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REDACTED

MEMORANDUM

TO: Kim Peña
PSC Commission Clerk's Office

FROM: Matthew Feil

DATE: November 24, 2008

SUBJECT: Docket No. 080672 - Petition for Approval of Special Gas Transportation Service Agreement with Miami-Dade County by Florida City Gas.

Please find enclosed a redacted version of the petition and attachments for the captioned docket per your call with Beth Keating this afternoon.

Enclosure(s)

COM _____
ECR _____
GCL _____
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DOCUMENT NUMBER-DATE

10921 NOV 24 08

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106 East College Avenue
Suite 1200
Tallahassee, FL 32301
www.akerman.com
850 224-9634 tel 850 222-0103 fax

November 13, 2008

VIA HAND DELIVERY

Ms. Ann Cole
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Dear Ms. Cole:

Enclosed for filing on behalf of Florida City Gas are the original and fifteen copies of its Petition for Approval of Special Gas Transportation Service Agreement.

If you have any questions regarding this filing, please call me at 850-425-1614.

Sincerely,

Matthew Feil

Enclosures

cc: Connie Kummer

DOCUMENT NUMBER-DATE
10921 NOV 24 8
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Approval of Special)
Gas Transportation Service Agreement)
by Florida City Gas)
_____)

Docket No. _____ -GU

Filed: November 13, 2008

**PETITION FOR APPROVAL OF SPECIAL
GAS TRANSPORTATION SERVICE AGREEMENT**

Pursuant to Section 366.06, Florida Statutes and Rules 25-9.034 and 25-22.036, Florida Administrative Code, Florida City Gas ("FCG" or "Company")¹ petitions the Commission for approval of a special gas transportation service agreement with Miami-Dade County. In support of this petition, FCG states:

1. The name of the petitioner and the mailing address of its principal office in Florida are:

Florida City Gas
955 East 25th Street
Hialeah, Florida 33013-3498

2. The names and mailing addresses of the persons authorized to receive notices and communications with respect to this petition are:

Beth Keating
Akerman Senterfitt
106 East College Avenue, Suite 1200
Tallahassee, FL 32301
850-521-8002

Matthew Feil
Akerman Senterfitt
106 East College Avenue, Suite 1200
Tallahassee, FL 32301
850-425-1614

¹ As described in the body of the Petition, Florida City Gas is an operating division of Pivotal Utility Holdings, Inc.

Elizabeth Wade
AGL Resources, Inc.
Location 1470
Ten Peachtree Plaza
Atlanta, GA 30309

3. FCG is an operating division of Pivotal Utility Holdings, Inc. (a subsidiary of AGL Resources Inc.) and is an investor-owned natural gas utility company subject to the regulatory jurisdiction of the Commission as prescribed in Chapter 366, Florida Statutes. FCG's substantial interests will be affected by the Commission's disposition of this Petition in that the Commission's rules require that special contracts, such as those between FCG and Miami-Dade County at issue here, must be approved by the Commission.

4. FCG is formerly City Gas Company of Florida ("City Gas"). City Gas stock was publicly traded on the American Stock Exchange from 1964 until 1988 when it merged into Elizabethtown Gas Company, the principal operating subsidiary of NUI Corporation ("NUI"), operating as a separate division of that subsidiary corporation. In November 1997, City Gas was doing business under the name of City Gas Company of Florida. In March 2001, NUI changed its name to NUI Utilities, Inc. In November 2004, AGL Resources Inc. acquired all of the outstanding common stock of NUI's parent company, and on December 6, 2004, the name City Gas was changed to Florida City Gas. In March 2005, NUI Utilities changed its name to Pivotal Utility Holdings, Inc. ("PUHI") and FCG now operates as a division of PUHI, a wholly-owned subsidiary of NUI Corporation which is in turn a wholly-owned subsidiary of AGL Resources Inc. AGL Resources Inc. subsidiaries are regulated by the Federal Energy Regulatory

Commission, the U.S. Department of Transportation, and the state utility commissions of Florida, Georgia, Maryland, New Jersey, Tennessee, and Virginia.

5. FCG's predecessor, City Gas, executed a Natural Gas Transportation Services Agreement with Miami-Dade County in 1998 (the "1998 Agreement"), attached hereto as Exhibit A. The 1998 Agreement had a ten-year term, expiring July 1, 2008, with no automatic renewal. Its terms and conditions were by-and-large governed by filed tariffs with the exception of the term, the transportation rate, the minimum and maximum provisions, and a full requirements provision.

6. When the 1998 Agreement came up for renewal in July of this year, FCG and Miami-Dade County began negotiating terms for an extension. During its analysis of the contract, FCG reviewed its files and available on-line information of the Commission's docket files. FCG was unable to find detailed information regarding this agreement in the files left by its predecessor company, City Gas, or in the Commission's docket files. Further, because the 1998 Agreement's expiration was imminent and the contract contained no provision for even a temporary extension of its term, the parties agreed to an amendment dated August 28, 2008, (the "Amendment") which temporarily extended the term of the 1998 Agreement on a month-to-month basis as of July 1, 2008. The Amendment is attached hereto as Exhibit B.

7. In parallel with negotiating the Amendment, FCG and Miami-Dade County also negotiated a successor agreement to the 1998 Agreement. The parties reached a successor agreement, which is also dated August 28, 2008 (the "2008 Agreement") and is attached hereto as Exhibit C. The 2008 Agreement contains the same pricing provisions as the 1998 Agreement, and many of the other provisions in the 2008

Agreement are similar if not identical to those in the 1998 Agreement. By this petition, FCG requests that the Commission approve FCG's special gas transportation service agreement with Miami-Dade County.

