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June 14, 2024

**BYE-PORTAL**

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

Docket No. 20240050-GU - **Petition for approval of transportation service agreement with Florida Public Utilities Company by Peninsula Pipeline Company, Inc.**

Dear Mr. Teitzman:

Attached for filing in the above referenced docket, please find the Joint Responses of Peninsula Pipeline Company and Florida Public Utilities Company to Staff's First Data Requests. Certain attachments to these responses are provided in redacted form only and will be provided, along with a Request for Confidential Classification, under separate cover.

As always, thank you for your assistance in connection with this filing. If you have any questions whatsoever, please do not hesitate to let me know.

Sincerely,



Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301  
(850) 521-1706

Attachments

**Docket No. 20240050-GU - Petition for approval of transportation service agreement with Florida Public Utilities Company by Peninsula Pipeline Company, Inc.**

**Joint Responses of Florida Public Utilities Company and Peninsula Pipeline to Staff's First Data Requests**

- 1. Please confirm that FPUC would recover the monthly reservation charge paid to Peninsula through the Purchased Gas Adjustment (PGA) and swing service rider. If applicable, please calculate expected impact on the PGA and swing service rider.**

Company Response

FPUC would recover the monthly reservation charge paid to Peninsula through the PGA and swing service rider.

A calculation of the expected impact to the PGA is provided as Attachment A.

- 2. Paragraph 11 of the petition states, "FPUC wishes to maintain and enhance the ability to transport the commodity across the Pioneer header." Please explain whether FPUC's ability to transport natural gas to the delivery points listed in Exhibit A is dependent upon the asset transfer in 20240051-GU.**

Company Response

FPUC's ability to transport gas is not dependent on approval of the asset transfer in docket 20240041-GU. Should the Commission not approve the asset transfer in the referenced docket, FCG will continue to serve FPUC as a customer under their existing arrangement.

The transfer will, however, facilitate the ability of Peninsula to enhance the system through the activation of two additional Points of Delivery. Customer growth opportunities in the West Palm Beach area are available to FPUC and the additional supply and delivery points to the FPUC distribution system will allow for growth throughout the distribution in the region, which could otherwise be somewhat delayed without the transfer and installation of additional delivery points.

- 3. Please refer to paragraph 11, which describes the existing firm transportation agreement between FCG and FPUC. Please provide a copy of the agreement, including Exhibit A.**

Company Response

A copy of the agreement has been provided as Attachment B.

4. Paragraph 11 of the petition states that the proposed monthly reservation charge would be “the same rate previously charged to FPUC by FCG,” but later in the paragraph, the petition states the rate would be “consistent with” or “at a level equivalent to” (paragraph 12) the rate previously charged by FCG.
  - a. Please clarify the language used across the two paragraphs and explain whether Peninsula intends to charge the same rate as FCG.
  - b. Please account for any difference between the current rate being charged by FCG, and the rate that would be charged by Peninsula. If there is a difference, please explain why.

Company Response to 4A & 4B

The rate Peninsula has calculated using the same methodology and assumptions as the charges that FPUC is currently paying FCG for service, but it is not identical, because the charges also contemplate that Peninsula will enhance the system as further described in the response to question 6 to add two additional Points of Delivery. The rate charged by Peninsula is increased due to the activation of two additional Points of Delivery. On a per meter basis, however, the rate is slightly lower compared to what FPUC is currently being charged by FCG for the one Point of Delivery. An analysis of the rate Peninsula is charging is provided as Attachment C.

- c. Please provide an example of the cost impact, if any, expected for an average FPUC residential customer’s monthly bill.

Company Response

The projected residential bill impact is provided in Attachment D.

5. Please refer to the petition, paragraph 12. It states, “The service level is needed for FPUC to serve current customers located within the area of the Peninsula Pipeline and allow FPUC the necessary capacity to expand its service to potential new customers. Additionally, this service level will bring supply reinforcement to FPUC.” Please explain how supply reinforcement is necessary to serve current customers of FPUC and its benefits to existing customers.

