

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: June 27, 2024

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Guffey) *CGP*
Office of the General Counsel (Stiller) *JSC*

RE: Docket No. 20240039-GU – Petition for approval of transportation service agreements between Peninsula Pipeline Company, Inc. and Pivotal Utility Holdings, Inc. d/b/a Florida City Gas.

AGENDA: 07/09/24 – Regular Agenda – Proposed Agency Action – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Fay

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: None

Case Background

On February 29, 2024, Peninsula Pipeline Company, Inc. (Peninsula) filed a petition seeking approval of three firm transportation service agreements (Transportation Agreements) between Peninsula and Pivotal Utility Holdings, Inc. d/b/a Florida City Gas (FCG), collectively the Parties. The Parties state the purposes of the Transportation Agreements are to diversify and introduce additional gas supply sources, enhance transmission access, and increase system resiliency to address increased interest in gas service from customers in the project areas. The Parties state that the three proposed projects would introduce supply from locally produced alternative natural gas sources and expand FCG's distribution system in Brevard, Indian River, and Miami-Dade Counties. The sources of the renewable natural gas (RNG) are landfills located in Cocoa, Vero Beach, and Medley.

Peninsula, a wholly owned subsidiary of Chesapeake Utilities Corporation (CUC), operates as an intrastate natural gas transmission company as defined by Section 368.103(4), Florida Statutes (F.S.).¹ FCG, which recently became a subsidiary of CUC, is a local distribution company subject to the regulatory jurisdiction of the Commission pursuant to Chapter 366, F.S. FCG provides natural gas service to residential, commercial, and industrial customers in Brevard, Indian River, and Miami-Dade Counties, and receives deliveries of natural gas to serve these customers over the interstate transmission pipelines owned by Florida Gas Transmission Company, LLC (FGT).

By Order No. PSC-07-1012-TRF-GP, Peninsula received approval of an intrastate gas pipeline tariff that allows it to construct and operate intrastate pipeline facilities and to actively pursue agreements with natural gas customers.² Peninsula provides gas transportation service only; it does not engage in the sale of natural gas to customers. Pursuant to the Order, Peninsula is allowed to enter into certain gas transmission agreements without prior Commission approval.³ However, Peninsula is requesting Commission approval of the proposed firm Transportation Agreements as they do not fit any of the criteria enumerated in the tariff for which Commission approval would not be required.⁴ The Parties are subsidiaries of CUC, and agreements between affiliated companies must be approved by the Commission pursuant to Section 368.105, F.S.

Pursuant to the proposed Transportation Agreements and project maps (Attachments A, B, and C to this recommendation), Peninsula would construct, own, and operate the new gas pipelines allowing for the delivery of natural gas purchased by FCG via interconnection agreements with third party gas producers.⁵ The interconnection agreements were entered into between FCG and the RNG producers prior to FCG being acquired by CUC.

Regarding the commodity purchase agreements between FCG and the RNG producers, pursuant to response 1 in staff's fourth data request, to date, only the Indian River County commodity purchase agreement (confidential) has been finalized for gas supply. The Parties state that the commodity purchase agreements for Brevard and Miami-Dade Counties are expected to be finalized pending the approval of the proposed Transportation Agreements by the Commission. FCG should provide a status update of the commodity purchase agreements for Brevard and Miami-Dade counties in the upcoming PGA docket.⁶

For all three firm Transportation Agreements, the Parties assert that it is beneficial to the customers having the affiliated Peninsula construct, own, and operate the new natural gas pipeline because of timing, cost, business corporate structure, administrative and operational coordination efficiencies.

¹ Order No. PSC-06-0023-DS-GP, issued January 9, 2006, in Docket No. 050584-GP, *In re: Petition for declaratory statement by Peninsula Pipeline Company, Inc. concerning recognition as a natural gas transmission company under Section 368.101, F.S., et seq.*

² Order No. PSC-07-1012-TRF-GP, issued December 21, 2007, in Docket No. 070570-GP, *In re: Petition for approval of natural gas transmission pipeline tariff by Peninsula Pipeline Company, Inc.*

³ Peninsula Pipeline Company, Inc., Intrastate Pipeline Tariff, Original Sheet No. 11, Section 3.

⁴ Peninsula Pipeline Company, Inc., Intrastate Pipeline Tariff, Original Sheet No. 12, Section 4.

⁵ Response No. 1 in Staff's Fourth Data Request, Document No. 05188-2024 and Response No. 1 in Staff's Second Data Request, Document No. 01786-2024.

⁶ Docket No. 20240003-GU, *In re: Purchased Gas Adjustment (PGA) True-Up.*

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During the evaluation of the petition, staff issued four data requests to the Parties for which responses were received on April 9th, April 11th, May 13th, and on June 10th, 2024. The Commission has jurisdiction over this matter pursuant to Sections 368.104 and 368.105, F.S.

Discussion of Issues

Issue 1: Should the Commission approve the proposed firm Transportation Agreement dated February 26, 2024, between Peninsula and FCG in Brevard County?

Recommendation: Yes, the Commission should approve the proposed Transportation Agreement associated with the Brevard County project dated February 26, 2024, between Peninsula and FCG. The Transportation Agreement, which sets rates for Peninsula's charges to FCG, is reasonable and meets the requirements of Section 368.105, F.S. The approval of this Transportation Agreement does not reflect approval of future cost recovery of the monthly reservation charges FCG will incur. The Commission will have the opportunity to review FCG's request for cost recovery of the charges pursuant to the Transportation Agreement in its annual Purchased Gas Adjustment (PGA) proceeding. FCG should provide a status update of the commodity purchase agreement for Brevard County in the upcoming PGA docket. (Guffey)

Staff Analysis:

Proposed Transportation Service Agreement in Brevard County

The Parties have entered into the proposed firm Transportation Agreement that they describe as enabling FCG to reinforce its Brevard County distribution system and meet the increased demand for natural gas from population growth and large industrial customers related to the space and cruise industries. The Parties state that the proposed Transportation Agreement has the added benefit of providing FCG with an additional source of gas (via the Peninsula pipeline) and installing a city gate.

The proposed Transportation Agreement specifies an initial term of 20 years with automatic extensions on an annual basis, unless either party gives no less than 90 days of written notification of termination. If either party desires to negotiate modifications to the rates or terms of this Transportation Agreement, they may do so no less than 120 days prior to expiration of the current active term, subject to Commission approval of the amendment.

Brevard County Expansion Project

For the Brevard County expansion project, as shown by the blue line on Map A, Peninsula will construct an approximately five mile, 12-inch Medium Density Polyethylene (MDPE) pipeline, sized to meet FCG's supply needs. It should be noted that the Transportation Agreement refers to steel pipelines; however, the Parties confirmed that the pipeline will be built from MDPE as stated in paragraph 12 of the petition.⁷ The starting point of the new pipeline is near Adamson Road and Sorrel Drive at a new gate station near the landfill located in Cocoa and owned by Brevard County. The new pipeline will terminate at a new interconnection near SR 524 and Cox Road and tie in with FCG's distribution system.

In response to staff's first data request, the Parties stated that the alternative natural gas will be treated and converted by the associated producer, who has the responsibility of developing and owning the gas production facilities, to meet Peninsula's tariff pipeline standards. Peninsula will analyze the gas quality in real time in five-minute intervals to assure specifications are met. FCG

⁷ Response No. 11 in Staff's First Data Request, Document No. 01728-2024.

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will purchase the gas from the third party gas producer. The proposed Brevard County Expansion Project is estimated to be completed in the third quarter of 2024.

The estimated total cost for the Brevard County project is \$6.1 million of which FCG's portion is \$1.54 million. The remainder of the total cost will be borne by the RNG producer as it has the ability to receive RNG credits. Of the total cost, 33 percent is for materials and equipment and 67 percent is labor related costs.⁸ In paragraph 23 of the petition, Parties state that in the event circumstances arise that make the project uneconomical to Peninsula, the Parties will endeavor to negotiate a revised rate and acknowledge that the revised rate would require Commission approval as an amendment to the Transportation Agreement.

FCG states that its distribution system in Brevard County would receive additional reinforcement by having two sources of gas supply. In paragraph 14 of the petition, the Parties assert that the proposed project would ensure that FCG will have sufficient capacity and supply to meet the increasing future demand in the Brevard County. The Parties assert that Brevard County has been experiencing an average growth rate of 2 percent mostly driven by the expansion of the aerospace industry. Additionally, they state the project would alleviate constraints and allow FCG to make flow design changes to their system when needed.

Monthly Reservation Payments to Peninsula

In paragraph 10 of the petition, the Parties expressed that the rates contained in the proposed Transportation Agreement are consistent with market rates, because the rates are substantially the same as rates set forth in similar agreements as required by Section 368.105(3)(b), F.S. The Parties explained that Peninsula would recover the pipeline construction costs through the monthly reservation charge from FCG, as shown in Exhibit A to the proposed Transportation Agreement. The monthly reservation charge is designed to recover costs such as, but not limited to, engineering, permitting (Florida Department of Environmental Protection, Florida Department of Transportation, Brevard County, and the City of Cocoa) acquiring land use permits and rights of way, materials, installation costs associated with the pipeline and related facilities, ongoing maintenance including Pipeline and Hazardous Materials Safety Administration compliance, safety requirements, property taxes, gas control, and Peninsula's return on investment.

Pursuant to Article III of the Transportation Agreement, the monthly reservation charge will be paid by FCG to Peninsula as shown in Exhibit A of the Transportation Agreement. Peninsula will charge FCG beginning on the In-Service Date (when Peninsula has commenced commercial operations). The project costs are exclusive to facilities needed for the receipt and transportation of the gas. If Peninsula were to incur new taxes or capital expenditures after the execution of this agreement, then FCG's monthly reservation charge will be adjusted accordingly. The revised reservation charge shall be subject to Commission approval.

FCG asserts that it will be only purchasing the gas commodity at market rate and that the environmental attributes which make RNG "renewable" will be managed by the producer of the

⁸ Response Nos. 9 and 10 in Staff's First Data Request, Document No. 01728-2024.