8. The 2008 Agreement is expressly subject to Commission approval. Further, the 2008 Agreement (and the Amendment) state that if the Commission does not approve the 2008 Agreement within 180 days, by February 24, 2009, the 2008 Agreement shall not become effective.

9. Under the 2008 Agreement, FCG is to receive natural gas for Miami-Dade County at previously established Points of Receipt with Florida Gas Transmission Company in Miami and Hialeah, Florida; transport such quantities on the FCG distribution system; and redeliver such gas to Points of Delivery at three Miami-Dade County facilities with a maximum annual contract quantity ("MACQ") per site as follows: (1) Alexander Orr Water Treatment Plant, 4,200,000 therms; (2) Hialeah Lime Reclamation Facility, 3,300,000 therms; (3) South District Wastewater Treatment Plant, 400,000 therms.

10. The primary provisions of the 2008 Agreement which "are not specifically covered by ['FCG'] filed regulations and standard approved rate schedules," and therefore may trigger the requirement for Commission approval as a special contract under Rule 25-9.034, F.A.C.,² are:

² Rule 25-9.034(1), Florida Administrative Code, states that the rule does not apply to contracts "by or between a public utility and a municipality or R.E.A. cooperative . . ." (Emphasis added.) It is within the Commission's discretion to determine that "municipality" in that rule means any municipal customer. However, based on a review of other references in Chapter 25-9 to "municipality," including in Rule 25-9.001(1), and in Section 366.11, Florida Statutes, the Company believes the Commission meant "municipal utility" when it said "municipality" in Rule 25-9.034(1). However, the Company does not oppose the interpretation that would obviate the need for the instant petition.

(a) the provisions in Article V addressing and establishing a customer specific MACQ per plant (as stated in the paragraph above) subject to negotiated increases, a minimum annual volume of 1,250,000 therms per year, and a maximum daily quantity of gas of 24,500 therms, subject to negotiated increase.

(b) the transportation rates in Article VII: (1) \$ [REDACTED] for the Alexander Orr Water Treatment Plant, (2) \$ [REDACTED] for the Hialeah Lime Reclamation Facility, and (3) \$ [REDACTED] for the South District Wastewater Treatment Plant.

(c) the full requirements and non-displacement provisions in Article IX, whereby Miami-Dade County agrees that all pipeline-transported natural gas for the referenced facilities will be under the FCG contract and that Miami-Dade County will not displace FCG service with any service from any third party.

(d) the ten-year term in Article I.

11. The agreement provisions are justified, are in the best interest of FCG and do not harm FCG's ratepayers because (a) FCG will recover its cost to serve Miami-Dade County via the rates charged to Miami-Dade County, (b) serving Miami-Dade County removes from the general body of ratepayers costs that would otherwise be allocated to those ratepayers in the absence of the agreement, (c) losing Miami-Dade County as a customer would be detrimental to the general body of ratepayers, and (d) Miami-Dade County negotiated the agreement at arm's length with FCG and Miami-Dade County approved the agreement as being in the best interest of Miami-Dade County and its citizenry.

12. FCG requests that the Commission approve the its Miami-Dade County gas transportation arrangements as special contracts under Rule 25-9.034(1), Florida

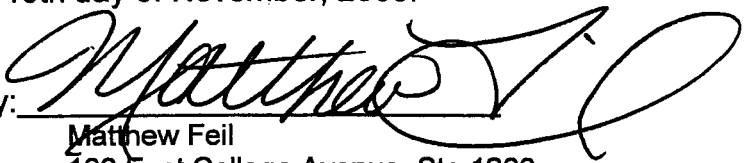
Administrative Code. Such approval will ensure that FCG continues to serve this significant gas transportation customer at compensatory rates and that FCG and its ratepayers will receive the benefits of the agreement.

13. FCG is not aware of any disputed issues of material fact related to this Petition.

14. FCG brought the information regarding the predecessor agreement to the attention of the FPSC after this situation was discovered and investigated. FCG commits to work collaboratively with staff to address any concerns that may arise regarding predecessor or prospective special contracts. To be clear, FCG's predecessor, not FCG, executed the 1998 Agreement. FCG is aware of and understands the Commission's rule requiring the filing and approval for special contracts and is in good faith complying with said rule by this filing.

WHEREFORE, FCG requests that the Commission approve FCG's special gas transportation service agreement with Miami-Dade County by no later than February 24, 2009.

RESPECTFULLY SUBMITTED this 13th day of November, 2008.

By: 
Matthew Feil
106 East College Avenue, Ste 1200
Tallahassee, FL 32301
850-521-8002

and

Beth Keating
106 East College Avenue, Ste 1200
Tallahassee, FL 32301
850-425-1614

Attorneys for Florida City Gas

NATURAL GAS
TRANSPORTATION SERVICE AGREEMENT
BETWEEN
NUI CORPORATION
AND
MIAMI-DADE COUNTY

Account Nos. 211-0756225-011, 211-0756239-011,
211-0754412-011

THIS AGREEMENT made and entered into as of this 29 day of OCT., 1999, by and between NUI Corporation, a New Jersey Corporation, hereinafter referred to as "Company", represented by City Gas Company of Florida, and MIAMI-DADE COUNTY, a political subdivision of the State of Florida, hereinafter referred to as "Customer".