Company Response

Supply reinforcement ensures that multiple sources of gas are available for delivery into a gas system. A system with only one source of gas is susceptible to supply interruption and customer outages should the single source of gas be interrupted. A system with multiple sources of gas makes a system more resilient to supply interruption in the event of interruption to one of the

sources. This ensures that customers of FPUC have an additional layer of protection should an outage occur.

- 6. Please indicate whether the three delivery points discussed in Exhibit A to the transportation service agreement are currently operating. If so, please clarify which utility provides service to customers downstream from the delivery points.**

Company Response

Of the three Points of Delivery listed in Exhibit A, the first Point of Delivery is the current active one. The other two delivery points were built into the system but are currently not active, and no other utility uses them to provide service to downstream customers. Once activated they will only be activated to provide downstream service to FPUC.

Attachment A

Projected PGA Impact

<u>Years</u>	<u>PGA</u>
2024-2025	\$0.0032
2025-2026	\$0.0030
2026-2027	\$0.0029
2027-2028	\$0.0027
2028-2029	\$0.0026
2029-2030	\$0.0025

ATTACHMENT B

(REDACTED)

## TRANSPORTATION SERVICE AGREEMENT

This Transportation Service Agreement ("Agreement") is made this 31<sup>st</sup> day of December, 2002, by and between City Gas of Florida, a division of NUI Utilities, Inc. d/b/a City Gas Company of Florida ("CGCF" or "Party") a New Jersey corporation, and Florida Public Utilities Company ("FPUC" or "Party"), a Florida Corporation, collectively referred to hereinafter as the "Parties."

### RECITALS

WHEREAS, the Parties are both natural gas distribution companies authorized by the Florida Public Service Commission ("FPSC") to serve customers in Palm Beach County, Florida; and

WHEREAS, CGCF has constructed a natural gas distribution system which in part traverses territory currently identified as the service territory of FPUC; and

WHEREAS, in order to enable as many persons and businesses within Palm Beach County as possible to receive economical and reliable natural gas service, the Parties have entered into a Territorial Agreement ("Territorial Agreement") on even date herewith, the intent of which is to avoid any unnecessary and uneconomic duplication of facilities which would be contrary to FPSC policies and detrimental to the interests of their customers and the general public, which Territorial Agreement is incorporated herein by reference; and

WHEREAS, pursuant to the Territorial Agreement, CGCF has agreed to make gas transportation service available to FPUC;

NOW, THEREFORE, in consideration of the premises and covenants set forth herein, CGCF and FPUC mutually agree as follows:

1. This Agreement shall become effective on the date an FPSC order approving this Agreement and the Territorial Agreement becomes final and effective, and shall remain in effect for a primary term ending five (5) years from such date. Upon conclusion of the primary term, this Agreement shall automatically renew for five (5) consecutive additional five-year terms. Notwithstanding the foregoing, (a) FPUC may terminate this Agreement at the end of the primary term or any subsequent five-year term by serving written notice on CGCF not less than one hundred eighty (180) days prior to the end of the then-current term, and (b) either Party may terminate this Agreement at any time in the event of a material default by the other Party in the performance of its duties and obligations under this Agreement, which default is not substantially cured within thirty (30) days following receipt of written notice by the defaulting party from the non-defaulting party specifying such default.
2. The gas transportation service provided by CGCF to FPUC hereunder is expressly subject to and governed by the terms and conditions of CGCF's tariff ("Tariff") as filed with and approved by the FPSC, and which is fully incorporated herein by reference, and specifically including but not limited to Rate Schedule "KTS" – Contract Transportation Service and Section 12 of the Rules and Regulations contained therein, as each or all may be amended or modified from time-to-time. In the event of a conflict among the terms of this Agreement, the KTS rate schedule, and the Tariff, the documents shall govern in the order of priority set forth in this sentence.
3. For service provided by CGCF to FPUC under this Agreement, FPUC agrees to pay CGCF the following charges:

