMS, AND INTERVENOR'S CLAIMS ARISING FROM OR RELATED TO THE NEGOTIATION, EXECUTION AND PERFORMANCE OF THE TRANSACTIONS TO WHICH THIS AGREEMENT RELATES.

16.3 Assignment. Except as expressly set forth below, neither Party shall assign any or all of its rights or obligations under this Agreement without the prior written consent of the other

Party, which consent shall not be unreasonably withheld, and any assignment without such prior written consent shall be void and unenforceable. This Agreement shall be binding upon and inured to the benefit of the respective successors and permitted assigns of the Parties, but no assignor shall be relieved of its obligations hereunder by virtue of its having assigned its rights or delegated its duties, unless the Party to which such obligations are owed shall have consented to such release. Notwithstanding the foregoing, either Party may, without obtaining prior written consent, assign this Agreement to its parent corporation(s) or to another wholly owned subsidiary of its parent corporation(s), provided, however, that such assignment shall not relieve the assignor of any of its obligations hereunder, provided further, that ICL shall have the right, without the consent of Indiantown Gas, but upon notice to Indiantown Gas, to assign all of its rights and interest, but not its obligations, under this Agreement to any entities providing financing to ICL as security for ICL's obligations under any financing documents, including obligations to provide security, and provided further, that nothing in this provision shall prevent Indiantown Gas from effecting the assignment or release of capacity.

16.4 Entire Agreement: Amendments. This Amended and Restated Agreement, together with all attached Exhibits, constitute the entire agreement and understanding of the Parties as to the subject hereof. This Amended and Restated Agreement supersedes all prior agreements and understanding between the Parties relating to the subjects addressed in this Agreement. No supplement or amendment to, or modification or waiver of, this Agreement shall be binding unless duly executed in writing by the Party to be bound thereby.

16.5 No Waiver. The failure of either Party to insist in any one or more instances upon the strict performance of any of the provisions of this Agreement, or their failure to exercise any of their rights or powers, shall not be construed as a waiver of any such provisions or a relinquishment of any such rights or power, but the same shall continue to remain in full force and effect.

16.6 Waiver in Writing. At its option, either Party may waive any or all of its rights as set forth in this Agreement, by means of a written instrument to be furnished to the other Party.

16.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original instrument, but all such counterparts together shall constitute but one and the same instrument.

16.8 Regulation. This Agreement shall be subject to all applicable federal, state, local and other governmental laws and to all applicable rules, regulations, orders and directives of any governmental body or agency or official having jurisdiction.

16.9 Unilateral Action. The Parties agree that neither Party shall seek unilaterally a modification of the terms or conditions of this Agreement by petition to any regulatory body having jurisdiction over the Parties or this Agreement, provided, however, that this provision shall not be construed to abrogate or limit either Party's exercise of its right to participate in any FPSC proceeding involving the rates charged, or terms and conditions of service rendered pursuant to the Tariff and this Agreement; provided further, that this provision shall not be construed to

abrogate or limit the right of Indiantown Gas to seek an increase in the rates or charges specified hereunder or the right of ICL to oppose or contest such increase, and provided further, that Indiantown Gas will serve on ICL, simultaneously with filing at the FPSC, a copy of its application for any such increase.

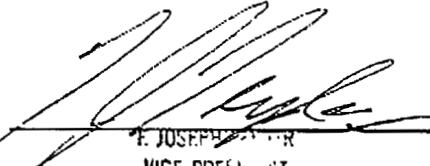
16.10 Exclusion of Consequential Damages. (a) Neither Party nor its partners, agents, contractors, subcontractors, vendors, directors, officers or employees shall be liable under any circumstances for any special, incidental or consequential damages of any nature.

(b) Indiantown Gas agrees to be bound by the limitations on liability of the "FPL Entities" set forth in Section 18.3 of the Agreement for the Purchase of Firm Capacity and Energy, entered into as of the 31st day of March 1990, between ICL and Florida Power & Light Company.

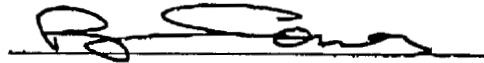
16.11 Confidentiality. If, during the performance of this contract, one Party obtains information from the other Party which that Party claims to be confidential, proprietary business information, the Party receiving such information shall take measures to protect the confidentiality of such information that are at least as stringent as those with which it guards its own confidential, proprietary business information. The Party receiving such information shall not disclose the information without first obtaining the written consent of the Party that provided the information, except to the extent necessary to comply with any applicable law, order, or regulation. Each Party receiving a request or demand for confidential, proprietary information of the other Party shall promptly notify that Party of the request or demand, and shall use all reasonable efforts to prevent or limit the disclosure of, and protect the confidentiality of, the information. Notwithstanding the foregoing, a Party may provide such information obtained from the other Party to its affiliates, lenders, or prospective buyers, including their employees and consultants, but only upon a showing of need and only upon the execution by each such entity of a confidentiality agreement that is satisfactory to the Party that provided the information

IN WITNESS WHEREOF, the Parties hereto have caused this instrument to be duly executed as of the date and year first above written.

INDIANTOWN COGENERATION, L.P.

By: 
Title: F. JOSEPH
VICE PRESIDENT

INDIANTOWN GAS COMPANY, INC.

By: 
Title: President

STATE ROAD 710

centerline CSX RAILROAD RIGHT OF WAY

100' 100' 66'

S.53°39'15"E.
18.93'

Interface Connection
To Indiantown Gas Co.
At Point of Caulkins
And CSX R.O.W.

EXISTING F. P. L. EASEMENTS

CAULKINS GROVE

NORTH LINE OF SECTION 35/39/38

POINT OF COMMENCEMENT
Northwest Corner of Section
35, Township 39 South, Range
38 East, Martin County, Florida

27 26
34 35

S.00°28'26"W. 653.66'
WEST LINE SECTION 35/39/38

Easterly top of bank of existing drainage ditch
N.36°32'24"E. 2000.0'

West line of Florida Steel Corporation property
S.36°20'45"W. 2000.00'

2100.00'

POINT OF BEGINNING

S. 53°39'15"E. 927.78'

25.70'
N.53°39'15"W.

110' F P L EASEMENT

Gas Line To ICL Facility

EXHIBIT "B"