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natural gas and sold on the secondary market. FCG states it intends to file for cost recovery for its payments to Peninsula and to the gas producer through the PGA mechanism.⁹

FCG states that it will be purchasing the natural gas at parity to other gas flows out of Florida Zone 3 and that the gas commodity costs are expected to be equivalent to that of out of state gas supply.¹⁰ The Parties further assert that purchasing locally sourced gas is less expensive compared to purchasing out of state gas as capacity costs on FGT are being avoided.¹¹ In response to staff data requests, the Parties provided an analysis (confidential) showing that the estimated cost of gas supply provides savings compared to the estimated cost of traditional supply.

Conclusion

Based on the petition and the Parties' responses to staff's data requests, the Commission should approve the proposed firm Transportation Agreement associated with the Brevard County project dated February 26, 2024, between Peninsula and FCG. The Transportation Agreement, which sets rates for Peninsula's charges to FCG, is reasonable and meets the requirements of Section 368.105, F.S. The approval of this Transportation Agreement does not reflect approval of future cost recovery of the monthly reservation charges FCG will incur. The Commission will have the opportunity to review FCG's request for cost recovery of the charges pursuant to the Transportation Agreement in its annual PGA proceeding. FCG should provide a status update of the commodity purchase agreement for Brevard County in the upcoming PGA docket.

⁹ Response No. 7 in Staff's First Data Request, Document No. 01728-2024 and Response 3 in Staff's Second Data Request, Document No. 01786-2024.

¹⁰ Response Nos. 1c. and 1d. in Staff's Fourth Data Request, Document No. 05188-2024.

¹¹ Response No. 1c in Staff's Fourth Date Request, Document No. 05188-024.

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Issue 2: Should the Commission approve the proposed firm Transportation Agreement dated February 26, 2024, between Peninsula and FCG in Indian River County?

Recommendation: Yes, the Commission should approved the proposed firm Transportation Agreement associated with the Indian River County project dated February 26, 2024, between FCG and Peninsula. The Transportation Agreement, which sets rates for Peninsula's charges to FCG, is reasonable and meets the requirements of Section 368.105, F.S. The approval of this Transportation Agreement does not reflect approval of future cost recovery of the monthly reservation charges FCG will incur. The Commission will have the opportunity to review FCG's request for cost recovery of the charges pursuant to the Transportation Agreement in its annual PGA proceeding. (Guffey)

Staff Analysis:

Proposed Transportation Service Agreement in Indian River County

The Parties have entered into the proposed firm Transportation Agreement that they describe as enabling FCG to reinforce its Indian River County distribution system and meet the significant increased natural gas demand due to population growth.

This agreement consolidates two existing agreements (entered into in 2012 and 2021) and two amendments (2021, 2023), which were entered into by Peninsula and FCG when FCG was a non-affiliated separate entity. As stated in paragraph 18 of the petition, with the new pipeline project, Peninsula and FCG entered into this new agreement reflecting the Parties' prior agreements and understandings. Pursuant to Sections 9.3 and 9.13, this Transportation Agreement, including exhibits attached, supersedes and replaces two prior agreements and the two amendments. The Parties explained that the above referenced pipeline projects did not require Commission approval at the time contracts were entered into because FCG and Peninsula were not affiliates at that time.¹² The new consolidated Transportation Agreement will ensure that the agreement term lengths are aligned for the projects and that all the projects are covered by this single agreement.

The proposed Transportation Agreement specifies an initial term of 30 years with automatic extensions on an annual basis, unless either party gives no less than 90 days of written notification of termination. If either party desires to negotiate modifications to the rates or terms of this Agreement, they may do so no less than 120 days prior to expiration of the current active term, subject to Commission approval of the amendment.

Indian River County Expansion Project

As shown on the map in Attachment B to this recommendation, Peninsula will begin the expansion project from a new interconnect near Oslo Road, where the landfill/gas producer is located. From the interconnect, Peninsula will construct approximately 14 miles of 6-inch steel pipeline along 82nd Avenue, and terminate at a new district regulator station which will directly interconnect with three existing portions of Peninsula's system in the area of 77th Street. The pipeline will terminate at a district regulator and tie in with FCG's distribution system. The estimated total cost for the project is \$17.75MM and is being paid for by FCG through the

¹² Response No. 22 in Staff's First Data Request, Document No. 01728-2024.

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reservation charge. Of the total cost, materials and equipment account for approximately 24 percent and labor costs account for approximately 76 percent. The proposed Indian River County gas supply project is estimated to be completed in the third quarter of 2024.

In response to staff's data request, the Parties stated that additional capacity is needed to meet the demand associated with the Beachside Expansion project on the barrier island.¹³ Data indicates that FCG has experienced a 12 percent growth in customers in the last three years and expects this trend to continue.¹⁴ As stated in paragraph 17 of the petition, the proposed Indian River County project would interconnect three existing systems in the area; two segments of FCG's distribution system and a separate Peninsula pipeline project. These projects did not require Commission approval as FCG and Peninsula were not affiliates at that time. The proposed Transportation Agreement has the added benefit of providing FCG with an additional source of capacity and supply (via the Peninsula pipeline). The additional supply obtained from the landfill owned by the City of Vero Beach, will allow FCG to meet the expected future demand for natural gas.

Monthly Reservation Payments to Peninsula

In paragraph 10 of the petition, the Parties expressed that the negotiated monthly reservation charge contained in the proposed Agreement is consistent with market rates, because the rates are substantially the same as rates set forth in similar agreements as required by Section 368.105(3)(b), F.S. The Parties explained that Peninsula would recover the pipeline construction costs through the monthly reservation charge from FCG, as shown in Exhibit A to the proposed Agreement. The monthly reservation charge is designed to recover costs such as, but not limited to, engineering, permitting, materials, installation costs associated with the pipeline and related facilities, ongoing maintenance including Pipeline and Hazardous Materials Safety Administration compliance, safety requirements, property taxes, gas control, and Peninsula's return on investment.

Pursuant to Article IV of the Transportation Service Agreement, the monthly reservation charge will be paid by FCG to Peninsula as shown in Exhibit A of the Agreement. Peninsula will charge FCG beginning on the In-Service Date (Peninsula has commenced commercial operations). If Peninsula were to incur new taxes or capital expenditures after the execution of this agreement, then FCG's monthly reservation charge will be adjusted accordingly. The revised reservation charge shall be subject to Commission approval.

FCG asserts that it will be only purchasing the gas commodity at market rate and that the environmental attributes which make RNG "renewable" will be managed by the producer of the natural gas and sold on the secondary market. FCG states it intends to file for cost recovery for its payments to Peninsula and to the gas producer through the PGA mechanism.¹⁵

FCG states that it will be purchasing the natural gas at parity to other gas flows out of Florida Zone 3 and that the gas commodity costs are expected to be equivalent to that of out of state gas

¹³ Response No. 5 in Staff's Third Data Request, Document No. 02970-2024.

¹⁴ Response No. 23 in Staff's First Data Request, Document No. 01728-2024.

¹⁵ Response No. 7 in Staff's First Data Request, Document No. 01728-2024 and Response 3 in Staff's Second Data Request, Document No. 01786-2024.

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supply.¹⁶ The Parties further assert that purchasing locally sourced gas is less expensive compared to purchasing out of state gas as capacity costs on FGT are being avoided.¹⁷ In response to staff data requests, the Parties provided an analysis (confidential) showing that the estimated cost of gas supply provides savings compared to the estimated cost of traditional supply.

Conclusion

Based on the petition and the Parties' responses to staff's data requests, staff recommends that the Commission should approved the proposed firm Transportation Agreement associated with the Indian River County project dated February 26, 2024, between FCG and Peninsula. The Transportation Agreement, which sets rates for Peninsula's charges to FCG, is reasonable and meets the requirements of Section 368.105, F.S. The approval of this Transportation Agreement does not reflect approval of future cost recovery of the monthly reservation charges FCG will incur. The Commission will have the opportunity to review FCG's request for cost recovery of the charges pursuant to the Transportation Agreement in its annual PGA proceeding.

¹⁶ Response Nos. 1c. and 1d. in Staff's Fourth Data Request, Document No. 05188-2024.

¹⁷ Response No. 1c in Staff's Fourth Date Request, Document No. 05188-024.

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Issue 3: Should the Commission approve the proposed firm Transportation Agreement dated February 26, 2024, between Peninsula and FCG in Miami-Dade County?

Recommendation: Yes, the Commission should approve the proposed firm Transportation Agreement associated with the Miami-Dade County project dated February 26, 2024, between FCG and Peninsula. The Transportation Agreement, which sets rates for Peninsula's charges to FCG, is reasonable and meets the requirements of Section 368.105, F.S. The approval of this Transportation Agreement does not reflect approval of future cost recovery of the monthly reservation charges FCG will incur. The Commission will have the opportunity to review FCG's request for cost recovery of the charges pursuant to the Transportation Agreement in its annual PGA proceeding. FCG should provide a status update of the commodity purchase agreement for Miami-Dade County in the upcoming PGA docket. (Guffey)

Staff Analysis:

Proposed Transportation Service Agreement for Miami-Dade County

The Parties have entered into the proposed firm Transportation Agreement on February 26, 2024, to enable FCG (the shipper) to serve customers within its service area. The proposed Agreement specifies an initial period of 20 years from the In-Service Date (Initial Term) and thereafter shall be extended on a year-to-year basis, unless either party gives no less than 90 days of prior written notification of termination. If either party desires to negotiate modifications to the rates or terms of this Agreement, they may do so no less than 120 days prior to expiration of the current active term, subject to Commission approval of the amendment.

Miami-Dade County Project

The Miami-Dade County project will include Peninsula extending steel pipelines, one from a new interconnect with local alternated natural gas supply, and another from a district regulator station, to connect with the shipper's (FCG's) local distribution system. As shown on the map on Attachment C to this recommendation, from a new interconnect at NW 93rd Street, near the landfill in Medley, Peninsula will extend approximately eight miles of 8-inch steel pipe along NW 87th Avenue and NW 72nd Avenue and will terminate at NW 12th Street at a new district regulator station connecting to FCG distribution system. The estimated total cost of the project is \$22MM of which the allocated cost to FCG is \$8.33MM. The remainder of the cost will be borne by the producer of the RNG.¹⁸ FCG's portion of the cost is for facilities necessary for receipt and transportation of the alternative gas. As in the Indian River County project, materials and equipment account for 24 percent of the total cost while labor accounts for 76 percent of the total cost. Pursuant to paragraph 21 of the petition, the new pipeline is sized to meet future demands without having to make additions in the near term.