WITNESSETH:

WHEREAS, Company's Natural Gas Tariff (Tariff) establishes transportation service to be provided pursuant to Rate Schedule having certain specific terms of applicability; and

WHEREAS, Customer has requested that Company render natural gas transportation service to Customer in accordance with the terms and conditions of this Agreement and Company has agreed to transport Customer's gas,

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein, the parties agree as follows:

ARTICLE I

TERM OF AGREEMENT

1. Subject to all other provisions, conditions, and limitations hereof, this Agreement shall become effective as of July 1, 1998, and shall continue in full force and effect for ten (10) years,

at which time the Agreement shall terminate. Company agrees, upon written request from Customer received by Company not less than 90 days prior to the termination date of this Agreement, to review the terms and conditions of the Agreement for the purpose of renewal for a like term. The renewal is contingent upon the Company and Customer mutually agreeing in writing to the terms and conditions for the renewal term. This Agreement supersedes and renders null and void the previous CI-LVT Transportation Service Agreement between the Company and Customer made and entered into as of November 1, 1997.

ARTICLE II

APPLICABILITY OF TARIFF

1. Based upon governing applicability provisions, the parties hereby confirm that Customer qualifies for the Contract Interruptible Large Volume Transportation Service (CI-LVT) Rate Schedule.
2. Except to the extent expressly modified by the terms of this Agreement, all service rendered by Company under this Agreement shall be provided pursuant to the terms and conditions of Company's Tariff, which is incorporated fully herein by reference, as filed with and approved by the Florida Public Service Commission.
3. Pursuant to the Affidavits of Alternate Fuel Price attached hereto, the rates for transportation of natural gas to Customer's listed facilities shall be as set forth in Article VII of this Agreement.

ARTICLE III

POINTS OF RECEIPT AND DELIVERY

Customer shall arrange for the delivery of all gas to be transported by Company hereunder to take place at those interconnections between Company and Florida Gas Transmission Company (FGT) heretofore determined (Point(s) of Receipt) in Miami, FL and Hialeah, FL. All such gas received by Company shall be redelivered to Customer at those interconnections between the distribution system of Company and the facilities of Customer heretofore determined (Point(s) of Delivery).

ARTICLE IV

OBLIGATIONS AND REPRESENTATIONS OF CUSTOMER

1. Customer represents that it meets all qualifications for Contract Interruptible Large Volume Transportation Service.
2. Customer agrees to comply with all terms and conditions of this Agreement and the Company's Tariff as approved by the Florida Public Service Commission, which terms and conditions are incorporated by reference, and the applicable Rate Schedule as the same may be amended or modified from time to time.
3. Customer warrants that it will, at the time of delivery of gas to Company for transportation hereunder, have good and merchantable title to the gas free and clear of all liens, encumbrances and adverse claims. Customer agrees to provide Company with any documentation which may be requested in writing by Company to evidence Customer's title to the gas transported. Company reserves the right, without penalty or liability, to refuse transportation of any gas in the event Customer fails to provide such documentation upon Company's written request.

4. Company understands that Customer warrants only its title to the natural gas at the Points of Receipt. Customer's contracted supplier of natural gas is responsible to warrant that all gas delivered to Company for transportation hereunder shall be of a merchantable quality and shall conform to the quality requirements set forth in the tariff of FGT as filed with and approved by the Federal Energy Regulatory Commission.

ARTICLE V

QUANTITY

1. Customer and Company agree that as of the Effective Date of this Agreement, the initial maximum annual contract quantity of gas (MACQ) that the company is obligated to deliver to Customer under this Agreement in any contract year is:

Alexander Orr Water Treatment Plant
6800 S.W. 87th Avenue
Miami, FL 33173

4,200,000 therms

Hialeah Lime Recalcination Facility
700 W. 2nd Avenue
Hialeah, FL 33010

3,300,000 therms

South District Wastewater Treatment Plant
8950 S.W. 232 Street
Miami, FL 33170

400,000 therms

2. Company may, from time to time, make deliveries to Customer in excess of the above stated MACQ's. However, if Customer desires to increase the MACQ for any facility, Customer will provide Company with a written request. Within ninety (90) days of the date of such request, Company shall provide Customer with proposed terms and conditions under which Company will be willing to increase MACQ. Such terms shall include, but not be limited to, Customer's willingness to pay an appropriate contribution to the cost of construction of additional facilities.

3. Customer hereby agrees to tender for transportation on the Company systems during each annual period a volume of gas equal to or greater than the minimum annual volume of 1,250,000 therms per year.

4. The maximum daily contract quantity of gas (MDCQ) Customer may have delivered to Company at the Points of Receipt, in the aggregate, for transportation by Company hereunder shall be 24,500 therms. During the term of this Agreement, Customer may increase the MDCQ and/or the maximum deliveries designated herein for each point of receipt only with the prior consent of the Company, and only upon such prior notice as the Company may require under the circumstances.

ARTICLE VI

PARAMETERS OF SERVICE

Company does not warrant that transportation service will be available hereunder at all times and under all conditions.

ARTICLE VII

RATES AND CHARGES FOR SERVICE

1. For the term of this Agreement, Customer shall pay Company each month the following transportation charges for services rendered under this Agreement. The rates set forth below are subject to the tax and other adjustment terms of Company's Tariff, as applicable to Customer.

<u>Facility</u>	<u>Rate per Therm</u>	<u>MACQ</u>
Alexander Orr Water Treatment Plant	\$ [REDACTED]	4,200,000
Hialeah Water Treatment	\$ [REDACTED]	3,300,000
South District Wastewater Treatment Plant	\$ [REDACTED]	400,000

2. There shall be no charge for each therm transported to each facility in excess of the maximum annual contract quantity of gas (MACQ) as set forth in Paragraph 1 of this Article in any contract year, provided that any transportation service in excess of the MACQ figures set forth above in any contract year do not require Company to construct additional facilities to provide such service to Customer. The terms and conditions with respect to any increase in the initial MACQ and

construction of associated additional facilities are subject to the terms of Paragraph 2 or Article V of this Agreement.

