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September 20, 2024

BY ELECTRONIC FILING

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

[New Filing] - Petition for Approval of a Transportation Service Agreement with Florida City Gas by Peninsula Pipeline Company, Inc.

Dear Mr. Teitzman:

Attached for electronic filing, please find Peninsula Pipeline Company's Petition for Approval of a Transportation Service Agreement with Florida City Gas (Miami-Dade), along with the referenced Agreement and map. Peninsula deems portions of the Exhibit A to the Agreement as confidential; therefore, those portions are redacted. A request for confidentiality is being filed under separate cover today.

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

Sincerely,



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

Cc: Certificate of Service

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Approval of Transportation)	
Service Agreement with Florida City Gas by)	Docket No.:
Peninsula Pipeline Company, Inc.)	
)	Filed: September 20, 2024

PETITION OF PENINSULA PIPELINE COMPANY, INC. FOR APPROVAL OF A
TRANSPORTATION SERVICE AGREEMENT WITH FLORIDA CITY GAS

Peninsula Pipeline Company, Inc. ("Peninsula" or "Company"), by and through its undersigned counsel, hereby files this Petition seeking approval by the Florida Public Service Commission ("Commission") of a Firm Transportation Service Agreement ("Agreement") between the Company and Pivotal Utility Holdings, Inc. d/b/a Florida City Gas ("FCG"), which is attached hereto as Attachment A (redacted)¹. If approved, the projects contemplated by the Agreement will enhance delivery, supply, and diversity of gas sources to FCG's gas systems in key areas of Miami-Dade County.

In support of this request, the Company hereby states:

1. Peninsula is a natural gas transmission company subject to the Commission's jurisdiction as prescribed under Chapter 368.101, et. seq., Florida Statutes. Its principal business address is:

Peninsula Pipeline Company, Inc.
208 Wildlight Ave.
Yulee, FL 32097

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

Beth Keating, Esq.
Gunster, Yoakley & Stewart, P.A.
215 South Monroe St., Suite 601
Tallahassee, FL 32301

Miguel Bustos
Manager Regulatory Affairs
208 Wildlight Ave,
Yulee, FL 32097

¹ Confidential version provided under separate cover consistent with 25-22.006, F.A.C.

(850) 521-1706
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MBustos@chpk.com

3. Peninsula, a wholly owned subsidiary of Chesapeake Utilities Corporation ("CUC"), is a Delaware corporation authorized to transact business in the State of Florida. Peninsula is engaged in the business of building pipeline segments from interstate transmission pipelines for customers. Peninsula provides firm transportation service only and does not engage in the sale of natural gas. Consistent with Section 368.105(6), Florida Statutes, the Company constructs such pipeline segment facilities and related facilities required for interconnection with a customer only if the potential customer agrees to fully compensate the Company for reasonable costs incurred. Likewise, consistent with the referenced provision, the Company provides transmission access, subject to available capacity, on a basis that is not unreasonably preferential, prejudicial, or unduly discriminatory.²
4. FCG is subject to economic regulation by the Commission in accordance with Chapter 366, Florida Statutes. FCG's principal offices are located at 208 Wildlight Ave, Yulee, FL 32097.
5. The Company is unaware of any material facts in dispute at this time, but the proceeding may involve disputed issues of material fact. The Company's request set forth herein does not involve reversal or modification of a Commission decision or proposed agency action. This is a Petition representing an initial request to the Commission, which is the affected agency located at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399.

I.

BACKGROUND

6. By Order No. PSC-2007-1012-TRF-GP, issued December 21, 2007, the Commission approved

² By the same token, Section 368.105(6), Florida Statutes, recognizes that a natural gas transmission company is not required to provide transmission access to a person at rates that are not just and reasonable.

the Company's intrastate pipeline tariff, consistent with the Commission's jurisdiction under Chapter 368, Florida Statutes. Therein, the Commission also determined that the tariff was consistent with the Commission's prior Declaratory Statement, which provided additional parameters for Peninsula's operations in the State.³