FCG states the Miami-Dade County project would reinforce and enhance gas supply to FCG's distribution system through a direct interconnection enabling FCG to bring another source of gas to Miami-Dade County which is experiencing capacity and supply constraints as there is only one transmission line supplying to Miami-Dade County. The proposed project is in area of Miami-Dade County that features multiple high usage commercial and industrial customers. The Parties assert that the project directly driven by the need to serve new growth and demand.

¹⁸ Response No. 17 in Staff's Third Data Request, Document No. 02970-2024.

Monthly Reservation Payments to Peninsula

The Parties assert that the negotiated monthly reservation charge is consistent with the market rate and is within the range of rates set forth in similar agreements as required by Section 368.105(3)(b), F.S. The Parties explained that Peninsula would recover the pipeline construction costs through the monthly reservation charge from FCG, as shown in Exhibit A to the proposed Agreement. The monthly reservation charge is designed to recover costs such as, but not limited to, engineering, permitting, materials, installation costs associated with the pipeline and related facilities, ongoing maintenance including Pipeline and Hazardous Materials Safety Administration compliance, safety requirements, property taxes, gas control, and Peninsula's return on investment

Pursuant to Article IV of the Transportation Agreement, the monthly reservation charge will be paid by FCG to Peninsula as shown in Exhibit A of the Agreement. Peninsula will charge FCG beginning on the In-Service Date (Peninsula has commenced commercial operations). If Peninsula were to incur new taxes or capital expenditures after the execution of this agreement, then FCG's monthly reservation charge will be adjusted accordingly. The revised reservation charge shall be subject to Commission approval.

FCG asserts that it is only purchasing the gas commodity at market rate and that the environmental attributes which make RNG "renewable" will be managed by the producer of the natural gas and sold on the secondary market. FCG states it intends to file for cost recovery for its payments to Peninsula and to the gas producer through the PGA mechanism.¹⁹

FCG states that it will be purchasing the natural gas at parity to other gas flows out of Florida Zone 3 and that the gas commodity costs are expected to be equivalent to that of out of state gas supply.²⁰ The Parties further assert that purchasing locally sourced gas is less expensive compared to purchasing out of state gas as capacity costs on FGT are being avoided.²¹ In response to staff data requests, the Parties provided an analysis (confidential) showing that the estimated cost of gas supply provides savings compared to the estimated cost of traditional supply.

Conclusion

Based on the petition and the Parties' responses to staff's data requests, staff recommends that the Commission should approve the proposed the Transportation Agreement, which sets rates for Peninsula's charges to FCG, is reasonable and meets the requirements of Section 368.105, F.S. The approval of this Transportation Agreement does not reflect approval of future cost recovery of the monthly reservation charges FCG will incur. The Commission will have the opportunity to review FCG's request for cost recovery of the charges pursuant to the Transportation Agreement in its annual PGA proceeding. FCG should provide a status update of the commodity purchase agreement for Miami-Dade County in the upcoming PGA docket.

¹⁹ Response No. 7 in Staff's First Data Request, Document No. 01728-2024 and Response 3 in Staff's Second Data Request, Document No. 01786-2024.

²⁰ Response Nos. 1c. and 1d. in Staff's Fourth Data Request, Document No. 05188-2024.

²¹ Response No. 1c in Staff's Fourth Date Request, Document No. 05188-024.

Issue 4: Should this docket be closed?

Recommendation: Yes. If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order. (Stiller)

Staff Analysis: If no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket should be closed upon the issuance of a Consummating Order.

ATTACHMENT A

Transportation Service Agreement – Brevard County
Project

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT is entered into this February 26, 2024, by and between Peninsula Pipeline Company, Inc., a corporation of the State of Delaware (herein called "Company" or "PPC"), and Pivotal Utility Holdings, Inc. d/b/a Florida City Gas, a New Jersey corporation (herein called "Shipper" or "FCG"). PPC and FCG are sometimes referred to herein individually as a "Party" and collectively as "Parties."

WITNESSETH

WHEREAS, Shipper desires to obtain Firm Transportation Service ("FTS") from Company; and

WHEREAS, Company desires to provide FTS to Shipper, in accordance with the terms hereof; and

WHEREAS, Shipper desires Company to construct a project that will allow Shipper to serve customers within its service area with natural gas service, and Company is willing to construct the project and points of delivery; and

WHEREAS, Company intends to construct the desired project, called the Brevard Expansion ("Project"), in Brevard County, Florida. As specified in Exhibit A attached hereto, the Project will include extending steel pipelines from a new interconnect with local alternate natural gas supply, and one district regulator station to the Shipper's local distribution system.

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Company and Shipper do covenant and agree as follows:

ARTICLE I
DEFINITION

Unless otherwise defined in this Agreement, all definitions for terms used herein have the same meaning as provided in Company's Tariff (as hereinafter defined).

"In-Service Date" for the Project means the date that Company has commenced commercial operations, that construction has been completed, and that the Project has been inspected and tested as required by applicable law.

ARTICLE II
QUANTITY & UNAUTHORIZED USE

2.1 The Maximum Daily Transportation Quantity ("MDTQ") and the Maximum Hourly Transportation Percentage ("MHTP") shall be set forth on Exhibit A attached hereto. The applicable MDTQ shall be the largest daily quantity of Gas, expressed in Dekatherms, which Company is obligated to transport on a firm basis and make available for delivery for the account of Shipper under this Agreement on any one Gas Day.

2.2 If, on any Day, the Shipper utilizes transportation quantities, as measured at the Point(s) of Delivery, in excess of the established MDTQ, as shown on Exhibit A, such unauthorized use of transportation quantities (per Dekatherm) shall be billed at a rate of 2.0 times the rate to be charged for each Dekatherm of the MDTQ as set forth on Exhibit A of this Agreement.

ARTICLE III
FIRM TRANSPORTATION SERVICE RESERVATION CHARGE

3.1 The Monthly Reservation Charge for Firm Transportation Service provided under this Agreement shall be as set forth in Exhibit A of this Agreement and shall be charged to the Shipper beginning on the In-Service Date and shall thereafter be assessed in accordance with the terms and conditions set forth herein.

3.2 If, at any time after the Execution Date (as herein defined) and throughout the term of this Agreement, the Company is required by any Governmental Authority (as that term is defined in Section 9.10) asserting jurisdiction over this Agreement and the transportation of Gas hereunder, to incur additional tax charges (including, without limitation, income taxes and property taxes) with regard to the service provided by Company under this Agreement, then Shipper's Monthly Reservation Charge shall be adjusted and Exhibit A updated accordingly, and the new Monthly Reservation Charge shall be implemented immediately upon the effective date of such action, subject to Commission approval of the amendment. If Shipper does not agree to the adjusted Monthly Reservation Charge, Company shall no longer be required to continue to provide the service contemplated in this Agreement should an action of a Governmental Authority result in a situation where Company otherwise would be required to provide transportation service at rates that are not just and reasonable, and in such event the Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section D of the Rules and Regulations of Company's Tariff.

3.3 If, at any time after the Execution Date (as herein defined) and throughout the term of this Agreement, the Company is required by any Governmental Authority (as that term is defined in Section 9.10) asserting jurisdiction over this Agreement and the transportation of Gas hereunder, to incur additional capital expenditures with regard to the service provided by Company under this Agreement, other than any capital expenditures required to provide transportation services to any other customer on the pipeline system serving Shipper's facility, but including, without limitation,

mandated relocations of Company's pipeline facilities serving Shipper's facility and costs to comply with any changes in pipeline safety regulations, then Shipper's Monthly Reservation Charge shall be adjusted and Exhibit A updated accordingly, and the new Monthly Reservation Charge shall be implemented immediately upon the effective date of such action, subject to Commission approval of the amendment. If Shipper does not agree to the adjusted Monthly Reservation Charge, Company shall no longer be required to continue to provide the service contemplated in this Agreement should an action of a Governmental Authority result in a situation where Company otherwise would be required to provide transportation service at rates that are not just and reasonable, and in such event the Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section D of the Rules and Regulations of Company's Tariff.

ARTICLE IV
TERM AND TERMINATION

4.1 Subject to all other provisions, conditions, and limitations hereof, this Agreement shall be effective upon its date of execution by both Parties (the "Execution Date") and shall continue in full force for an initial period of twenty (20) years from the In-Service Date ("Initial Term"). After the Initial Term, the Agreement shall be extended on a year-to-year basis (each a "Renewed Term" and, all Renewed Terms together with the Initial Term, the "Current Term"), unless either Party gives written notice of termination to the other Party, not less than (90) days prior to the expiration of the Current Term. This Agreement may only be terminated earlier in accordance with the provisions of this Agreement and the Parties' respective rights under applicable law.

4.2 No less than 120 days before the expiration of the Current Term, either Party may request the opportunity to negotiate a modification of the rates or terms of this Agreement to be effective with the subsequent Renewed Term. Neither Party is obligated to, but may, agree to any mutually acceptable modification to the Agreement for the subsequent Renewed Term. In the event the Parties reach agreement for a modification to the Agreement for the subsequent Renewed Term, such agreed upon modification ("Agreement Modification") shall be set forth in writing and signed by both Parties prior to the expiration of the Current Term.

4.3 Any portion of this Agreement necessary to resolve monthly balancing and operational controls under this Agreement, pursuant to the Rules and Regulations of Company's Tariff, shall survive the expiration or termination of this Agreement until such time as such monthly balancing and operational controls have been resolved.

4.4 In the event Shipper fails to pay for the service provided under this Agreement or otherwise fails to meet Company's standards for creditworthiness set forth in Section C of the Rules and Regulations of the Company's Tariff or otherwise violates the Rules and Regulations of Company's Tariff, or defaults on this Agreement, Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section D of the Rules and Regulations of Company's Tariff.

ARTICLE V

COMPANY'S TARIFF PROVISIONS

5.1 Company's Tariff approved by the Commission, including any amendments thereto approved by the Commission during the term of this Agreement ("Company's Tariff"), is hereby incorporated into this Agreement and made a part hereof for all purposes. In the event of any conflict between Company's Tariff and the specific provisions of this Agreement, the latter shall prevail, in the absence of a Commission Order to the contrary.