ARTICLE VIII

MEASUREMENT

1. Company agrees to install and maintain facilities necessary to deliver and accurately measure the gas to Customer at the Points of Delivery.

2. Quantities of gas delivered to the Company's distribution system at the Points of Receipt for the account of Customer shall be measured by FGT. All charges billed to Customer hereunder shall be based on the measurements made at the Points of Delivery. Measurement shall include temperature-correcting devices installed and maintained by Company to ensure proper billing of gas, corrected to 60 degrees Fahrenheit, at no cost to Customer.

3. Customer may, with the prior written consent of Company, which shall not be unreasonably withheld, and at no cost to Company, install check-measuring devices at the Points of Delivery.

ARTICLE IX

FULL REQUIREMENTS

It is understood and agreed that Company's rendering of gas transportation service under the terms and conditions of this Service Agreement is in consideration of Customer's agreement to utilize exclusively such services for all pipeline-transported natural gas consumed at the Customer's facilities located as listed in Article V herein, from the Effective Date hereof and during the Term of this Agreement and any renewals hereof. Accordingly, Customer agrees that Customer will not,

for the term of this Agreement and any renewals hereof, displace any service provided under this Agreement with service from any third party. However, nothing herein shall prohibit Customer from extracting and consuming landfill gas at Customer's facilities.

ARTICLE X

FACILITIES

1. All facilities required to provide service under this Agreement shall be designed, constructed, installed, operated, maintained, and owned by Company.

2. Customer agrees to pay Company a one time "Aid to Construction" charge of \$ [REDACTED] for Company to design, construct, own, maintain, and operate natural gas service to Miami-Dade South District Wastewater Treatment Plant, 8950 S.W. 232 Street, Miami, FL, 33170, sufficient in size to meet Customer-specified demand of 400,000 therms maximum annual quantity (MACQ). Company agrees to run gas line(s) to point(s) of use within this plant as determined by the Customer, which shall constitute Point(s) of Delivery. Customer shall reimburse Company, prior to the commencement of service, in the amount of \$ [REDACTED] per meter for any telemetry equipment required to be installed at this plant.

ARTICLE XI

NOMINATIONS AND NOTICE

1. Customer, or its agent supplier, shall make all nominations of service (advice regarding the next months-anticipated consumption) on Company's system hereunder on the appropriate form provided by Company. Customer, or its agent, shall submit any new nomination for service a minimum of ten working days prior to the commencement of the transportation service, and shall

submit a request for a change to an existing nomination a minimum of three working days prior to the date the change is to become effective.

2. Customer or its agent, not the Company, shall be responsible for making all transportation agreements and nominations to all third parties upstream of company's Points of Receipt. Customer may use a broker for this purpose. If Customer utilizes a broker to make such transportation arrangements and nominations on the interstate system that is upstream of Company's system, Customer shall identify the broker initially and upon a change.

3. All nominations and adjustments to nominations shall be directed to:

Manager, Gas Control
NUI Corporation
One Elizabethtown Plaza
Union, NJ 07083
FAX: (908) 527-9478

Any service inquiries or correspondence regarding the administration of nominations shall be directed to:

Kim T. Verran
Territory Manager
NUI/City Gas Company of Florida
One Elizabethtown Plaza
Union, NJ 07083
Phone/Fax: (908) 289-5000 Ext. 5705/ (908) 289-1370

OR

Donna Becker
Key Accounts Manager
NUI/City Gas Company of Florida
One Elizabethtown Plaza
Union, NJ 07083
Phone/Fax: (908)289-5000 Ext. 5705/(908) 289-1370

4. All payments shall be directed to:

NUI/City Gas Company of Florida
955 East 25th Street
Hialeah, FL 33013-3498

5. Miami-Dade Water and Sewer Department
Mr. Tom Segars, Superintendent
Water Production Division
P. O. Box 110006
Hialeah, FL 33011
Phone: (305) 888-2522
Fax: (305) 889-0156

ARTICLE XII

FORCE MAJEURE

Neither Company, nor Customer or its agents, 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, washouts, arrests and restraints of rules and people, civil disturbances, explosions, temporary failure of gas supply, temporary failure of firm transportation arrangements, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, acts of third parties, or any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party, and which by the exercise of due

diligence such party is unable to prevent or overcome.

Such cause or contingencies affecting the performance by Company, Third Party Supplier, or Customer, however, shall not relieve Company or Customer of liability in the event of its concurrent negligence, or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch. In any event, the liability of Customer for damages shall be limited as provided in Section 768.28, Florida Statutes.

ARTICLE XIII

MISCELLANEOUS

1. The captions in this Agreement are for the convenience of the parties in identification of the provisions hereof and shall not constitute a part of the Agreement, nor be considered interpretive thereof.

2. This Agreement shall be binding upon and insure of the benefit of the respective successors and assigns of the parties; provided, however, neither party may make an assignment hereunder without having first obtained the prior written consent of the other party. Such consent shall not be unreasonably withheld. If either party does not provide such consent within sixty (60) days after receipt of the other party's notification of assignment, failure to reply shall be deemed as consent. Any notification of assignment or consent to assignment shall be made by registered mail.

3. The interpretation and performance of this Agreement shall be governed by the laws of the State of Florida. Venue for any civil action arising out of this Agreement shall be Miami-Dade County, Florida.

4. This Agreement shall be subject to all of the rules and regulations of any duly

constituted federal or state regulatory authorities having jurisdiction hereof. Company and Customer shall comply at all times with applicable federal, state, municipal, and other laws, ordinances and regulations.