7. Pursuant to the Company's tariff on file with the Commission, as well as Order No. PSC-2007-1012-TRF-GP, the Company is allowed to undertake certain projects without express Commission approval. For instance, the Company is not required to seek prior approval if the customer is not currently receiving natural gas service from another entity, such as a local distribution company ("LDC"), and the customer's facilities are located at a distance greater than one mile from the existing gas facilities of an investor-owned gas utility, a municipal gas utility, or a gas district. The Company also need not seek regulatory approval if it is engaged to serve an LDC that is not an affiliate of the Company.⁴ Consistent with Section 368.105(3), Florida Statutes, for contracts such as these, the Company is only required to file affidavits from both the Company and the customer affirming that:

- a. Neither the natural gas transmission company nor the customer had an unfair advantage during the negotiations;
- b. The rates are substantially the same as rates between the natural gas transmission company and two or more of those customers under the same or similar conditions of service; or
- c. Competition does or did exist either with another natural gas transmission company, another supplier of natural gas, or with

³ Order No. PSC-2006-0023-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, et seq.

⁴ Peninsula Pipeline Company, Inc., Intrastate Pipeline Tariff, Original Vol. 1, Sheet No. 11, Section 3

a supplier of an alternative form of energy.

Section 368.105(3), Florida Statutes (emphasis added).

8. The Company is, however, required to seek Commission approval of projects in the following categories:

- a. Interconnection to an LDC in order to serve a customer downstream;
- b. Interconnection with an LDC to provide service to another LDC;
- c. Construction of facilities to serve a current LDC customer or one that is within 1 mile of the existing facilities of an investor-owned or municipal gas utility, or a gas district; and
- d. Other projects that are not otherwise specifically identified in the tariff as not requiring prior Commission approval.⁵

9. FCG is a subsidiary of Chesapeake Utilities Corporation (“CUC”), a Delaware corporation authorized to conduct business in Florida. Thus, both Peninsula and FCG are owned and/or controlled by CUC. Because both FCG and Peninsula are corporate subsidiaries of CUC, the Company is required to seek Commission approval prior to entering into a contract to construct facilities and provide transportation service to FCG, consistent with Sheet 12, Section 4(d).

10. As noted above, the approved tariff, consistent with Order No. PSC-2006-0023-DS-GP, provides that the Company must seek approval for agreements unless an individual agreement fits the criteria set forth in the Company's tariff for an agreement that does not require prior Commission approval.⁶ The Agreement with FCG would not meet any of the enumerated criteria; thus, Peninsula respectfully seeks Commission approval in this instance.

⁵ Peninsula Pipeline Company, Inc., Intrastate Pipeline Tariff, Original Vol. I, Sheet No. 12, Section 4.

⁶ Moreover, since the tariff expressly provides that the Company need not seek approval if it enters into an agreement with a non-affiliated LDC, the Company believes that it must therefore seek Commission approval when the converse situation arises.

11. With regard to review of the Agreement under the standard set forth in Section 368.105, Florida Statutes, the Company submits that the Agreement withstands review under the seminal case for review of affiliate transactions, because the rates charged under the Agreement are not "inherently unfair" or in excess of the going market rate.⁷

MIAMI LOOP PROJECT

12. Approval of the Agreement will facilitate Peninsula moving forward to acquire three infrastructure components that will provide additional options for accessing gas supplies and delivering gas to portions of FCG's distribution system in Miami-Dade County. Once completed, the project will provide better options for transporting gas supplies to the subject area of FCG's distribution system, as well as more alternatives for delivering gas from point to point on FCG's system. This will provide FCG with improved options for expanding to new service territories, getting gas to growth areas, and to customers that need gas supplies. The area in question, referred to herein as the "Miami Loop," is the area of Miami roughly bordered by Highway 932, SW 69th Ave, Highway 997, and Alex Muxo Jr. Blvd. This area continues to see high growth, development, and redevelopment. The additional sources of natural gas and facility enhancement will work together to ultimately strengthen delivery, reinforce supply, provide capacity, and increase the diversity of gas sources to FCG to serve current customer and expected future growth in Miami-Dade County.
13. The three infrastructure components mentioned involve the sale of assets by FCG to Peninsula and subsequent improvements to those assets. These will include the following pipeline assets and associated facilities referred to herein as (1) the "Miami Loop West Segment" (2) "Miami

⁷ See GTE Florida Incorporated v. Deason, 642 So. 2d 545 (Fla. 1994)(determining that the appropriate review of an affiliate transaction considers "... whether the transactions exceed the going market rate or are otherwise inherently unfair.")