- a. The "Monthly Rate" set forth in CGCF's Rate Schedule Contract Interruptible – Large Volume Transportation Service ("CI-LVT") Schedule, or applicable successor rate schedule, as the same may be changed or modified from time-to-time, pursuant to the approval of the FPSC, plus all applicable Taxes and Other Adjustments, as set forth in the Tariff.
- b. In accordance with the terms of Rate Schedule KTS:
  - i. Each Contract Year during the term of this Agreement, FPUC shall take or pay for a minimum of [REDACTED] terms of service. A Contract Year shall mean a period of 365 days, or 366 days in length, as applicable, beginning on the date that CGCF first provides transportation service to FPUC under this Agreement. The take or pay obligation for any partial Contract Year shall be pro-rated accordingly; and
  - ii. FPUC shall not be assessed any costs related to fuel or transportation shrinkage for service provided under this Agreement, provided, however, that if operating conditions should change at any time during the term of this Agreement and CGCF incurs any charges related to fuel or transportation shrinkage for transporting gas supplies for FPUC or on behalf of FPUC's customers under this Agreement through CGCF's natural gas distribution system, CGCF reserves the right to assess, and FPUC agrees to pay; such reasonable charges; and
  - iii. Company shall have no obligation to provide natural gas sales service to FPUC under this Agreement.
4. FPUC shall nominate service hereunder in accordance with the terms of Section 12 of the Rules and Regulations of the tariff and FPUC shall arrange for the delivery of all gas to be transported by CGCF hereunder to take place at the interconnections between CGCF and Florida Gas Transmission Company ("FGT") located at Pioneer Road in Palm Beach County, Florida ("Point of Receipt"). Subject to the terms of Paragraph 9 of this Agreement, all such gas received by CGCF shall be redelivered to FPUC on a firm basis to the interconnections between the facilities of CGCF at or downstream of the taps described in Schedule A attached hereto and the inlet flanges of FPUC's meters (the "Point(s) of Delivery"). Schedule A may be amended only upon mutual agreement of CGCF and FPUC.

CGCF shall allow FPUC to use any and all of the taps identified in Schedule A by CGCF at FPUC's request to facilitate FPUC's provision of service to its service area as depicted in Exhibit A to the Territorial Agreement. Thirty days (30) in advance of receiving service from CGCF at a Point of Delivery, FPUC shall pay to CGCF the actual cost of installation of the associated tap or taps selected by FPUC plus twenty percent (20%). In addition, to the extent that FPUC requests any extension or alteration of facilities associated with any tap, and CGCF agrees to perform such work, FPUC shall pay CGCF the costs associated with such work plus twenty percent (20%). CGCF shall own, operate and maintain all facilities at and upstream of the Points of Delivery, and FPUC shall own, operate and maintain all facilities downstream of the Points of Delivery. FPUC shall be responsible for interfacing its distribution facilities with the facilities of CGCF at the Points of Delivery and for providing appropriate metering, regulation and safety equipment



downstream of the Points of Delivery. Calibration and inspection of such measurement equipment shall be performed by CGCF in accordance with FPSC requirements. CGCF shall provide FPUC with the opportunity to witness such inspection and calibration, with no less than one week's written notice to FPUC of same.