5. This Agreement contains the entire understanding of the parties with respect to the matters contained herein and may be modified only in writing duly executed by authorized representatives of the parties.

SIGNATURE PAGE FOLLOWS

In witness whereof, MIAMI-DADE COUNTY and NUI CORPORATION, represented by CITY GAS COMPANY OF FLORIDA, by and through their duly authorized officers, have executed this Agreement as of the date first written above.

(SEAL)

NUI CORPORATION

By: CITY GAS COMPANY OF
FLORIDA, a Division of NUI
Corporation

By: [Signature]
Richard Gruber
Vice-President, Marketing

By: [Signature]
Joyce M. Fajon
Assistant Secretary

MIAMI-DADE, a political
subdivision of the State of Florida

ATTEST:

By Its Board of County
Commissioners

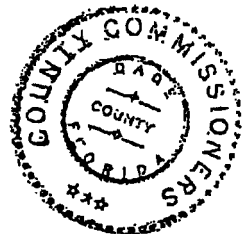
Harvey Ruvin

[Signature]
By: Merrett R. Stierheim
County Manager

Clerk of the Board

By: [Signature]
Deputy Clerk

Approved as to form and
legal sufficiency.



By: [Signature]
Assistant County Attorney

EXECUTION COPY

First Amendment to
Natural Gas Transportation Service Agreement
Between
Florida City Gas
And Miami-Dade County

This First Amendment ("Amendment") is effective as of this 30th day of June, 2008 by and between Pivotal Utility Holdings, Inc. d/b/a Florida City Gas ("FCG") and Miami-Dade County ("Customer").

WHEREAS, FCG (formerly known as NUI Corporation, represented by City Gas Company of Florida) and Customer entered into the Natural Gas Transportation Service Agreement on October 29, 1998 (the "Agreement");

WHEREAS, the Effective Date of the Agreement is July 1, 1998;

WHEREAS, the Term, as defined in the Agreement, was initially set to expire on June 30, 2008; and

WHEREAS, the parties desire to extend the Term as set forth below.

NOW THEREFORE, in consideration of the premises and mutual covenants and agreements herein, FCG and Customer agree as follows:

1. The parties are currently negotiating a renewal of the Agreement (the "New Contract"). Pursuant to the terms of the New Contract, such contract shall not become effective until the date that the Florida Public Service Commission ("Commission") approves and makes the New Contract effective (the "Effective Date"). Further, if the New Contract is not approved and made effective by the Commission subject to terms and conditions satisfactory to the parties within one hundred eighty (180) days from the date the New Contract is entered into by the parties, the New Contract shall not become effective.
2. To avoid a gap in service between the expiration of the Agreement and the Effective Date of the New Contract and, if necessary, to allow the parties additional time to negotiate a new agreement in the event the New Contract does not become effective, the parties hereby agree to extend the Term of the Agreement on a month-to-month basis effective as of July 1, 2008, until the earlier of: (a) the Effective Date of the New Contract; or (b) thirty (30) days following written notice from either Party of its election to terminate the Agreement.

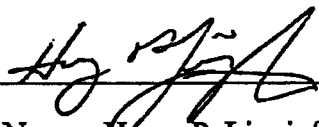
EXECUTION COPY

3. If the New Contract does not become effective and negotiations are terminated, the Parties will agree to terminate the Agreement.
4. All other provisions of the Agreement shall remain in full force and effect.
5. This Amendment may be executed in one or more counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument.

The parties have executed this Amendment by the signatures of their respective authorized representatives on the date set forth below.

**PIVOTAL UTILITY HOLDINGS,
INC. D/B/A FLORIDA CITY GAS:**

**MIAMI-DADE COUNTY:
BY ITS BOARD OF COUNTY
COMMISSIONERS**

By: 
Print Name: Henry P. Linginfelter
Title: President

By: _____
Print Name:
Title:

ATTEST:

Harvey Ruvin

Clerk of the Board:

By: _____
Deputy Clerk

Approved as to form and
Legal sufficiency.

By: _____
Assistant County Attorney

EXECUTION COPY

- 3. If the New Contract does not become effective and negotiations are terminated, the Parties will agree to terminate the Agreement.
- 4. All other provisions of the Agreement shall remain in full force and effect.
- 5. This Amendment may be executed in one or more counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument.


The parties have executed this Amendment by the signatures of their respective authorized representatives on the date set forth below.

**PIVOTAL UTILITY HOLDINGS,
INC. D/B/A FLORIDA CITY GAS:**

MIAMI-DADE COUNTY:

**BY ITS BOARD OF COUNTY
COMMISSIONERS**

By: _____

By:  _____

Print Name:

Print Name:

Title:

Title:

ATTEST:

Harvey Ruvin

Clerk of the Board:

By: _____
Deputy Clerk

Approved as to form and
Legal sufficiency.

By: Sarah E. Galloway Danks
Assistant County Attorney

EXECUTION COPY

- 3. If the New Contract does not become effective and negotiations are terminated, the Parties will agree to terminate the Agreement.
- 4. All other provisions of the Agreement shall remain in full force and effect.
- 5. This Amendment may be executed in one or more counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument.

The parties have executed this Amendment by the signatures of their respective authorized representatives on the date set forth below.

**PIVOTAL UTILITY HOLDINGS,
INC. D/B/A FLORIDA CITY GAS:**

MIAMI-DADE COUNTY:

**BY ITS BOARD OF COUNTY
COMMISSIONERS**

By: _____

By: 

Print Name:

Print Name:

Title:

Title:

ATTEST:

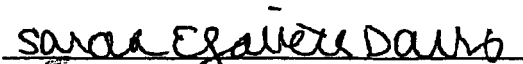
Harvey Ruvin

Clerk of the Board:




Deputy Clerk 8/28/08

Approved as to form and
Legal sufficiency.

