

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: May 22, 2020

TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

FROM: William F. Coston, Economic Supervisor, Division of Economics

RE: Docket 20200093--Petition for approval of tariff modifications for liquified natural gas service by Peoples Gas System

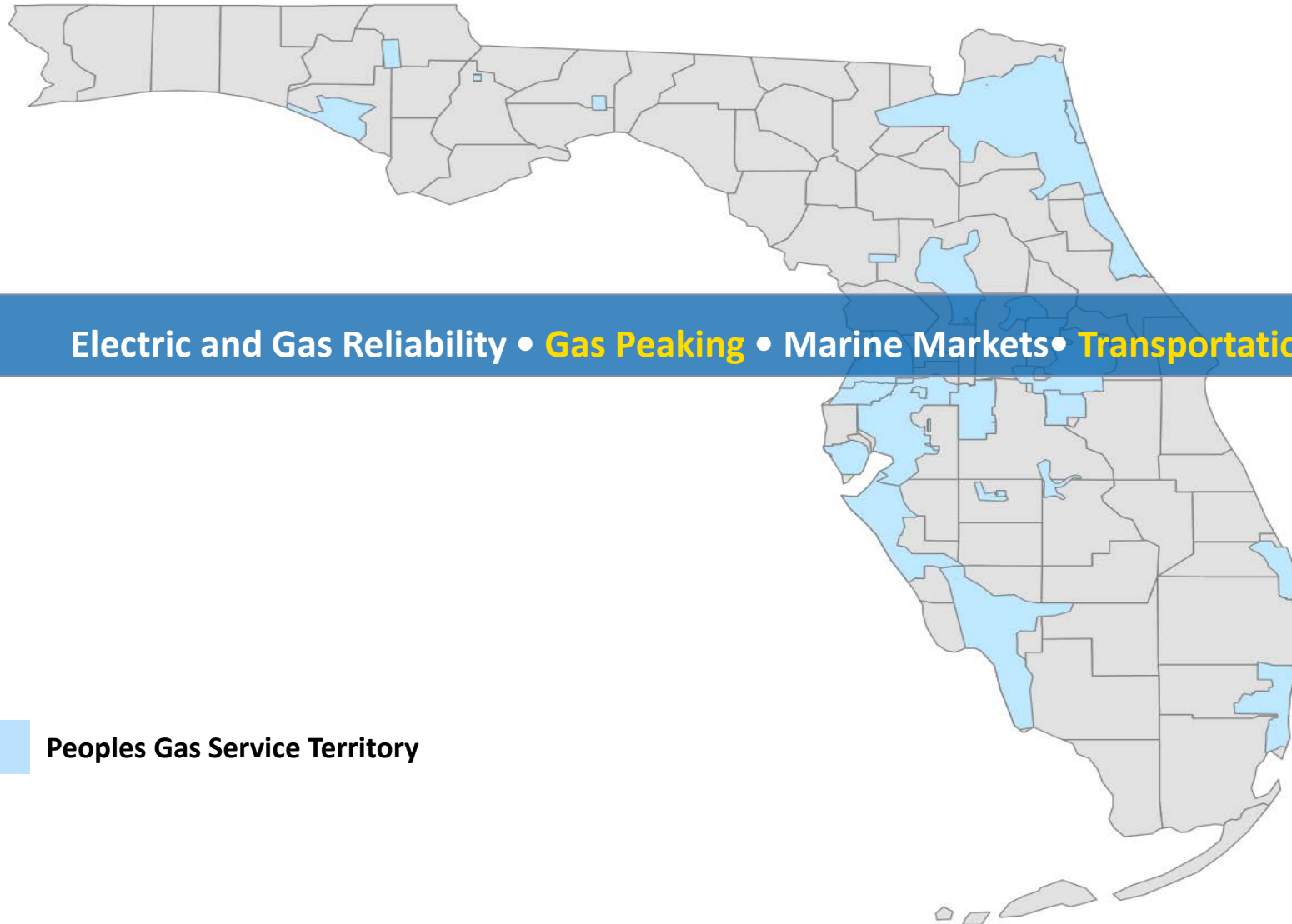
Please add the attached document to the docket file: PGS LNG Presentation—Informal Meeting (05/22/2020)



LIQUEFIED NATURAL GAS

Ready to Move

Peoples Gas: Ready to Move LNG Across Florida



Electric and Gas Reliability • **Gas Peaking** • Marine Markets • **Transportation Markets**