CGCF shall honor all FPUC requests to FGT to transfer up to [REDACTED] therms/day of FPUC's firm delivery rights and exempt use rights, as those terms are defined in FGT's tariff, as amended from time to time, from FPUC's existing and future transportation contracts with FGT to the Point of Receipt. Any proposed transfer by FPUC of firm delivery and exempt use rights to CGCF's gate station located at Pioneer Road in Palm Beach County, Florida, in excess of [REDACTED] therms/day shall be subject to mutual agreement of CGCF and FPUC. [REDACTED] [REDACTED]

5. FPUC warrants that at the time of delivery of gas to CGCF for transportation hereunder, it, or to the extent that FPUC's transportation customers have delivered gas to the Point of Receipt, its transportation customers will have good and merchantable title to all such gas, free and clear of all liens, encumbrances, and claims whatsoever. FPUC will indemnify CGCF and save it harmless from all suits, actions, debts, accounts, damages, costs including reasonable attorney's fees, losses and expenses arising from or out of the adverse claim of any and all persons to with respect to any and all gas delivered to CGCF for transportation under this Agreement. CGCF will indemnify FPUC and save it harmless from all suits, actions, debts, accounts, damages, costs including attorney's fees, losses and expenses arising from or out of the adverse claim of any and all persons to gas delivered for the account of FPUC to CGCF for transportation hereunder which arise from or relate to CGCF's transportation of said gas on CGCF's distribution system. FPUC agrees to provide documentation that may be reasonably requested in writing by CGCF to evidence title to the gas transported, within five (5) working days after FPUC's receipt of CGCF's written request. CGCF reserves the right without penalty or liability to refuse transportation of any gas in the event FPUC fails to provide such documentation.
6. The maximum daily contract quantity of gas ("MDCQ") FPUC may have delivered to CGCF at the Point of Receipt for transportation by CGCF hereunder shall be [REDACTED] therms.
7. FPUC shall be subject to the procedures for removing imbalances set forth in the Tariff. FPUC does not wish to participate with other CGCF customers in the "Book Out" procedures described in the Tariff. If and to the extent that CGCF is required to resolve any imbalances hereunder with FPUC through the purchase of gas from FPUC, FPUC represents and warrants that it will have good title to all gas purchased by CGCF.
8. Quantities of gas delivered to CGCF's distribution system at the Point of Receipt for the account of FPUC shall be measured by the meters used by CGCF at the Point of Delivery. All charges billed to FPUC hereunder shall be based on the measurement made at the Points of Delivery. FPUC may, with the prior written consent of CGCF, which shall not be unreasonably withheld, and at no cost to CGCF, install check-measuring devices at the Point(s) of Delivery.
9. In the event that either Party is rendered unable wholly or in part by force majeure to carry out its obligations under this Agreement, other than the obligation to make payments, it is agreed that on such Party giving notice and full particulars of such force majeure in writing to the other Party as soon as possible after the occurrence of the cause relied on, then the obligations of the Party giving notice (other than the obligation to make payments), so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch.

It is further agreed that except for the obligation to make payments neither CGCF nor FPUC shall be liable to the other for any damage occasioned by force majeure.

The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires storms, floods, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, the necessity for making repairs or alterations to machinery or lines or pipe, freezing of wells or line of pipe, planned or unplanned outage on the CGCF or FGT systems, acts of civil or military authority (including, but not limited to, courts or administrative or regulatory agencies), and any other cause, 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; such term shall likewise include (i) in those instances where either Party is required to obtain servitudes, rights of way grants, permits or licenses to enable such Party to fulfill its obligations hereunder, the inability of such Party to acquire, or delays on the part of such Party in acquiring at reasonable cost and after the exercise of reasonable diligence, such servitudes, rights of way grants, permits or licenses; and (ii) in those instances where either Party is required to furnish materials and supplies for the purpose of constructing or maintaining facilities or is required to secure grants or permissions from any governmental agency to enable such Party to fulfill its obligations hereunder, the inability of such Party to acquire, or the delays on the part of such Party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such materials and supplies, permits and permissions.