ARTICLE VI

REGULATORY AUTHORIZATIONS AND APPROVALS

6.1 Company's obligation to provide service is conditioned upon receipt and acceptance of any necessary regulatory authorization to provide Firm Transportation Service for Shipper in accordance with the Rules and Regulations of Company's Tariff.

ARTICLE VII

DELIVERY POINT(S) AND POINT(S) OF DELIVERY

7.1 The Delivery Point(s) for all Gas delivered for the account of Shipper into Company's pipeline system under this Agreement, shall be as set forth on Exhibit A attached hereto.

7.2 The Point(s) of Delivery shall be as set forth on Exhibit A attached hereto.

7.3 Shipper shall cause Transporter to deliver to Company at the Delivery Point(s) on the Transporter's system, the quantities of Gas to be transported by Company hereunder. Company shall have no obligation for transportation of Shipper's Gas prior to receipt of such Gas from the Transporter at the Delivery Point(s), nor shall Company have any obligation to obtain capacity on Transporter for Shipper or on Shipper's behalf. The Company shall deliver such quantities of Gas received from the Transporter at the Delivery Point(s) for Shipper's account to Company's Point(s) of Delivery identified on Exhibit A.

ARTICLE VIII

SCHEDULING AND BALANCING

8.1 Shipper shall be responsible for nominating quantities of Gas to be delivered by the Transporter to the Delivery Point(s) and delivered by Company to the Point(s) of Delivery. Shipper shall promptly provide notice to Company of all such nominations. Imbalances between quantities (i) scheduled at the Delivery Point(s) and the Point(s) of Delivery, and (ii) actually delivered by the Transporter and/or Company hereunder, shall be resolved in accordance with the applicable provisions of Company's Tariff, as such provisions, and any amendments to such provisions, are approved by the Commission.

8.2 The Parties recognize the desirability of maintaining a uniform rate of flow of

Gas to Shipper's facilities over each Gas Day throughout each Gas Month. Therefore, Company agrees to receive from the Transporter for Shipper's account at the Delivery Point(s) and deliver to the Point(s) of Delivery up to the MDTQ as described in Exhibit A, subject to any restrictions imposed by the Transporter and to the provisions of Article IX of this Agreement, and Shipper agrees to use reasonable efforts to regulate its deliveries from Company's pipeline system at a daily rate of flow not to exceed the applicable MDTQ for the Gas Month in question, subject to any additional restrictions imposed by the Transporter or by Company pursuant to Company's Tariff.

ARTICLE IX
MISCELLANEOUS PROVISIONS

9.1 **Notices and Other Communications.** Any notice, request, demand, statement, or payment provided for in this Agreement, unless otherwise specified, shall be sent to the parties hereto at the following addresses:

Company:	Peninsula Pipeline Company, Inc. 500 Energy Lane, Suite 200 Dover, Delaware 19901 Attention: Contracts
Shipper:	Pivotal Utility Holdings, Inc. d/b/a Florida City Gas 208 Wildlight Avenue Yulee, FL 32097 Attention: Energy Logistics Contracts

9.2 **Headings.** All article headings, section headings and subheadings in this Agreement are inserted only for the convenience of the parties in identification of the provisions hereof and shall not affect any construction or interpretation of this Agreement.

9.3 **Entire Agreement.** This Agreement, including the Exhibit attached hereto, sets forth the full and complete understanding of the parties as of the Execution Date, and it supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereof. No Party shall be bound by any other obligations, conditions, or representations with respect to the subject matter of this Agreement.

9.4 **Amendments.** Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing signed by the Party against which enforcement of the termination, amendment, supplement, waiver or modification shall be sought. A change in the place to which notices pursuant to this Agreement must be sent pursuant to Section 9.1 shall not be deemed nor require an amendment of this Agreement provided such change is communicated in accordance with Section 9.1 of this Agreement. Further, the Parties expressly acknowledge that the limitations on amendments to this Agreement set forth in this section shall not apply to or otherwise limit the effectiveness of

amendments that are or may be necessary to comply with the requirements of, or are otherwise approved by, the Commission or its successor agency or authority.

9.5 Severability. If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided, however, that if such severability materially changes the economic benefits of this Agreement to either Party, the Parties shall negotiate in good faith an equitable adjustment in the provisions of this Agreement.

9.6 Waiver. No waiver of any of the provisions of this Agreement shall be deemed to be, nor shall it constitute, a waiver of any other provision whether similar or not. No single waiver shall constitute a continuing waiver, unless otherwise specifically identified as such in writing. No waiver shall be binding unless executed in writing by the Party making the waiver.

9.7 Attorneys' Fees and Costs. In the event of any litigation between the Parties arising out of or relating to this Agreement, the prevailing Party shall be entitled to recover all costs incurred and reasonable attorneys' fees, including attorneys' fees in all investigations, trials, bankruptcies, and appeals.

9.8 Independent Parties. Company and Shipper shall perform hereunder as independent parties. Neither Company nor Shipper is in any way or for any purpose, by virtue of this Agreement or otherwise, a partner, joint venturer, agent, employer or employee of the other. Nothing in this Agreement shall be for the benefit of any third person for any purpose, including, without limitation, the establishing of any type of duty, standard of care or liability with respect to any third person.

9.9 Assignment and Transfer. No assignment of this Agreement by either Party may be made without the prior written approval of the other Party (which approval shall not be unreasonably withheld) and unless the assigning or transferring Party's assignee or transferee shall expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring Party. Upon such assignment or transfer, as well as assumption of the duties and obligations, the assigning or transferring Party shall furnish or cause to be furnished to the other Party a true and correct copy of such assignment or transfer and the assumption of duties and obligations.

9.10 Governmental Authorizations; Compliance with Law. This Agreement shall be subject to all valid applicable state, local and federal laws, orders, directives, rules and regulations of any governmental body, agency or official having jurisdiction over this Agreement and the transportation of Gas hereunder. Company and Shipper shall comply at all times with all applicable federal, state, municipal, and other laws, ordinances and regulations. Company and/or Shipper will furnish any information or execute any documents required by any duly constituted federal or state regulatory authority in connection with the performance of this Agreement. Each Party shall proceed with diligence to file any necessary applications with any Governmental Authorities for any authorizations necessary to carry out its obligations under this Agreement. In

the event this Agreement or any provisions herein shall be found contrary to or in conflict with any applicable law, order, directive, rule or regulation, the latter shall be deemed to control, but nothing in this Agreement shall prevent either Party from contesting the validity of any such law, order, directive, rule, or regulation, nor shall anything in this Agreement be construed to require either Party to waive its respective rights to assert the lack of jurisdiction of any governmental agency other than the Commission, over this Agreement or any part thereof. In the event of such contestation, and unless otherwise prohibited from doing so under this Section 9.10, Company shall continue to transport and Shipper shall continue to take Gas pursuant to the terms of this Agreement. In the event any law, order, directive, rule, or regulation shall prevent either Party from performing hereunder, then neither Party shall have any obligation to the other during the period that performance under the Agreement is precluded. If, however, any Governmental Authority's modification to this Agreement or any other order issued, action taken, interpretation rendered, or rule implemented, will have a material adverse effect on the rights and obligations of the Parties, including, but not limited to, the relative economic position of, and risks to, the Parties as reflected in this Agreement, then, subject to the provisions of Sections 3.2 and 3.3 of this Agreement, the Parties shall use reasonable efforts to agree upon replacement terms that are consistent with the relevant order or directive, and that maintain the relative economic position of, and risks to, the Parties as reflected in this Agreement as of the Execution Date. As used herein, "Governmental Authority" shall mean any United States federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, court, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

- (i) If any Governmental Authority asserting jurisdiction over the pipeline facility contemplated in this Agreement, issues an order, ruling, decision or regulation not covered by Section 3.2 or 3.3 of this Agreement (including denial of necessary permits or amendments to existing permits) related to the operation, maintenance, location, or safety and integrity compliance, including any new or revised enforceable regulatory classification of the pipeline facility, as applicable, which is not reasonably foreseeable as of the Execution Date and which results in a materially adverse effect on either Party's rights and benefits under this Agreement, each Party shall use commercially reasonable efforts and shall cooperate with the other Party to pursue all necessary permits, approvals and authorizations, if any, of such applicable Governmental Authority, and to amend the terms and conditions of this Agreement, in each case as may be reasonably required in order that provision of firm transportation service under this Agreement shall continue; provided that neither Party shall be required to take any action pursuant to this Section which is reasonably likely to have a materially adverse effect on such Party's rights and benefits under this Agreement.
- (ii) If the Parties are unable or unwilling to reach agreement pursuant to this Section 9.10, Company shall have the right to terminate this Agreement, without any further obligations to Shipper, upon one hundred twenty (120) days' prior written notice to Shipper.

9.11 Applicable Law and Venue. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida, without regard for conflict of laws provisions. The venue for any action, at law or in equity, commenced by either party against the other and arising out of or in connection with this Agreement shall be in a court of the State of Florida having jurisdiction.

9.12 Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original instrument as against any Party who has signed it.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives.

COMPANY
Peninsula Pipeline Company, Inc.

By: William Hancock

William Hancock

Title: Assistant Vice President

Date: 02/27/2024

SHIPPER
Pivotal Utility Holdings, Inc. d/b/a Florida City
Gas

By: Jeffrey Sylvester

Jeffrey S. Sylvester

Title: President and Chief Operating Officer
of Pivotal Utilities Holdings, Inc

Date: 02/27/2024

EXHIBIT A TO
FIRM TRANSPORTATION SERVICE
AGREEMENT BETWEEN
PENINSULA PIPELINE COMPANY, INC. AND
PIVOTAL UTILITY HOLDINGS, INC. d/b/a FLORIDA CITY GAS
DATED
February 26, 2024

Description of Transporter Delivery Point(s)

1. At or near Adamson Road and Sorrel Drive

Description of Point(s) of Delivery

1. At or near Route 524 and Cox Road

Total MDTQ (Dekatherms): Dt/Day (■■■■)
MHTP: (■■■■)

Total Monthly Reservation Charge: (■■■■)

This charge is subject to adjustment pursuant to the terms of this Agreement.
Unauthorized Use Rate (In addition to Monthly Reservation Charge): (■■■■)
Each Day Unauthorized Use



ATTACHMENT B

Transportation Service Agreement – Indian River
County Project

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT is entered into this February 26, 2024, by and between Peninsula Pipeline Company, Inc., a corporation of the State of Delaware (herein called "Company" or "PPC"), and Pivotal Utility Holdings, Inc. d/b/a Florida City Gas, a New Jersey corporation (herein called "Shipper" or "FCG"). PPC and FCG are sometimes referred to herein individually as a "Party" and collectively as "Parties."