Loop South Segment” (formerly known as the “Jet Fuel Line” and the associated Miami Airport gate station interconnected with FGT), and (3) the “Miami Loop North Segment” (formerly known as the “Hialeah Gate and High-Pressure Line”). Completing the transfer and acquisitions will allow Peninsula to enhance these systems with new construction and expansion to provide service to FCG’s system.

14. More specifically, the first component acquired will be an existing pipeline and associated facilities known as the Miami Loop West Segment from FCG at net book value. The Miami Loop West Segment is located along SW 8th Street and SW 137th Ave and consists of approximately 6.75 miles of 8” Steel Pipe. FCG purchased the segment recently but, because the previous operator had discontinued its operation, the lateral is currently not in service, nor is it included for recovery in FCG’s base rates. As the segment is currently not in service, Peninsula will need to conduct testing on the facilities of the Miami Loop West Segment and reenergize the system in order for it to be placed back into service. This will allow Peninsula to enhance the service capabilities to FCG off the Miami Loop West Segment.
15. Additional buildout on the Miami Loop West Segment will consist of constructing a gate station on or near 1204 NW 137th Ave. This station will interconnect the Miami Loop West Segment with FCG’s distribution system. By installing this gate station, gas from the Miami Loop West Segment can flow into different portions of FCG’s system. Peninsula will also extend the existing pipeline west, which will enable FCG to serve new commercial customers from a new point of delivery at or near 18201 SW 12th St.
16. The Miami Loop West Segment will also be interconnected with the Miami Loop South Segment. This will be done by interconnecting with the Miami Loop West Segment near the intersection of Tamiami Trail and SW 87th Avenue and, from there, constructing approximately

14,000' of 8" steel pipe southeast into the Miami Loop South Segment at the intersection of Coral Way and SW 72nd Ave. This expansion will provide another access point for gas into the Miami Loop South Segment via the Miami Loop West Segment and an upgraded gate station at the West Miami gate station. This will provide another avenue for delivering gas into the Miami Loop South Segment, which will help protect customers served by that segment from supply disruptions. The Miami Loop West project is estimated to be completed in the third quarter of 2025.

17. Peninsula's second acquisition will be of the Miami Loop South Segment from FCG at net book value plus an applicable amount of goodwill. The Miami Loop South Segment consists of approximately 27.6 miles of 6" steel pipe and three gate stations. FCG currently uses the asset to bring gas from the Miami Airport gate station interconnecting with FGT into its distribution system in the area. Unlike the Miami Loop West Segment, the Miami Loop South Segment is currently in FCG's rate base; therefore, Peninsula will only be charging FCG a rate based on the costs to enhance the Miami Loop South Segment. In FCG's next rate case, these assets are to be removed from FCG's rate base. At the completion of the rate case, Monthly Reservation Charges will become the new rate for the FTSA.

18. Upon acquisition of the Miami Loop South Segment, Peninsula will complete work to increase the operating pressure to enhance the system. This will consist of removing an existing regulator station near the intersection of Miller Dr and SW 72nd Ave, updating a regulator station near the intersection of Miller Dr and SW 93rd Ave, and constructing an additional segment of approximately 2.3 miles of 6" steel pipe located along Miller Dr. Once completed, this will allow Peninsula to maintain a higher maximum operating pressure on the Miami Loop South Segment, which will improve service to FCG and its customers served via this segment.

Additionally, should there be a disruption to supply from FGT, the enhanced Miami Loop South Segment will provide enhanced supply redundancy and system resiliency to FCG's system. The Miami Loop South Segment project is estimated to be completed in the third quarter of 2025.