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

- 10. EXCEPT UNDER CIRCUMSTANCES INVOLVING INTENTIONAL MISCONDUCT AND/OR UNLAWFUL CONDUCT, AND/OR GROSS NEGLIGENCE, NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE, SPECIAL, OR PUNITIVE DAMAGES INCLUDING (WITHOUT LIMITATION) 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 10 SHALL SURVIVE TERMINATION OF THIS AGREEMENT.**
  
- 11. Each Party (the "Indemnifying Party") agrees that it shall protect, indemnify and forever hold harmless the other Party (the "Indemnified Party"), and its respective directors, officers, employees and agents from and against all liabilities, claims, demands, judgments, losses, costs, expenses, suits and actions, including without limitation reasonable attorney fees and shall defend the Indemnified Party in any suit, including appeals, whether based in tort, contract or other law, arising out of or in connection with its performance or non-performance of its obligations under this Agreement, including but not limited to personal injury to, or death of, any person or persons, or loss or damage to property, to the extent and in the proportion caused by the Indemnifying Party. The terms of this Paragraph 11 shall survive termination of this Agreement.**

12. All notices under this Agreement may be sent by a nationally recognized overnight courier service, first class mail, facsimile transmission, and/or hand delivered, to the parties at the addresses and facsimile numbers set forth below:

To CGCF:

Victor A. Fortkiewicz  
Vice President, Distribution Services  
NUI Corporation  
One Elizabethtown Plaza  
Union, NJ 07083  
Phone: 908-289-5000 ext. 6500  
Facsimile: 908-289-0978

Richard Wall  
Director, Utility Operations  
NUI City Gas Company of Florida  
955 East 25<sup>th</sup> Street  
Hialeah, FL 33013  
Phone: 305-691-8710 ext. 5201  
Facsimile: 305-835-6491

To FPUC:

C. L. Stein  
Senior Vice President & C.O.O.  
Florida Public Utilities Company  
401 S. Dixie Hwy., P.O. Box 3395  
West Palm Beach, FL 33402  
Phone: 561-838-1760  
Facsimile: 561-833-8562

with a copy to:


Marc L. Schneidermann  
Director, South Florida  
Florida Public Utilities Company  
401 S. Dixie Hwy., P.O. Box 3395  
West Palm Beach, FL 33402  
Phone: 561-838-1767  
Facsimile: 561-833-8562


Notice shall be given when received on a business day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending Party's receipt of its facsimile machine's confirmation of successful transmission, if the day on which such facsimile is received is not a business day or is after five o'clock p.m. on a business day, then such facsimile shall be deemed to have been received on the next following business day. Notice by overnight mail or courier shall be deemed to have been received on the next business day after it was sent or such earlier time as is confirmed by the receiving Party.

13. a. This Agreement, together with all documents incorporated herein by reference, constitutes the entire agreement between the Parties, and supersedes all previous agreements and understandings, whether oral or written, relating to the subject matter hereof. No modification or waiver of this Agreement shall bind either Party unless such modification or waiver is in writing and signed by an officer of each Party.
- b. There are no third Party beneficiaries to this Agreement.
- c. This Agreement shall be governed by and construed under the laws of the State of Florida, without giving effect to its conflicts of laws principles.
- d. If this Agreement should be breached by either Party and thereafter waived by the other Party, such waiver shall be limited to the particular Party and particular breach so waived and shall not be deemed to waive any other breach hereunder.
- e. No assignment of this Agreement, in whole or in part, will be made without the prior written consent of the non-assigning Party, which consent will not be unreasonably withheld or delayed.
- f. Should any provision of this Agreement become unenforceable, invalid, or be declared illegal, then that provision shall be considered severed from the rest of this Agreement and shall not affect the validity of the remainder of this Agreement.
- g. The recitals set forth herein are made a part of this Agreement.