By: 
Assistant County Attorney

**NATURAL GAS TRANSPORTATION SERVICE AGREEMENT
BETWEEN
FLORIDA CITY GAS
AND
MIAMI-DADE COUNTY**

Account Nos. 211-0756225-011, 211-0756239-011,
211-0754412-011, 211-0786676-001

THIS AGREEMENT made and entered into as of this 28th day of Aug, 2008, by and between Pivotal Utility Holdings, Inc. d/b/a Florida City Gas ("FCG"), a New Jersey corporation, hereinafter referred to as "Company", and MIAMI-DADE COUNTY, a political subdivision of the State of Florida, hereinafter referred to as "Customer" (collectively, with FCG, the "Parties").

WITNESSETH:

WHEREAS, Company's Natural Gas Tariff ("Tariff") establishes transportation service to be provided pursuant to the Contract Demand Service Rate Schedule having certain specific terms of applicability;

WHEREAS, Customer has requested that Company render natural gas transportation service to Customer in accordance with the terms and conditions of this Agreement and Company has agreed to transport Customer's gas;

WHEREAS, this Agreement is subject to the approval of the Florida Public Service Commission ("Commission"); and

NOW, THEREFORE, in consideration of the premises and mutual covenants and agreements set forth herein, the Parties agree as follows:

ARTICLE 1

TERM OF AGREEMENT

1. Subject to all other provisions, conditions, and limitations hereof, this Agreement shall become effective as of the date that the Commission approves and makes this Agreement effective (the "Effective Date"), and shall continue in full force and effect until ten years from the Effective Date, at which time the Agreement shall terminate (hereinafter, the "Term"). Company agrees, upon written request from Customer received by Company not less than ninety (90) days prior to the termination date of this Agreement, to review the terms and conditions of the Agreement for the purpose of renewal for a like term. The renewal is contingent upon the Company and Customer mutually agreeing in writing to the terms and conditions for the renewal term. If this Agreement is not approved and made effective by the Commission subject to terms and conditions satisfactory to the Parties within one hundred eighty (180) days from the date this Agreement is entered into by the Parties, this Agreement shall not become effective, and the parties will continue to negotiate a new agreement, pursuant to the First Amendment to Natural Gas Transportation Service Agreement Between Florida City Gas and Miami-Dade County (the "Amendment"), unless one of the parties elects to terminate the Amendment, as provided in the Amendment, through written notice.

ARTICLE II

APPLICABILITY OF TARIFF

1. Based upon governing applicability provisions, the Parties hereby confirm that Customer qualifies for the Contract Demand Service Rate Schedule.
2. Except to the extent expressly modified by the terms of this Agreement, all service rendered by Company under this Agreement shall be provided pursuant to the terms and

conditions of Company's Tariff, which is incorporated fully herein by reference, as filed with and approved by the Florida Public Service Commission from time to time.

3. The rates for transportation of natural gas to Customer's listed facilities shall be as set forth in Article VII of this Agreement.

ARTICLE III

POINTS OF RECEIPT AND DELIVERY

1. Customer shall arrange for the delivery of all gas to be transported by Company hereunder to take place at those interconnections between Company and Florida Gas Transmission Company ("FGT") heretofore determined [Point(s) of Receipt] in Miami, FL and Hialeah, FL. All such gas received by Company shall be redelivered to Customer at those interconnections between the distribution system of Company and the facilities of Customer heretofore determined [Point(s) of Delivery].

ARTICLE IV

OBLIGATIONS AND REPRESENTATIONS OF CUSTOMER

1. Customer represents that it meets all qualifications for Contract Demand Service.

2. Customer agrees to comply with all terms and conditions of this Agreement and the Company's Tariff, as approved by the Florida Public Service Commission, which terms and conditions are incorporated fully herein by reference and the applicable Rate Schedule as the same may be amended or modified from time to time.

3. Customer warrants that it will, at the time of delivery of gas to Company for transportation hereunder, have good and merchantable title to the gas free and clear of all liens, encumbrances, and adverse claims. Customer agrees to provide Company with any documentation which may be requested in writing by Company to evidence Customer's title to the gas transported. Company reserves the right, without penalty or liability, to refuse

transportation of any gas in the event Customer fails to provide such documentation upon Company's written request.

4. Customer warrants that all gas delivered to Company for transportation hereunder shall be of a merchantable quality and shall conform to the quality requirements set forth in the tariff of FGT as filed with and approved by the Federal Energy Regulatory Commission.

ARTICLE V

QUANTITY

1. Customer and Company agree that as of the Effective Date of this Agreement, the initial maximum annual contract quantity of gas ("MACQ") that Company is obligated to deliver to Customer under this Agreement in any contract year is:

Alexander Orr- Water Treatment Plant
6800 S.W. 87th Avenue
Miami, FL 33173
Account # 211-0756225-011
Account # 211-0756239-011
4,200,000 therms

Hialeah Lime Recalcination Facility
700 W. 2nd Avenue
Hialeah, FL 33010
Account # 211-0754412-011
3,300,000 therms

South District Wastewater Treatment Plant
8950 S.W. 232nd Street
Miami, FL 33170
Account # 211-0786676-001
400,000 therms

2. Company may, from time to time, make deliveries to Customer in excess of the above stated MACQs. However, if Customer desires to increase the MACQ for any facility, Customer will provide Company with a written request. Within ninety (90) days of the date of such request, Company shall provide Customer with proposed terms and conditions under which Company will be willing to increase MACQ. Such terms shall include, but not be limited to,

Customer's willingness to pay, if necessary, an appropriate contribution to the cost of construction of additional facilities.