19. As approved by the Commission in Docket 20240039-GU, Peninsula will also construct a new pipeline project, the Miami-Dade project, which will connect with the Miami Loop South Segment and Miami Loop North Segment, and thus, connect both segments. The Miami-Dade project will start at a new regulator station near 9000 Nina St and will run south to interconnect with the Miami Loop South Segment. This will allow for the bi-directional flow of gas to the Miami Loop North and South Segments, creating increased resiliency and deliverability to South Miami-Dade County and protection from supply disruptions. As part of these projects, station upgrades will take place allowing for increased monitoring and controls from a staffed gas control center, increasing the safety and reliability of the overall system.
20. The third acquisition will consist of the Miami Loop North Segment interconnected with FGT and a high-pressure line from FCG. Peninsula will begin this expansion by acquiring the Miami Loop North Segment from FCG at net book value plus an applicable amount of goodwill. The Miami Loop North Segment consists of approximately 6 miles of 6", 8" and 12" steel pipe and a gate station with FGT. FCG currently uses the system to bring gas from FGT into its distribution system. A new interconnect will be built connecting to the Miami-Dade project, providing an additional supply feed into the system in order to increase the system's reliability. The Miami Loop North project will be completed in the third quarter of 2025.
21. Overall, these projects will improve FCG's access to natural gas supplies and the reliability of its service to customers in and around the Miami-Dade area and to serve customers in areas

that are currently unserved. These projects will also enhance FCG's ability to obtain gas from various access points and to shift gas to different areas as needed to ensure service to customers is not interrupted.

III. TRANSPORTATION SERVICE AGREEMENT

22. The Agreement for which Peninsula seeks Commission approval originated from FCG's requests pertaining to the above-discussed projects. The projects contemplated by the Agreement will reinforce FCG's distribution system in the Miami Inner Loop Area and enable it to expand service to additional customers. As such, the proposed Agreement is in the public interest.

23. Peninsula notes that the rates currently reflected in the Agreement are based upon current cost projections and available information. Both parties to the Agreement ("Parties") recognize, however, that additional regulatory and other external approvals must be obtained prior to actual construction, which have the potential to delay the engineering and construction of the projects, as well as ordering of materials for construction. Given the current fluctuations in the market, a delay in the timelines for any of these projects could impact costs, including, but not limited to, interest rates, as well as construction inputs such as labor and materials. Peninsula will use best practices to minimize these impacts on the contracts. Nonetheless, given the variables involved, the Parties acknowledge that in the event circumstances arise that make the project uneconomical for Peninsula, the Parties will endeavor to negotiate a revised rate that is mutually acceptable and reasonable. In that event, the Parties also acknowledge that such revised rate would require Commission approval as an amendment to the Agreement.

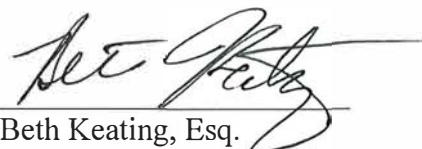
24. The rates in the attached Agreement meet the requirements of Section 368.105(3), Florida Statutes, and Peninsula's tariff on file with the Commission. Moreover, the rates set forth

therein are consistent with a "market rate" in that they are within the range of the rates set forth in similar agreements between Peninsula and other customers, including the agreement between FPUC and Peninsula for a project in Nassau County, approved by the Commission by Order No. 2019-0356-PAA-GU, issued August 23, 2019, in Docket No. 20190128-GU. Likewise, the rates are not otherwise "inherently unfair," as proscribed by the Court in the GTE Florida v. Deason decision.⁸ As such, the Company asks that the Agreement be approved.

25. As noted, these projects involve transferring assets from FCG to Peninsula. As such, the rates in the FTSA have been developed to reflect two phases. The rate for the first phase does not include the cost of the acquisition of the "Miami Loop North Segment" and the "Miami Loop South Segment" in order to ensure FCG ratepayers are not paying for items already included in their base rates. In FCG's next rate case, these assets will be removed from FCG's rate base. At the completion of the rate case, the second phase rate will become effective for the FTSA.

WHEREFORE, Peninsula respectfully requests that the Commission approve the Transportation Service Agreement attached hereto between Peninsula Pipeline Company, Inc. and Florida City Gas.

RESPECTFULLY SUBMITTED this 20th day of September 2024.



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

*Attorneys for Peninsula Pipeline
Company, Inc.*

⁸ *Supra*, footnote 7.

CERTIFICATE OF SERVICE

I HEREBY ATTEST that a true and correct copy of the foregoing Petition has been served upon the following by Electronic Mail (redacted only) this 20th day of September, 2024:

Walt Trierweiler, Public Counsel, Office of Public Counsel
c/o the Florida Legislature
111 West Madison Street, Rm 812
Tallahassee, FL 32399-1400
trierweiler.walt@leg.state.fl.us

Keith Hetrick, General Counsel
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399
khetrick@psc.state.fl.us

By: 

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

Attorneys for Peninsula Pipeline Company, Inc.