WITNESSETH

WHEREAS, the Parties entered into a certain Firm Transportation Agreement, dated as of August 31, 2012 (the "First Firm Transportation Agreement"); and

WHEREAS, the Parties entered into a certain Firm Transportation Agreement, dated as of June 8, 2021 (the "Second Firm Transportation Agreement"); and

WHEREAS, the Parties have amended the First Transportation Agreement, dated June 8, 2021 (the "First Amendment No.1"); and

WHEREAS, the Parties have amended the Second Transportation Agreement, dated March 24, 2023 (the "Second Amendment No.1"); and

WHEREAS, Shipper desires to maintain Firm Transportation Service ("FTS") from Company; and

WHEREAS, Company desires to continue to provide FTS to Shipper; and

WHEREAS, Shipper desires Company to construct an additional project that will allow Shipper to serve customers within its service area with natural gas service, and Company is willing to construct the project and points of delivery; and

WHEREAS, Company intends to construct the desired project, the Indian River County Expansion ("Project"), in Indian River County, Florida. As specified in Exhibit C attached hereto, the Project will include extending steel pipelines from a new interconnect with the existing PPC pipeline in Indian River County, a local alternate natural gas supply, and two district regulator stations to the Shipper's local distribution system.

WHEREAS, the Parties have recently become corporate affiliates which changes the regulatory requirements for agreements between the Parties that existed at the time of the above referenced agreements and amendments were entered into; and

WHEREAS, the Parties desire to consolidate the First Firm Transportation Agreement, Second Firm Transportation Agreement, First Amendment No.1, Second Amendment No.1. and Project ("Indian River Expansion") and restate the terms of these agreements as and between the

Parties recognizing the regulatory requirements that now apply and include the additional terms for the new project noted herein.

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Company and Shipper do covenant and agree as follows:

ARTICLE I
DEFINITION

Unless otherwise defined in this Agreement, all definitions for terms used herein have the same meaning as provided in Company's Tariff (as hereinafter defined).

"In-Service Date" for the Project means the date that Company has commenced commercial operations for the Segment III identified in Exhibit C hereto, that construction has been completed for such Project, and that the Project has been inspected and tested as required by applicable law.

ARTICLE II
TERM AND TERMINATION

2.1 Subject to all other provisions, conditions, and limitations hereof, this Agreement shall be effective upon its date of execution by both Parties (the "Execution Date") and shall continue in full force for an initial period of thirty (30) years from the In-Service Date ("Initial Term"). After the Initial Term, the Agreement shall be extended on a year-to-year basis (each a "Renewed Term" and, all Renewed Terms together with the Initial Term, the "Current Term"), unless either Party gives written notice of termination to the other Party, not less than (90) days prior to the expiration of the Current Term. This Agreement may only be terminated earlier in accordance with the provisions of this Agreement and the Parties' respective rights under applicable law.

2.2 No less than 120 days before the expiration of the Current Term, either Party may request the opportunity to negotiate a modification of the rates or terms of this Agreement to be effective with the subsequent Renewed Term. Neither Party is obligated to, but may, agree to any mutually acceptable modification to the Agreement for the subsequent Renewed Term. In the event the Parties reach agreement for a modification to the Agreement for the subsequent Renewed Term, such agreed upon modification ("Agreement Modification") shall be set forth in writing and signed by both Parties prior to the expiration of the Current Term.

2.3 Any portion of this Agreement necessary to resolve monthly balancing and operational controls under this Agreement, pursuant to the Rules and Regulations of Company's Tariff, shall survive the expiration or termination of this Agreement until such time as such monthly balancing and operational controls have been resolved.

2.4 In the event Shipper fails to pay for the service provided under this Agreement or otherwise fails to meet Company's standards for creditworthiness set forth in Section C of the

Rules and Regulations of the Company's Tariff or otherwise violates the Rules and Regulations of Company's Tariff, or defaults on this Agreement, Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section D of the Rules and Regulations of Company's Tariff.

ARTICLE III
QUANTITY & UNAUTHORIZED USE

3.1 The Maximum Daily Transportation Quantity ("MDTQ") and the Maximum Hourly Transportation Percentage ("MHTP") shall be set forth on Exhibits A & B attached hereto. The applicable MDTQ shall be the largest daily quantity of Gas, expressed in Dekatherms, which Company is obligated to transport on a firm basis and make available for delivery for the account of Shipper under this Agreement on any one Gas Day.

3.2 If, on any Day, the Shipper utilizes transportation quantities, as measured at the Point(s) of Delivery, in excess of the established MDTQ, as shown on Exhibits A and B, such unauthorized use of transportation quantities (per Dekatherm) shall be billed at a rate of 2.0 times the rate to be charged for each Dekatherm of the MDTQ as set forth on Exhibits A and B of this Agreement.

ARTICLE IV
FIRM TRANSPORTATION SERVICE RESERVATION CHARGE

4.1 The Monthly Reservation Charge for Firm Transportation Service provided under this Agreement shall be as set forth in Exhibits A and B of this Agreement and shall be charged to the Shipper beginning on the Effective Date and shall thereafter be assessed in accordance with the terms and conditions set forth herein, unless and until Exhibits A and B are superseded in their entirety by Exhibit C as described herein.

4.2 If, at any time after the Execution Date (as herein defined) and throughout the term of this Agreement, the Company is required by any Governmental Authority (as that term is defined in Section 9.10) asserting jurisdiction over this Agreement and the transportation of Gas hereunder, to incur additional tax charges (including, without limitation, income taxes and property taxes) with regard to the service provided by Company under this Agreement, then Shipper's Monthly Reservation Charge shall be adjusted and Exhibits A and B updated accordingly, and the new Monthly Reservation Charge shall be implemented immediately upon the effective date of such action, subject to Commission approval of the amendment. If Shipper does not agree to the adjusted Monthly Reservation Charge, Company shall no longer be required to continue to provide the service contemplated in this Agreement should an action of a Governmental Authority result in a situation where Company otherwise would be required to provide transportation service at rates that are not just and reasonable, and in such event the Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section D of the Rules and Regulations of Company's Tariff.

4.3 If, at any time after the Execution Date and throughout the term of this Agreement, the Company is required by any Governmental Authority (as that term is defined in Section 9.10) asserting jurisdiction over this Agreement and the transportation of Gas hereunder, to incur additional capital expenditures with regard to the service provided by Company under this Agreement, other than any capital expenditures required to provide transportation services to any other customer on the pipeline system serving Shipper's facility, but including, without limitation, mandated relocations of Company's pipeline facilities serving Shipper's facility and costs to comply with any changes in pipeline safety regulations, then Shipper's Monthly Reservation Charge shall be adjusted and Exhibit A updated accordingly, and the new Monthly Reservation Charge shall be implemented immediately upon the effective date of such action, subject to Commission approval of the amendment. If Shipper does not agree to the adjusted Monthly Reservation Charge, Company shall no longer be required to continue to provide the service contemplated in this Agreement should an action of a Governmental Authority result in a situation where Company otherwise would be required to provide transportation service at rates that are not just and reasonable, and in such event the Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section D of the Rules and Regulations of Company's Tariff.

4.4 Upon the In-Service Date, the specific terms as set forth in Exhibits A and B and as referenced in Articles VII and VIII below, shall terminate and be replaced in their entirety by Exhibit C through the completion of the Initial Term and any Renewed Term of this Agreement.

ARTICLE V

COMPANY'S TARIFF PROVISIONS

5.1 Company's Tariff approved by the Commission, including any amendments thereto approved by the Commission during the term of this Agreement ("Company's Tariff"), is hereby incorporated into this Agreement and made a part hereof for all purposes. In the event of any conflict between Company's Tariff and the specific provisions of this Agreement, the latter shall prevail, in the absence of a Commission Order to the contrary.

ARTICLE VI

REGULATORY AUTHORIZATIONS AND APPROVALS

6.1 Company's obligation to provide service is conditioned upon receipt and acceptance of any necessary regulatory authorization to provide Firm Transportation Service for Shipper in accordance with the Rules and Regulations of Company's Tariff.

ARTICLE VII

DELIVERY POINT(S) AND POINT(S) OF DELIVERY

7.1 The Delivery Point(s) for all Gas delivered for the account of Shipper into Company's pipeline system under this Agreement, shall be as set forth on Exhibits A and B attached hereto until superseded by Exhibit C as described herein

7.2 The Point(s) of Delivery shall be as set forth on Exhibits A and B attached hereto, until superseded by Exhibit C as described herein.

7.3 Shipper shall cause Transporter to deliver to Company at the Delivery Point(s) on the Transporter's system, the quantities of Gas to be transported by Company hereunder. Company shall have no obligation for transportation of Shipper's Gas prior to receipt of such Gas from the Transporter at the Delivery Point(s), nor shall Company have any obligation to obtain capacity on Transporter for Shipper or on Shipper's behalf. The Company shall deliver such quantities of Gas received from the Transporter at the Delivery Point(s) for Shipper's account to Company's Point(s) of Delivery identified on Exhibits A and B until superseded by Exhibit C as described herein.

ARTICLE VIII
SCHEDULING AND BALANCING

8.1 Shipper shall be responsible for nominating quantities of Gas to be delivered by the Transporter to the Delivery Point(s) and delivered by Company to the Point(s) of Delivery. Shipper shall promptly provide notice to Company of all such nominations. Imbalances between quantities (i) scheduled at the Delivery Point(s) and the Point(s) of Delivery, and (ii) actually delivered by the Transporter and/or Company hereunder, shall be resolved in accordance with the applicable provisions of Company's Tariff, as such provisions, and any amendments to such provisions, are approved by the Commission.