3. Customer hereby agrees to tender for transportation on Company's systems, during each annual period, a volume of gas equal to or greater than the minimum annual volume of 1,250,000 therms per year.

4. The maximum daily contract quantity of gas ("MDCQ") Customer may have delivered to Company at the Points of Receipt, in the aggregate, for transportation by Company hereunder shall be 24,500 therms. During the Term of this Agreement, Customer may increase the MDCQ and/or the maximum deliveries designated herein for each Point of Receipt only with the prior consent of Company, and only upon such prior notice as Company may require under the circumstances.

ARTICLE VI

PARAMETERS OF SERVICE

1. Company does not warrant that transportation service will be available hereunder at all times and under all conditions.

ARTICLE VII

RATES AND CHARGES FOR SERVICE

1. For the Term of this Agreement, Customer shall pay Company each month the following transportation charges for services rendered under this Agreement. The rates set forth below are subject to the tax and other adjustment terms of Company's Tariff, as applicable to the Customer.

<u>Facility</u>	<u>Rate per Therm</u>	<u>MACQ</u>
Alexander Orr Water Treatment Plant	\$ [REDACTED]	4,200,000

Hialeah Water Treatment	\$ [REDACTED]	3,300,000
South District Wastewater Treatment Plant	\$ [REDACTED]	400,000

2. There shall be no charge for each therm transported to each facility in excess of MACQ as set forth in Paragraph 1 of this Article in any contract year, provided that any transportation service in excess of the MACQ figures set forth above in any contract year do not require Company to construct additional facilities to provide such service to Customer. The terms and conditions with respect to any increase in the initial MACQ and construction of associated additional facilities are subject to the terms of Paragraph 2 of Article V of this Agreement.

ARTICLE VIII

MEASUREMENT

1. Company agrees to install and maintain facilities necessary to deliver and accurately measure the gas to Customer at the Points of Delivery.

2. Quantities of gas delivered to Company's distribution system at the Points of Receipt for the account of Customer shall be measured by FGT. All charges billed to Customer hereunder shall be based on the measurements made at the Points of Delivery. Measurement shall include temperature-correcting devices installed and maintained by Company to ensure proper billing of gas, corrected to 60 degrees Fahrenheit, at no cost to Customer.

3. Customer may, with the prior written consent of Company, which shall not be unreasonably withheld, and at no cost to Company, install check-measuring devices at the Points of Delivery.

ARTICLE IX

FULL REQUIREMENTS

1. It is understood and agreed that Company's rendering of gas transportation service under the terms and conditions of this Agreement is in consideration of Customer's agreement to utilize exclusively such services for all pipeline-transported natural gas consumed at Customer's facilities as listed in Article V herein, from the Effective Date hereof and during the Term of this Agreement and any renewals thereof. Accordingly, Customer agrees that Customer will not, for the Term of this Agreement, and any renewals thereof, displace any service provided under this Agreement with service from any third party. However, nothing herein shall prohibit Customer from extracting and consuming landfill gas at Customer's facilities.

ARTICLE X

FACILITIES

1. All facilities required to provide service under this Agreement shall be designed, constructed, installed, operated, maintained, and owned by Company.

ARTICLE XI

NOMINATIONS AND NOTICE

1. Customer, or its agent supplier, shall make all nominations of service (advice regarding the next month's anticipated consumption) on Company's system hereunder on the appropriate form provided by Company. Customer, or its agent, shall submit any new nomination for service a minimum of ten (10) working days prior to the commencement of the transportation service and shall submit a request for a change to an existing nomination a minimum of three (3) working days prior to the date the change is to become effective.

2. Customer or its agent, not Company, shall be responsible for making all transportation agreements and nominations to all third parties upstream of Company's Points of

Receipt. Customer may use a broker for this purpose. If Customer utilizes a broker to make such transportation arrangements and nominations on the interstate system upstream of Company's system, Customer shall identify the broker initially and upon a change.

3. All nominations and adjustments to nominations shall be directed to:

Mr. Ernie Brake
Manager of Gas Operations
AGL Resources
10 Peachtree Place NE, Suite 800
Atlanta, GA 30309
Office: 404-584-4161
Cell: 404-379-3929

Any service inquiries or correspondence regarding the administration of nominations shall be directed to:

Mr. Ed C. Delgado, RCGC
Major Accounts Executive
Florida City Gas
955 E. 25th Street
Hialeah, FL 33013
Cell: 786-218-0861
Fax: 305-691-7335

OR

Mr. Joe Hoyt
Senior Accounts Executive
AGL Resources
Ten Peachtree Place
Atlanta, GA 30309
Office: 404-584-3118
Cell: 404-217-8928

4. All payments shall be directed to:

Florida City Gas
Location 1190
P.O. Box 5720
Atlanta, GA 31107-0720

5. To the extent any form of notice, other than notice related to nominations or administration of nominations, must be provided to either Party, notice should be sent to the following persons:

For Miami-Dade Water and Sewer Department:

Mr. Tom Segars, Superintendent
Water Production Division
P. O. Box 110006
Hialeah, FL 33011
Phone: (305) 520-4721
Fax: (305) 889-0156

For Florida City Gas:

Mr. Ed C. Delgado, RCGC
Major Accounts Executive
Florida City Gas
955 E. 25th Street
Hialeah, FL 33013
Cell: 786-218-0861
Fax: 305-691-7335

With a copy to:

General Counsel
AGL Resources
Ten Peachtree Place
Atlanta, GA 30309

ARTICLE XII

FORCE MAJEURE

1. Neither Company, nor Customer or its agents, 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; washouts; arrests and restraints of rules and people; civil disturbances; explosions; temporary failure of gas supply; temporary failure of

firm transportation arrangements; the binding order of any court or governmental authority, which has been resisted in good faith by all reasonable legal means; acts of third parties; or any other cause, whether of the kind herein enumerated or otherwise, not within the control of the Party, and which by the exercise of due diligence such Party is unable to prevent or overcome.