ATTACHMENT A

Transportation Service Agreement – Miami Loop Project

(redacted)

PENINSULA PIPELINE COMPANY, INC. FIRM
TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT is entered into this 18th day of September, 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, Company intends to construct a pipeline project, called the Miami Loop ("Project" or "ML") in Miami-Dade County, Florida. The Project will enhance natural gas supply and capacity in and through Miami-Dade County by PPC acquiring certain assets from Shipper, extending pipelines with new construction, improving existing facilities and interconnecting pipelines; and

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, Parties are or have recently become corporate affiliates; and

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," with respect to a Segment, means the date on which all of the following have occurred: (1) construction of one or more Point(s) of Delivery on the Segment has been completed, (2) such Point(s) of Delivery has been inspected and tested as required by applicable law, and (3) the Company has commenced commercial operations through the Point(s) of Delivery. Company will use commercially reasonable efforts to notify Shipper in writing in advance of the expected In-Service Date for each Segment. Company shall confirm the actual In-Service Date for each Segment to Shipper in writing no later than five (5) days after such date.

"Segment" means a portion of the Project constructed, inspected, and tested as applicable by 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 GasDay.

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 of the first Segment 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 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 or 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.

3.3 If, during the term of this Agreement, any Governmental Authority should increase any present tax or levy any additional or eliminate any existing tax impacting amounts billed and paid for service provided by Company under this Agreement, such change shall take effect for purposes of billing and payment under this Agreement effective as of the effective date of such modification to tax or levy. 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, the Company shall have the right to terminate this Agreement pursuant to the conditions set forth in Section E 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 completion of the last Segment ("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 If, at any time after the Execution Date and throughout the term of this Agreement, the Company makes any operational modification to the points of delivery or delivery points through modifications by the Company or requests by the Shipper or other third-party shippers, then Company or Shipper may request the opportunity to negotiate a modification of the rates or terms of this Agreement, and the Parties shall negotiate in good faith a modification to the Agreement.

4.3 If, at any time after the Execution Date and throughout the term of this Agreement, the Florida Public Service Commission approves revised customer rates for Shipper that reflect the removal of the assets associated with Project from Shipper's rate base, then company shall replace the monthly reservation in accordance with the Exhibit A.

4.4 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.

4.5 Any portion of this Agreement necessary to resolve monthly balancing and operational controls under this Agreement shall survive the expiration or termination of this Agreement until such time as such monthly balancing and operational controls have been resolved.

4.6 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, except to the extent otherwise expressly provided herein. 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.

8.2 The Parties hereto agree that Shipper shall serve as the Delivery Point Operator (“DPO”) for the Delivery Point. Shipper shall be responsible for executing such documents as are required by the Transportation Service Provider's FERC Gas Tariff to assume the obligations of Delivery Point Operator for the Delivery Point.

8.3 Shipper shall administer the Delivery Point in accordance with the provisions of the Transportation Service Provider's FERC Tariff, and Shipper’s Natural Gas Tariff approved by the Florida Public Service Commission, including any amendments thereto approved by the Commission during the term of this Agreement (“Shipper’s Tariff”). Resolution of Monthly Receipt or Delivery Imbalances at the Delivery Point shall be in accordance with Shipper’s Tariff. Each Month, Shipper, as DPO, shall provide to Company, third party shippers, and Shipper, as appropriate, statements of any Receipt or Delivery imbalance credits or charges and any Operational Order credits or charges for the preceding Month. Shipper shall provide timely notice to the Company of any Operational Orders issued by the Transportation Service Provider or Shipper that affect the Delivery Point in accordance with the Operator Order notice provisions of the Shipper’s Tariff.

8.4 The Parties hereto 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 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.

8.5 In the event of a conflict between the terms in this Article XIII and the DPO and balancing provisions in Shipper’s Tariff, Shipper’s Tariff, shall govern.