8.2 The Parties recognize the desirability of maintaining a uniform rate of flow of Gas to Shipper's facilities over each Gas Day throughout each Gas Month. Therefore, Company agrees to receive from the Transporter for Shipper's account at the Delivery Point(s) and deliver to the Point(s) of Delivery up to the MDTQ as described in Exhibits A and B, until superseded by Exhibit C and subject to any restrictions imposed by the Transporter, as well as the provisions of Article IX of this Agreement, and Shipper agrees to use reasonable efforts to regulate its deliveries from Company's pipeline system at a daily rate of flow not to exceed the applicable MDTQ for the Gas Month in question, subject to any additional restrictions imposed by the Transporter or by Company pursuant to Company's Tariff.

ARTICLE IX
MISCELLANEOUS PROVISIONS

9.1 Notices and Other Communications. Any notice, request, demand, statement, or payment provided for in this Agreement, unless otherwise specified, shall be sent to the parties hereto at the following addresses:

Company:	Peninsula Pipeline Company, Inc. 500 Energy Lane, Suite 200 Dover, Delaware 19901
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Attention: Contracts

Shipper:

Pivotal Utility Holdings, Inc. d/b/a Florida City Gas
208 Wildlight Avenue
Yulee, FL 32097
Attention: Energy Logistics Contracts

9.2 Headings. All article headings, section headings and subheadings in this Agreement are inserted only for the convenience of the parties in identification of the provisions hereof and shall not affect any construction or interpretation of this Agreement.

9.3 Entire Agreement. This Agreement, including the Exhibits attached hereto, sets forth the full and complete understanding of the parties as of the Execution Date, and it supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereof. No Party shall be bound by any other obligations, conditions, or representations with respect to the subject matter of this Agreement.

9.4 Amendments. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing signed by the Party against which enforcement of the termination, amendment, supplement, waiver or modification shall be sought. A change in the place to which notices pursuant to this Agreement must be sent pursuant to Section 9.1 shall not be deemed nor require an amendment of this Agreement provided such change is communicated in accordance with Section 9.1 of this Agreement. Further, the Parties expressly acknowledge that the limitations on amendments to this Agreement set forth in this section shall not apply to or otherwise limit the effectiveness of amendments that are or may be necessary to comply with the requirements of, or are otherwise approved by, the Commission or its successor agency or authority.

9.5 Severability. If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided, however, that if such severability materially changes the economic benefits of this Agreement to either Party, the Parties shall negotiate in good faith an equitable adjustment in the provisions of this Agreement.

9.6 Waiver. No waiver of any of the provisions of this Agreement shall be deemed to be, nor shall it constitute, a waiver of any other provision whether similar or not. No single waiver shall constitute a continuing waiver, unless otherwise specifically identified as such in writing. No waiver shall be binding unless executed in writing by the Party making the waiver.

9.7 Attorneys' Fees and Costs. In the event of any litigation between the Parties arising out of or relating to this Agreement, the prevailing Party shall be entitled to recover all costs incurred and reasonable attorneys' fees, including attorneys' fees in all investigations, trials, bankruptcies, and appeals.

9.8 Independent Parties. Company and Shipper shall perform hereunder as independent parties. Neither Company nor Shipper is in any way or for any purpose, by virtue of this Agreement or otherwise, a partner, joint venturer, agent, employer or employee of the other. Nothing in this Agreement shall be for the benefit of any third person for any purpose, including, without limitation, the establishing of any type of duty, standard of care or liability with respect to any third person.

9.9 Assignment and Transfer. No assignment of this Agreement by either Party may be made without the prior written approval of the other Party (which approval shall not be unreasonably withheld) and unless the assigning or transferring Party's assignee or transferee shall expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring Party. Upon such assignment or transfer, as well as assumption of the duties and obligations, the assigning or transferring Party shall furnish or cause to be furnished to the other Party a true and correct copy of such assignment or transfer and the assumption of duties and obligations.

9.10 Governmental Authorizations; Compliance with Law. This Agreement shall be subject to all valid applicable state, local and federal laws, orders, directives, rules and regulations of any governmental body, agency or official having jurisdiction over this Agreement and the transportation of Gas hereunder. Company and Shipper shall comply at all times with all applicable federal, state, municipal, and other laws, ordinances and regulations. Company and/or Shipper will furnish any information or execute any documents required by any duly constituted federal or state regulatory authority in connection with the performance of this Agreement. Each Party shall proceed with diligence to file any necessary applications with any Governmental Authorities for any authorizations necessary to carry out its obligations under this Agreement. In the event this Agreement or any provisions herein shall be found contrary to or in conflict with any applicable law, order, directive, rule or regulation, the latter shall be deemed to control, but nothing in this Agreement shall prevent either Party from contesting the validity of any such law, order, directive, rule, or regulation, nor shall anything in this Agreement be construed to require either Party to waive its respective rights to assert the lack of jurisdiction of any governmental agency other than the Commission, over this Agreement or any part thereof. In the event of such contestation, and unless otherwise prohibited from doing so under this Section 9.10, Company shall continue to transport and Shipper shall continue to take Gas pursuant to the terms of this Agreement. In the event any law, order, directive, rule, or regulation shall prevent either Party from performing hereunder, then neither Party shall have any obligation to the other during the period that performance under the Agreement is precluded. If, however, any Governmental Authority's modification to this Agreement or any other order issued, action taken, interpretation rendered, or rule implemented, will have a material adverse effect on the rights and obligations of the Parties, including, but not limited to, the relative economic position of, and risks to, the Parties as reflected in this Agreement, then, subject to the provisions of Sections 3.3 and 3.4 of this Agreement, the Parties shall use reasonable efforts to agree upon replacement terms that are consistent with the relevant order or directive, and that maintain the relative economic position of, and risks to, the Parties as reflected in this Agreement as of the Execution Date. As used herein, "Governmental Authority" shall mean any United States federal, state, local, municipal or other

government; any governmental, regulatory or administrative agency, court, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

(i) If any Governmental Authority asserting jurisdiction over the pipeline facility contemplated in this Agreement, issues an order, ruling, decision or regulation not covered by Section 3.3 or 3.4 of this Agreement (including denial of necessary permits or amendments to existing permits) related to the operation, maintenance, location, or safety and integrity compliance, including any new or revised enforceable regulatory classification of the pipeline facility, as applicable, which is not reasonably foreseeable as of the Execution Date and which results in a materially adverse effect on either Party's rights and benefits under this Agreement, each Party shall use commercially reasonable efforts and shall cooperate with the other Party to pursue all necessary permits, approvals and authorizations, if any, of such applicable Governmental Authority, and to amend the terms and conditions of this Agreement, in each case as may be reasonably required in order that provision of firm transportation service under this Agreement shall continue; provided that neither Party shall be required to take any action pursuant to this Section which is reasonably likely to have a materially adverse effect on such Party's rights and benefits under this Agreement.

(ii) If the Parties are unable or unwilling to reach agreement pursuant to this Section 9.10, Company shall have the right to terminate this Agreement, without any further obligations to Shipper, upon one hundred twenty (120) days' prior written notice to Shipper.

9.11 Applicable Law and Venue. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida, without regard for conflict of laws provisions. The venue for any action, at law or in equity, commenced by either party against the other and arising out of or in connection with this Agreement shall be in a court of the State of Florida having jurisdiction.

9.12 Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original instrument as against any Party who has signed it.

9.13 New Agreement/Termination of Prior Agreements
This Agreement shall supersede and replace in all respects the First and Second Firm Transportation Service Agreements and the respective Amendments thereto upon the Execution Date.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives.

COMPANY
Peninsula Pipeline Company, Inc.

By: William Hancock

William Hancock

Title: Assistant Vice President

Date: 02/27/2024

SHIPPER
Pivotal Utility Holdings, Inc. d/b/a Florida
City Gas

By: Jeffrey Sylvester

Jeffrey S. Sylvester

Title: President and Chief Operating Officer
of Pivotal Utilities Holdings, Inc

Date: 02/27/2024

EXHIBIT A
FIRM TRANSPORTATION SERVICE AGREEMENT
BETWEEN
PENINSULA PIPELINE COMPANY, INC. AND
FLORIDA CITY GAS

DATED

February 26, 2024

Segment I

Description of Transporter Delivery Point(s)

1. Interconnection between Florida Gas Transmission and the vicinity of I-95 and County Road 512

Description of Point(s) of Delivery

1. Interconnection between Shipper and Company in the area of Winter Beach, Florida,
2. Interconnection between Shipper and Company in the area of Fellsmere, Florida

Total MDTQ (Dekatherms): Dt/Day ()
MHTP: ()

Total Monthly Reservation Charge (Segment I): ()

Monthly Reservation Charge if Agreement extends beyond initial thirty (30) year period:

()

Unauthorized Use Rate (In addition to Monthly Reservation Charge): () Each Day
Unauthorized Use

EXHIBIT B
FIRM TRANSPORTATION SERVICE AGREEMENT
BETWEEN
PENINSULA PIPELINE COMPANY, INC. AND
FLORIDA CITY GAS

DATED

February 26, 2024

Segment II

Description of Transporter Delivery Point(s)

- I. A tap to the existing pipeline constructed in Segment I at or near 5900 85th Street, Vero Beach, Florida 32958

Description of Point(s) of Delivery

Interconnections between Company and Shipper's distribution lines at the following locations:

1. Highway 510 Wabasso Station
2. Beachside Orchid Station
3. Beach Turtle Trail Station
4. Beachside Indian River Shores Station
5. Beachside Greywig Station

From the Interconnection points identified herein, Company shall construct the Pipeline that shall consist of 10.93 miles of 4.50" x 0.188" API-5L X52 pipe. The design operating pressure is 625 psig, with an MAOP of 700 psig. At 700 psig the hoop stress in the 4" pipe is approximately 16.11% SMYS. The final design and construction of the Pipeline shall not materially deviate from these interconnection points or specifications absent a written and signed amendment of the Parties to this first revised amendment. The Pipeline consists of pipeline only and does not include any gate station, regulator station, branch valves, laterals, required property, etc.