2. Such cause or contingencies affecting the performance by Company, Third Party Supplier, or Customer, however, shall not relieve Company or Customer of liability in the event of its concurrent negligence, or in the event of its failure to use due diligence to remedy the situation and remove the cause in an adequate manner and with all reasonable dispatch, 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. In any event, the liability of Customer for damages shall be limited as provided in Section 768.28, Florida Statutes.

ARTICLE XIII

MISCELLANEOUS

1. The captions in this Agreement are for the convenience of the Parties in identification of the provisions hereof and shall not constitute a part of the Agreement, nor be considered interpretive thereof.

2. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Parties; provided, however, neither Party may make an assignment hereunder without having first obtained the prior written consent of the other Party. Such consent shall not be unreasonably withheld. If either Party does not provide such consent within sixty (60) days after receipt of the other Party's notification of assignment, failure to reply shall be deemed as consent. Any notification of assignment or consent to assignment shall be made by registered mail and provided to the individuals identified in Paragraph 5 of Article XI of this Agreement.

3. The interpretation and performance of this Agreement shall be governed by the laws of the State of Florida. Venue for any civil action arising out of this Agreement shall be Miami-Dade County, Florida, unless otherwise provided by the Tariff.

4. This Agreement shall be subject to all of the rules and regulations of any duly constituted federal or state regulatory authorities having jurisdiction hereof. Company and Customer shall comply at all times with applicable federal, state, municipal, and other laws, ordinances, and regulations.

5. This Agreement contains the entire understanding of the Parties with respect to the matters contained herein and may be modified only in writing duly executed by authorized representatives of the Parties.

6. UNLESS EXPRESSLY SET FORTH HEREIN OR IN THE TARIFF, EXCEPT FOR EITHER PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY HERETO BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES FOR LOST PROFITS OR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS (INCLUDING, WITHOUT LIMITATION, COVER), REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY OR TORT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE TERMS OF THIS PARAGRAPH SHALL SURVIVE TERMINATION OF THIS AGREEMENT.

7. This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument.

SIGNATURE PAGE FOLLOWS

In witness whereof, MIAMI-DADE COUNTY and PIVOTAL UTILITY HOLDINGS, INC. D/B/A FLORIDA CITY GAS, by and through their duly authorized officers, have executed this Agreement as of the date first written above.

(SEAL)

PIVOTAL UTILITY HOLDINGS, INC.
D/B/A FLORIDA CITY GAS

By: _____

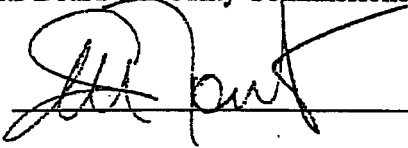
By: _____
Deputy Clerk

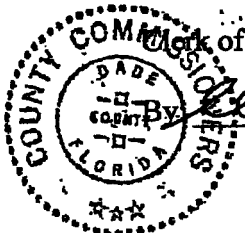
ATTEST:


MIAMI-DADE COUNTY, a political
subdivision of the State of Florida

Harvey Ruvin

By its Board of County Commissioners

By:  _____



Clerk of the Board:

Deputy Clerk 8/28/08

Approved as to form and
Legal sufficiency.

By: Sarah Elaine Daus
Assistant County Attorney

In witness whereof, MIAMI-DADE COUNTY and PIVOTAL UTILITY HOLDINGS, INC. D/B/A FLORIDA CITY GAS, by and through their duly authorized officers, have executed this Agreement as of the date first written above.

(SEAL)

PIVOTAL UTILITY HOLDINGS, INC.
D/B/A FLORIDA CITY GAS

By: _____

By: _____
Deputy Clerk

ATTEST:

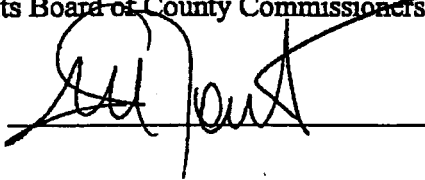
MIAMI-DADE COUNTY, a political
subdivision of the State of Florida

Harvey Ruvin

By its Board of County Commissioners

Clerk of the Board:

By: _____
Deputy Clerk

By:  _____

Approved as to form and
Legal sufficiency.

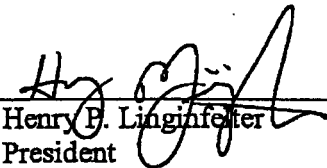
By: Sarah Elaine D'Alto
Assistant County Attorney

In witness whereof, MIAMI-DADE COUNTY and PIVOTAL UTILITY HOLDINGS, INC. D/B/A FLORIDA CITY GAS, by and through their duly authorized officers, have executed this Agreement as of the date first written above.

(SEAL)

PIVOTAL UTILITY HOLDINGS, INC.
D/B/A FLORIDA CITY GAS

By: _____
Deputy Clerk

By: 
Henry F. Linginfelter
President

ATTEST:
Harvey Ruvin
Clerk of the Board:

MIAMI-DADE COUNTY, a political
subdivision of the State of Florida

By its Board of County Commissioners

By: _____
Deputy Clerk

By: _____

Approved as to form and
Legal sufficiency.

By: _____
Assistant County Attorney