**IN WITNESS WHEREOF**, the Parties have duly executed this Agreement as of the day and year first written above.


**NUI UTILITIES, INC.  
d/b/a CITY GAS COMPANY OF FLORIDA**

By:   
 Name: Victor A. Fortkiewicz  
 Title: President of Utility Operations

Attest:   
 Name: Richard F. Wolf  
 Title: Director of Utility Operations

**FLORIDA PUBLIC UTILITIES COMPANY**

By:  <sup>10</sup>  
 Name: C.L. Stein  
 Title: Sr. vice President, COO

Attest:   
 Name: Marc L. Schneidermann  
 Title: Director, South Florida

Schedule A

**Points of Delivery**

Locations are as follows:

Sheet	Station	Description	Costs
A-9	172+00	South Shoulder of Southern Blvd. between SR 7 and Lowe's Bridge 6"	Installation: Materials: Engineering & Admin: 20% <b>Total:</b>
10	252+75	South Shoulder of Southern Blvd east of Royal Pal Beach Blvd 4"	Installation: Materials: Engr & Admin: 20% <b>Total:</b>
12	348+42	North shoulder of SR 80 east of Big Blue Trace 4"	Installation: Materials: Engineering & Admin: 20% <b>Total:</b>
15	514+95	North shoulder of SR 80 east of Seminole Pratt Whitney Road 4"	Installation: Materials: Engineering & Admin: 20% <b>Total: \$8,194</b>
19	718+49	North shoulder of SR 80 east of Palm Beach Aggregate Entrance Road 4"	Installation: Materials: Engineering & Admin: 20% <b>Total:</b>

**Notes:**

**General Materials Used**

**6-inch Tap**

Tee Steel 12x12x6 Full Volume TD Williams Tapping Tee 600 lb. IPS 250W 52X  
 Valve Ball 6-inch 600 lb. Class API 6D WxW Trunnion Below Ground with Operator  
 Pup Steel Coat 6-inch 600 lb. IPS 375W API 5L ERW B/E D/R 4-ft long (Bond Fusion Epoxy)  
 Pup Steel Coat 6-inch 600 lb. IPS 375W API 5L ERW B/E D/R 2-ft long (Bond Fusion Epoxy)  
 Cap Steel 6-inch 720 lb. MAOP IPS 375W Class API 6D (with Face Plate)

**4-inch Tap**

Tee Steel 12x12x4 Full Volume TD Williams Tapping Tee 600 lb. IPS 250W 52X  
 Valve Ball 4-inch 600 lb. Class API 6D WxW Trunnion Below Ground with Operator  
 Pup Steel Coat 4-inch 600 lb. IPS 375W API 5L ERW B/E D/R 4-ft long (Bond Fusion Epoxy)  
 Pup Steel Coat 4-inch 600 lb. IPS 375W API 5L ERW B/E D/R 2-ft long (Bond Fusion Epoxy)  
 Cap Steel 4-inch 720 lb. MAOP IPS 375W Class API 6D (with Face Plate)

December 29, 2003

C. L. Stein  
Senior Vice President & COO  
401 S. Dixie Hwy  
West Palm Beach, FL 33402

**Re: Transportation Service Agreement dated December 31, 2002 ("Agreement") by and between City Gas Company of Florida, a division of NUI Utilities Inc. ("CGCF") and Florida Public Utilities Company ("FPUC")**

Gentlemen:

This letter shall constitute a first amendment ("First Amendment") to the referenced Agreement reflecting CGCF's and FPUC's mutual desire to, among other things, fix the rate for the primary term of the Agreement. In order to accomplish this, CGCF and FPUC agree that Paragraph 1 and Section 3a of the Agreement are hereby deleted in their entirety and replaced with the following:

1. This Agreement shall become effective on the date an FPSC order approving this Agreement and the Territorial Agreement becomes final and effective, and shall remain in effect for a primary term ending five (5) years from such date. Upon conclusion of the primary term, this Agreement shall automatically renew for five (5) consecutive additional five-year terms with respect to all terms and conditions set forth herein, with the exception of price, which is addressed in Section 3 (a) below. Notwithstanding the foregoing, (a) FPUC may terminate this Agreement at the end of the primary term or any subsequent five-year term by serving written notice on CGCF not less than one hundred eighty (180) days prior to the end of the then-current term, and (b) either Party may terminate this Agreement at any time in the event of a material default by the other Party in the performance of its duties and obligations under this Agreement, which default is not substantially cured within thirty (30) days following receipt of written notice by the defaulting party from the non-defaulting party specifying such default.
2. For service provided by CGCF to FPUC under this Agreement, FPUC agrees to pay CGCF the following charges:
  - a. For the primary term of this agreement, The "Monthly Rate" set forth in CGCF's Rate Schedule Contract Interruptible - Large Volume Transportation