MHTP: [REDACTED]

Total MDTQ (Dekatherms): [REDACTED] Dt/Day

Monthly Reservation Charge for thirty (30) year period (Segment II):

Years 1-5 [REDACTED]

Years 6-10 [REDACTED]

Years 11-15 [REDACTED]

Years 16-20 [REDACTED]

Years 21-25 [REDACTED]

Years 26-30 [REDACTED]

Where the Year 1 begins on the in-service 04/01/2023

Unauthorized Use Rate (In addition to Monthly Reservation Charge): [REDACTED] Each Day

Unauthorized Use

EXHIBIT C
FIRM TRANSPORTATION SERVICE AGREEMENT
BETWEEN
PENINSULA PIPELINE COMPANY, INC. AND
FLORIDA CITY GAS

DATED

February 26, 2024

Segment I

Description of Transporter Delivery Point(s)

2. Interconnection between Florida Gas Transmission and the vicinity of I-95 and County Road 512

Description of Point(s) of Delivery

3. Interconnection between Shipper and Company in the area of Winter Beach, Florida,
4. Interconnection between Shipper and Company in the area of Fellsmere, Florida

Total MDTQ (Dekatherms): Dt/Day [REDACTED]
MHTP: [REDACTED]

Total Monthly Reservation Charge (Segment I): [REDACTED]
Monthly Reservation Charge if Agreement extends beyond initial thirty (30) year period:
[REDACTED]

Segment II

Description of Transporter Delivery Point(s)

2. A tap to the existing pipeline constructed in Segment I at or near 5900 85th Street, Vero Beach, Florida 32958

Description of Point(s) of Delivery

Interconnections between Company and Shipper's distribution lines at the following locations:

6. Highway 510 Wabasso Station
7. Beachside Orchid Station
8. Beach Turtle Trail Station
9. Beachside Indian River Shores Station
10. Beachside Greywig Station

From the Interconnection points identified herein, Company shall construct the Pipeline

that shall consist of 10.93 miles of 4.50" x 0.188" API-5L X52 pipe. The design operating pressure is 625 psig, with an MAOP of 700 psig. At 700 psig the hoop stress in the 4" pipe is approximately 16.11% SMYS. The final design and construction of the Pipeline shall not materially deviate from these interconnection points or specifications absent a written and signed amendment of the Parties to this first revised amendment. The Pipeline consists of pipeline only and does not include any gate station, regulator station, branch valves, laterals, required property, etc.

MHTP: [REDACTED]

Total MDTQ (Dekatherms): [REDACTED] Dt/Day

Monthly Reservation Charge for thirty (30) year period (Segment II):

Years 1-5 [REDACTED]

Years 6-10 [REDACTED]

Years 11-15 [REDACTED]

Years 16-20 [REDACTED]

Years 21-25 [REDACTED]

Years 26-30 [REDACTED]

Where the Year 1 begins on the in-service 04/01/2023

Segment III

Description of Transporter Delivery Point(s)

1. At or near Oslo Road and 74th Avenue
2. 77th Street and Kings Highway

Description of Point(s) of Delivery

1. At or near Oslo Road and 74th Avenue
2. 77th Street and Kings Highway
3. At or near 74th Avenue and N Sandpiper Drive

Total MDTQ (Dekatherms): Dt/Day [REDACTED]

MHTP: [REDACTED]

Total Monthly Reservation Charge (Segment III): [REDACTED]

This charge is subject to adjustment pursuant to the terms of this Agreement.

Unauthorized Use Rate (In addition to Monthly Reservation Charge): [REDACTED] Each Day

Unauthorized Use



ATTACHMENT C

Transportation Service Agreement – Miami-Dade

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT is entered into this February 26, 2024, by and between Peninsula Pipeline Company, Inc., a corporation of the State of Delaware (herein called "Company" or "PPC"), and Pivotal Utility Holdings, Inc. d/b/a Florida City Gas, a New Jersey corporation (herein called "Shipper" or "FCG"). PPC and FCG are sometimes referred to herein individually as a "Party" and collectively as "Parties."

WITNESSETH

WHEREAS, Shipper desires to obtain Firm Transportation Service ("FTS") from Company; and

WHEREAS, Company desires to provide FTS to Shipper, in accordance with the terms hereof; and

WHEREAS, Shipper desires Company to construct a project that will allow Shipper to serve customers within its service area with natural gas service, and Company is willing to construct the project and points of delivery; and

WHEREAS, Company intends to construct the desired project, called the Miami-Dade Expansion ("Project"), in Miami-Dade County, Florida. As specified in Exhibit A attached hereto, the Project will include extending steel pipelines, one from a new interconnect with local alternate natural gas supply, and another from a district regulator station, to connect with Shipper's local distribution system.

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Company and Shipper do covenant and agree as follows:

ARTICLE I
DEFINITION

Unless otherwise defined in this Agreement, all definitions for terms used herein have the same meaning as provided in Company's Tariff (as hereinafter defined).

"In-Service Date" for the Project means the date that Company has commenced commercial operations, that construction has been completed, and that the Project has been inspected and tested as required by applicable law.

ARTICLE II
QUANTITY & UNAUTHORIZED USE

2.1 The Maximum Daily Transportation Quantity ("MDTQ") and the Maximum Hourly Transportation Percentage ("MHTP") shall be set forth on Exhibit A attached hereto. The applicable MDTQ shall be the largest daily quantity of Gas, expressed in Dekatherms, which Company is obligated to transport on a firm basis and make available for delivery for the account of Shipper under this Agreement on any one Gas Day.

2.2 If, on any Day, the Shipper utilizes transportation quantities, as measured at the Point(s) of Delivery, in excess of the established MDTQ, as shown on Exhibit A, such unauthorized use of transportation quantities (per Dekatherm) shall be billed at a rate of 2.0 times the rate to be charged for each Dekatherm of the MDTQ as set forth on Exhibit A of this Agreement.

ARTICLE III
FIRM TRANSPORTATION SERVICE RESERVATION CHARGE

3.1 The Monthly Reservation Charge for Firm Transportation Service provided under this Agreement shall be as set forth in Exhibit A of this Agreement and shall be charged to the Shipper beginning on the In-Service Date and shall thereafter be assessed in accordance with the terms and conditions set forth herein.

3.2 If, at any time after the Execution Date (as herein defined) and throughout the term of this Agreement, the Company is required by any Governmental Authority (as that term is defined in Section 9.10) asserting jurisdiction over this Agreement and the transportation of Gas hereunder, to incur additional tax charges (including, without limitation, income taxes and property taxes) with regard to the service provided by Company under this Agreement, then Shipper's Monthly Reservation Charge shall be adjusted and Exhibit A updated accordingly, and the new Monthly Reservation Charge shall be implemented immediately upon the effective date of such action, subject to Commission approval of the amendment. If Shipper does not agree to the adjusted Monthly Reservation Charge, Company shall no longer be required to continue to provide the service contemplated in this Agreement should an action of a Governmental Authority result in a situation where Company otherwise would be required to provide transportation service at rates that are not just and reasonable, and in such event the Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section D of the Rules and Regulations of Company's Tariff.

3.3 If, at any time after the Execution Date (as herein defined) and throughout the term of this Agreement, the Company is required by any Governmental Authority (as that term is defined in Section 9.10) asserting jurisdiction over this Agreement and the transportation of Gas hereunder, to incur additional capital expenditures with regard to the service provided by Company under this Agreement, other than any capital expenditures required to provide transportation services to any other customer on the pipeline system serving Shipper's facility, but including, without limitation,

mandated relocations of Company's pipeline facilities serving Shipper's facility and costs to comply with any changes in pipeline safety regulations, then Shipper's Monthly Reservation Charge shall be adjusted and Exhibit A updated accordingly, and the new Monthly Reservation Charge shall be implemented immediately upon the effective date of such action, subject to Commission approval of the amendment. If Shipper does not agree to the adjusted Monthly Reservation Charge, Company shall no longer be required to continue to provide the service contemplated in this Agreement should an action of a Governmental Authority result in a situation where Company otherwise would be required to provide transportation service at rates that are not just and reasonable, and in such event the Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section D of the Rules and Regulations of Company's Tariff.

ARTICLE IV
TERM AND TERMINATION

4.1 Subject to all other provisions, conditions, and limitations hereof, this Agreement shall be effective upon its date of execution by both Parties (the "Execution Date") and shall continue in full force for an initial period of twenty (20) years from the In-Service Date ("Initial Term"). After the Initial Term, the Agreement shall be extended on a year-to-year basis (each a "Renewed Term" and, all Renewed Terms together with the Initial Term, the "Current Term"), unless either Party gives written notice of termination to the other Party, not less than (90) days prior to the expiration of the Current Term. This Agreement may only be terminated earlier in accordance with the provisions of this Agreement and the Parties' respective rights under applicable law.

4.2 No less than 120 days before the expiration of the Current Term, either Party may request the opportunity to negotiate a modification of the rates or terms of this Agreement to be effective with the subsequent Renewed Term. Neither Party is obligated to, but may, agree to any mutually acceptable modification to the Agreement for the subsequent Renewed Term. In the event the Parties reach agreement for a modification to the Agreement for the subsequent Renewed Term, such agreed upon modification ("Agreement Modification") shall be set forth in writing and signed by both Parties prior to the expiration of the Current Term.

4.3 Any portion of this Agreement necessary to resolve monthly balancing and operational controls under this Agreement, pursuant to the Rules and Regulations of Company's Tariff, shall survive the expiration or termination of this Agreement until such time as such monthly balancing and operational controls have been resolved.

4.4 In the event Shipper fails to pay for the service provided under this Agreement or otherwise fails to meet Company's standards for creditworthiness set forth in Section C of the Rules and Regulations of the Company's Tariff or otherwise violates the Rules and Regulations of Company's Tariff, or defaults on this Agreement, Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section D of the Rules and Regulations of Company's Tariff.

ARTICLE V
COMPANY'S TARIFF PROVISIONS

5.1 Company's Tariff approved by the Commission, including any amendments thereto approved by the Commission during the term of this Agreement ("Company's Tariff"), is hereby incorporated into this Agreement and made a part hereof for all purposes. In the event of any conflict between Company's Tariff and the specific provisions of this Agreement, the latter shall prevail, in the absence of a Commission Order to the contrary.

ARTICLE VI
REGULATORY AUTHORIZATIONS AND APPROVALS

6.1 Company's obligation to provide service is conditioned upon receipt and acceptance of any necessary regulatory authorization to provide Firm Transportation Service for Shipper in accordance with the Rules and Regulations of Company's Tariff.