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, Florida 32097
Attention: 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 (a) the place to which notices pursuant to this Agreement must be sent or (b) the individual designated as the Contact Person 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, 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 ("Governmental Authority"). 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: 

By: Kevin Webber

Jeffery S. Sylvester
Title: Vice President and Chief Operating Officer

Kevin Webber
Title: Senior Vice President and Chief Development Officer

Date: 09/20/2024

Date: 09/19/2024

EXHIBIT A

FIRM TRANSPORTATION SERVICE AGREEMENT BETWEEN

PENINSULA PIPELINE COMPANY, INC.

AND

PIVOTAL UTILITY HOLDINGS, INC. d/b/a FLORIDA CITY GAS

DATED

SEPTEMBER 18, 2024

Description of Transporter Delivery Point(s)

Description
At or near SW 78 th Place and SW 21 st Terrace (West Miami)
At or near NW 93 rd Street and NW 89 th Avenue (Medley-ML North)
At or near 10200 NW 77th Ave (Hialeah)
At or near NW 12 Street and Dolphin Express (Miami Airport)
New Interconnect(s) to be determined in Miami-Dade County

Description of Point(s) of Delivery

Description	Segment
At or near the corner of NW 58 th Street and NW 87 th Avenue	<u>ML North</u>
At or near the intersection of NW 74 th Street and NW 97 th Avenue	<u>ML North</u>
At or near NW South River Drive and NW 104 th Way	<u>ML North</u>
At or near NW 70 th Street	<u>ML North</u>
At or near W 12 th Street and SR825	<u>ML West</u>
At or near SW 8 th and Krome Avenue	<u>ML West</u>
At or near At or near Datran Drive and Old Highway 60	<u>ML South</u>
At or near Federal Highway and Old Dixie Highway	<u>ML South</u>
At or near SW 55th St & SW 93rd Ct	<u>ML South</u>
TBD New Point(s) of Delivery in Miami-Dade County	<u>TBD</u>

ML North MDTQ [REDACTED] Dt/Day

ML West MDTQ [REDACTED] Dt/Day

ML South MDTQ [REDACTED] Dt/Day

Total MDTQ (Dekatherms) [REDACTED] Dt/Day

MHTP: [REDACTED]

Total Monthly Reservation Charge:

Monthly Reservation including new construction and acquisition of assets before being removed from the Shipper's rate base

Segment	Monthly Reservation Charge
ML North	██████████
ML West	██████████
ML South	██████████
TOTAL	██████████

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

██████████/DeKatherm

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

Monthly Reservation including new construction and acquisition of assets after removal from the Shipper's rate base

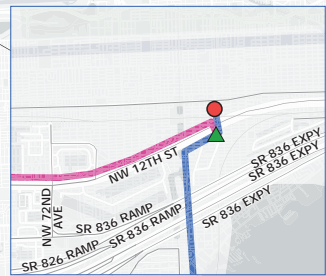
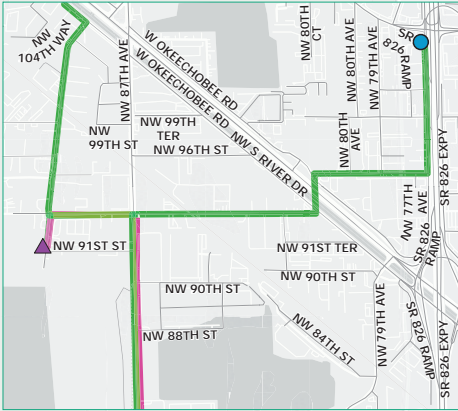
Segment	Monthly Reservation Charge
ML North	██████████
ML West	██████████
ML South	██████████
TOTAL	██████████

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

Unauthorized Use Rate (In addition to Monthly Reservation Charge): ██████████/DeKatherm

ATTACHMENT B

Project Map



Delivery Points and Tie-ins

- Delivery Point from FGT - Miami Airport Gate
- Delivery Point from FGT Hialeah Gate
- Delivery Point from FGT - West Miami Gate
- ▲ Tie-in - Miami Loop West to Miami Loop South
- ▲ Tie-in - Miami-Dade Project - Miami Loop South Connection
- ▲ Tie-in Miami-Dade Project with North Miami Loop

Pipeline

- Miami-Dade Project - 8" CS
- Miami Loop South - 6" CS
- Miami Loop West - 8" CS
- Miami Loop North - 6", 8", and 12" CS