Service ("CI-LVT") Schedule in effect on December 31, 2002, plus all applicable taxes and other adjustments, as set forth in the tariff. After the primary term, FPUC agrees to pay CGCF the "Monthly Rate" set forth in the CI-LVT Schedule, or applicable successor rate schedule, as the same may be changed or modified from time to time, pursuant to the approval of the FPSC, plus all applicable taxes and other adjustments, as set forth in the Tariff.

CGCF and FPUC also agree to amend the Agreement as follows:

1. a. The word "Any" is hereby deleted from the beginning of the second sentence of the last paragraph of Paragraph 4 and is replaced with the following: "Subject to the terms and conditions of the following sentences of this paragraph, any"
  - b. The following shall be added to the end of the last paragraph of Paragraph 4 "In addition, CGCF shall allow FPUC to transfer from [REDACTED] therms/day up to [REDACTED] therms/day of FPUC's firm delivery and exempt use rights to CGCF's gate station located at Pioneer Road in Palm Beach County, Florida provided that FPUC has presented CGCF with documentation, acceptable to CGCF, that such increase is necessary for FPUC to adequately serve FPUC's customers off of the taps installed on the CGCF line along Southern Boulevard in Palm Beach County, Florida, and such permission by CGCF shall not be unreasonably withheld. Notwithstanding the foregoing, CGCF shall have the right to revert back to the [REDACTED] therms/day level in the event the increase above such level is no longer necessary for FPUC to adequately serve its customers off of the taps installed on the CGCF line along Southern Boulevard in Palm Beach County, Florida or if CGCF requires the capacity to serve its customers."
2. At the end of Paragraph 6, the words "[REDACTED] therms." are hereby deleted and replaced with "the greater of [REDACTED] therms/day or a quantity equivalent to FPUC's firm delivery and exempt use rights transferred by FPUC to CGCF's gate station at Pioneer Road in Palm Beach County, Florida in accordance with the terms of Paragraph 4 of this Agreement."

This First Amendment shall be effective on the date first set above. Except as amended herein, all terms and conditions of the Agreement shall continue to be in full force and effect.


Please have both originals of this First Amendment signed by an authorized representative of FPUC and return both to the undersigned at the address above. Upon receipt, CGCF will execute and return one original to FPUC.

**NUI UTILITIES, INC.**  
**d/b/a CITY GAS COMPANY OF FLORIDA**

By: Victoria Fortkiewicz  
Name: VICTOR A. FORTKIEWICZ  
Title: PRESIDENT

Attest: [Signature]  
Name: GLORIA L. LOPEZ  
Title: DIRECTOR

**FLORIDA PUBLIC UTILITIES COMPANY**

By: C. L. Stern   
Name: C. L. Stern  
Title: SR Vice President, CDO

Attest: [Signature]  
Name: Mark L. Schneidermann  
Title: Director, S. Florida



ATTACHMENT C

(REDACTED)

Attachment C  
Cost Comparison

	1	2	3	4	5	6	7
	Customer Charge	Distribution Charge/Therm	Demand Charge/Therm	Monthly Factor (\$/Therm)	Contracted Volume/d (Therms)	Max Volume/Month (Therms)	CRA
FCG Tariff - GS 120K Rates (1 Meter)	\$ 375	\$ 0.28336	\$ 0.7190	\$ 0.02624			0.00541

[Redacted]

	1 Delivery Point(s) FPU	3 Delivery Point(s) FPU	PPC Monthly Rate
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]