ARTICLE VII
DELIVERY POINT(S) AND POINT(S) OF DELIVERY

7.1 The Delivery Point(s) for all Gas delivered for the account of Shipper into Company's pipeline system under this Agreement, shall be as set forth on Exhibit A attached hereto.

7.2 The Point(s) of Delivery shall be as set forth on Exhibit A attached hereto.

7.3 Shipper shall cause Transporter to deliver to Company at the Delivery Point(s) on the Transporter's system, the quantities of Gas to be transported by Company hereunder. Company shall have no obligation for transportation of Shipper's Gas prior to receipt of such Gas from the Transporter at the Delivery Point(s), nor shall Company have any obligation to obtain capacity on Transporter for Shipper or on Shipper's behalf. The Company shall deliver such quantities of Gas received from the Transporter at the Delivery Point(s) for Shipper's account to Company's Point(s) of Delivery identified on Exhibit A.

ARTICLE VIII
SCHEDULING AND BALANCING

8.1 Shipper shall be responsible for nominating quantities of Gas to be delivered by the Transporter to the Delivery Point(s) and delivered by Company to the Point(s) of Delivery. Shipper shall promptly provide notice to Company of all such nominations. Imbalances between quantities (i) scheduled at the Delivery Point(s) and the Point(s) of Delivery, and (ii) actually delivered by the Transporter and/or Company hereunder, shall be resolved in accordance with the applicable provisions of Company's Tariff, as such provisions, and any amendments to such provisions, are approved by the Commission.

8.2 The Parties recognize the desirability of maintaining a uniform rate of flow of Gas to Shipper's facilities over each Gas Day throughout each Gas Month. Therefore, Company agrees to receive from the Transporter for Shipper's account at the Delivery Point(s) and deliver to the Point(s) of Delivery up to the MDTQ as described in Exhibit A, subject to any restrictions imposed by the Transporter and to the provisions of Article IX of this Agreement, and Shipper agrees to use reasonable efforts to regulate its deliveries from Company's pipeline system at a daily rate of flow not to exceed the applicable MDTQ for the Gas Month in question, subject to any additional restrictions imposed by the Transporter or by Company pursuant to Company's Tariff.

ARTICLE IX
MISCELLANEOUS PROVISIONS

9.1 **Notices and Other Communications.** Any notice, request, demand, statement, or payment provided for in this Agreement, unless otherwise specified, shall be sent to the parties hereto at the following addresses:

Company:	Peninsula Pipeline Company, Inc. 500 Energy Lane, Suite 200 Dover, Delaware 19901 Attention: Contracts
Shipper:	Pivotal Utility Holdings, Inc. d/b/a Florida City Gas 208 Wildlight Avenue Yulee, FL 32097 Attention: Energy Logistics Contracts

9.2 **Headings.** All article headings, section headings and subheadings in this Agreement are inserted only for the convenience of the parties in identification of the provisions hereof and shall not affect any construction or interpretation of this Agreement.

9.3 **Entire Agreement.** This Agreement, including the Exhibit attached hereto, sets forth the full and complete understanding of the parties as of the Execution Date, and it supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereof. No Party shall be bound by any other obligations, conditions, or representations with respect to the subject matter of this Agreement.

9.4 **Amendments.** Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified except by an instrument in writing signed by the Party against which enforcement of the termination, amendment, supplement, waiver or modification shall be sought. A change in the place to which notices pursuant to this Agreement must be sent pursuant to Section 9.1 shall not be deemed nor require an amendment of this Agreement provided such change is communicated in accordance with Section 9.1 of this Agreement. Further, the Parties expressly acknowledge that the limitations on amendments to

this Agreement set forth in this section shall not apply to or otherwise limit the effectiveness of amendments that are or may be necessary to comply with the requirements of, or are otherwise approved by, the Commission or its successor agency or authority.

9.5 Severability. If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided, however, that if such severability materially changes the economic benefits of this Agreement to either Party, the Parties shall negotiate in good faith an equitable adjustment in the provisions of this Agreement.

9.6 Waiver. No waiver of any of the provisions of this Agreement shall be deemed to be, nor shall it constitute, a waiver of any other provision whether similar or not. No single waiver shall constitute a continuing waiver, unless otherwise specifically identified as such in writing. No waiver shall be binding unless executed in writing by the Party making the waiver.

9.7 Attorneys' Fees and Costs. In the event of any litigation between the Parties arising out of or relating to this Agreement, the prevailing Party shall be entitled to recover all costs incurred and reasonable attorneys' fees, including attorneys' fees in all investigations, trials, bankruptcies, and appeals.

9.8 Independent Parties. Company and Shipper shall perform hereunder as independent parties. Neither Company nor Shipper is in any way or for any purpose, by virtue of this Agreement or otherwise, a partner, joint venturer, agent, employer or employee of the other. Nothing in this Agreement shall be for the benefit of any third person for any purpose, including, without limitation, the establishing of any type of duty, standard of care or liability with respect to any third person.

9.9 Assignment and Transfer. No assignment of this Agreement by either Party may be made without the prior written approval of the other Party (which approval shall not be unreasonably withheld) and unless the assigning or transferring Party's assignee or transferee shall expressly assume, in writing, the duties and obligations under this Agreement of the assigning or transferring Party. Upon such assignment or transfer, as well as assumption of the duties and obligations, the assigning or transferring Party shall furnish or cause to be furnished to the other Party a true and correct copy of such assignment or transfer and the assumption of duties and obligations.

9.10 Governmental Authorizations; Compliance with Law. This Agreement shall be subject to all valid applicable state, local and federal laws, orders, directives, rules and regulations of any governmental body, agency or official having jurisdiction over this Agreement and the transportation of Gas hereunder. Company and Shipper shall comply at all times with all applicable federal, state, municipal, and other laws, ordinances and regulations. Company and/or Shipper will furnish any information or execute any documents required by any duly constituted federal or state regulatory authority in connection with the performance of this Agreement. Each Party shall proceed with diligence to file any necessary applications with any Governmental

Authorities for any authorizations necessary to carry out its obligations under this Agreement. In the event this Agreement or any provisions herein shall be found contrary to or in conflict with any applicable law, order, directive, rule or regulation, the latter shall be deemed to control, but nothing in this Agreement shall prevent either Party from contesting the validity of any such law, order, directive, rule, or regulation, nor shall anything in this Agreement be construed to require either Party to waive its respective rights to assert the lack of jurisdiction of any governmental agency other than the Commission, over this Agreement or any part thereof. In the event of such contestation, and unless otherwise prohibited from doing so under this Section 9.10, Company shall continue to transport and Shipper shall continue to take Gas pursuant to the terms of this Agreement. In the event any law, order, directive, rule, or regulation shall prevent either Party from performing hereunder, then neither Party shall have any obligation to the other during the period that performance under the Agreement is precluded. If, however, any Governmental Authority's modification to this Agreement or any other order issued, action taken, interpretation rendered, or rule implemented, will have a material adverse effect on the rights and obligations of the Parties, including, but not limited to, the relative economic position of, and risks to, the Parties as reflected in this Agreement, then, subject to the provisions of Sections 3.2 and 3.3 of this Agreement, the Parties shall use reasonable efforts to agree upon replacement terms that are consistent with the relevant order or directive, and that maintain the relative economic position of, and risks to, the Parties as reflected in this Agreement as of the Execution Date. As used herein, "Governmental Authority" shall mean any United States federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, court, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal.

- (i) If any Governmental Authority asserting jurisdiction over the pipeline facility contemplated in this Agreement, issues an order, ruling, decision or regulation not covered by Section 3.2 or 3.3 of this Agreement (including denial of necessary permits or amendments to existing permits) related to the operation, maintenance, location, or safety and integrity compliance, including any new or revised enforceable regulatory classification of the pipeline facility, as applicable, which is not reasonably foreseeable as of the Execution Date and which results in a materially adverse effect on either Party's rights and benefits under this Agreement, each Party shall use commercially reasonable efforts and shall cooperate with the other Party to pursue all necessary permits, approvals and authorizations, if any, of such applicable Governmental Authority, and to amend the terms and conditions of this Agreement, in each case as may be reasonably required in order that provision of firm transportation service under this Agreement shall continue; provided that neither Party shall be required to take any action pursuant to this Section which is reasonably likely to have a materially adverse effect on such Party's rights and benefits under this Agreement.
- (ii) If the Parties are unable or unwilling to reach agreement pursuant to this Section 9.10, Company shall have the right to terminate this Agreement, without any further obligations to Shipper, upon one hundred twenty (120) days' prior

written notice to Shipper.

9.11 Applicable Law and Venue. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of Florida, without regard for conflict of laws provisions. The venue for any action, at law or in equity, commenced by either party against the other and arising out of or in connection with this Agreement shall be in a court of the State of Florida having jurisdiction.

9.12 Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one and the same instrument and each of which shall be deemed an original instrument as against any Party who has signed it.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers or representatives.

COMPANY
Peninsula Pipeline Company, Inc.

SHIPPER
Pivotal Utility Holdings, Inc. d/b/a Florida City
Gas

By: William Hancock

By: Jeffrey Sylvester

William Hancock

Jeffrey S. Sylvester

Title: Assistant Vice President

Title: President and Chief Operating Officer
of Pivotal Utilities Holdings, Inc

Date: 02/27/2024

Date: 02/27/2024

EXHIBIT A TO
FIRM TRANSPORTATION SERVICE
AGREEMENT BETWEEN
PENINSULA PIPELINE COMPANY, INC. AND
PIVOTAL UTILITY HOLDINGS d/b/a FLORIDA CITY GAS

DATED

February 26, 2024

Description of Transporter Delivery Point(s)
At or near NW 93rd Street and NW 89th Avenue

Description of Point(s) of Delivery
At or near NW 12th Street and NW 72 Avenue

Total MDTQ (Dekatherms): Dt/Day: [REDACTED]
MHTP: [REDACTED]

Total Monthly Reservation Charge: [REDACTED]
This charge is subject to adjustment pursuant to the terms of this Agreement.
Unauthorized Use Rate (In addition to Monthly Reservation Charge): [REDACTED] Each Day
Unauthorized Use