 Peoples Gas Service Territory

Peoples Gas: Florida's Leading Natural Gas Provider



Market Reach

PGS service territory extends throughout Florida



Substantial Assets

13,000 mi of main
7,200 mi of service lines
25 mi of transmission



Local Presence

600+ employees make PGS a core part of the communities we serve



Diversified Supply

Upstream transportation contracts with multiple interstate pipelines



Customer Base

400,000+ diversified customers – growing at a rapid pace

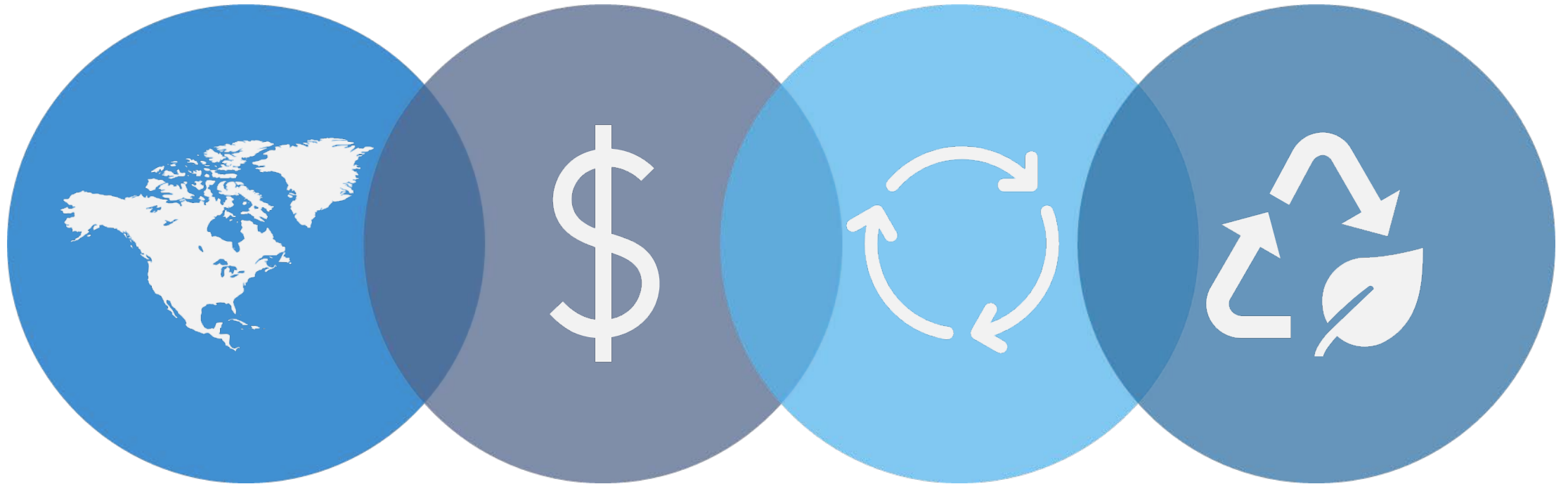


Corporate Support

Owned by Emera, one of North America's largest energy companies



LNG: Customer Drivers



Abundant

Enough US natural gas reserves for at least 100 years

Affordable

Domestic supply and efficient production keep costs low

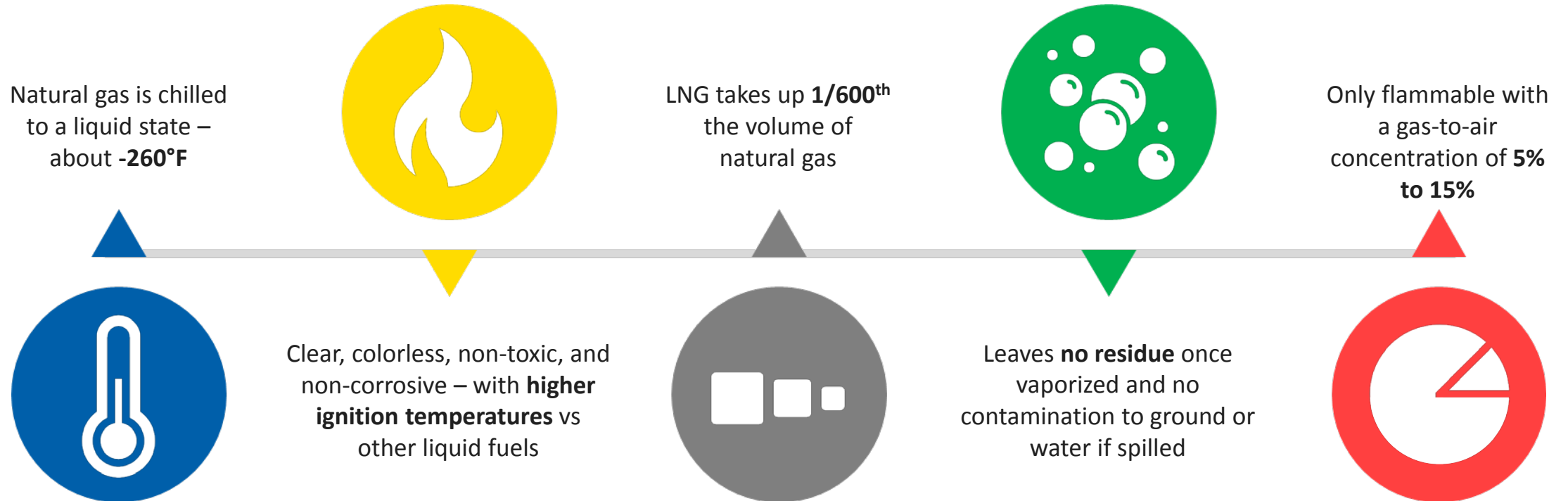
Reliable

Underground distribution for dependable, resilient use

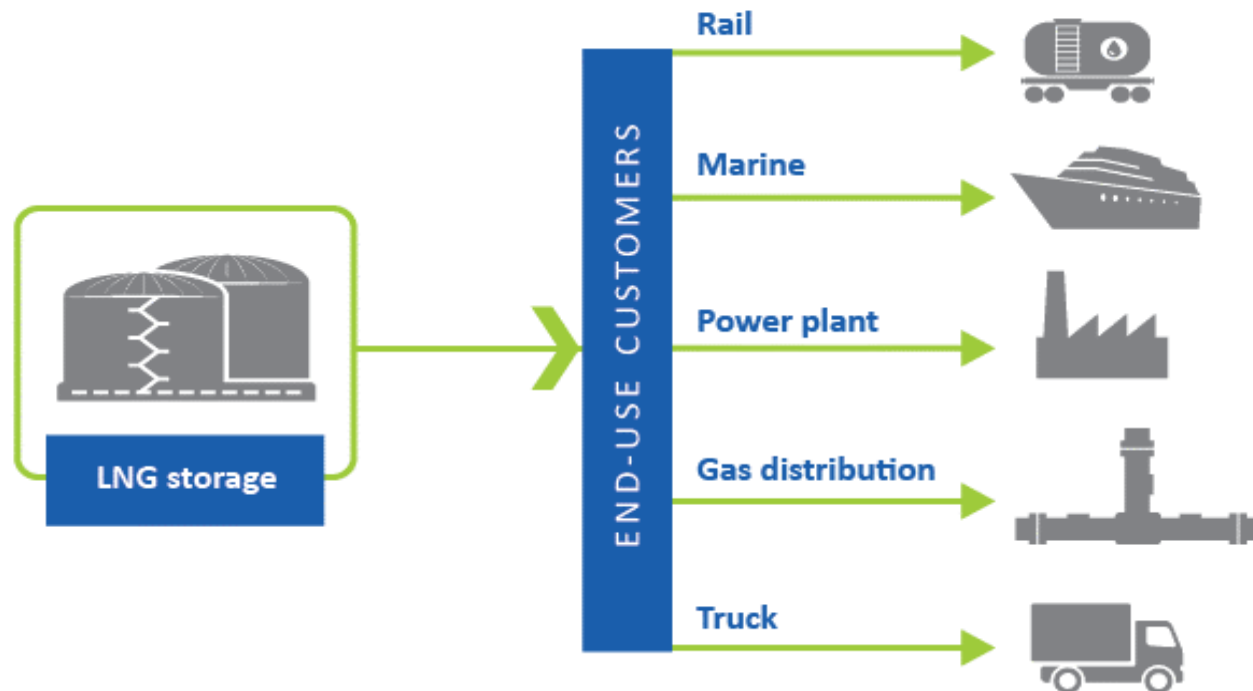
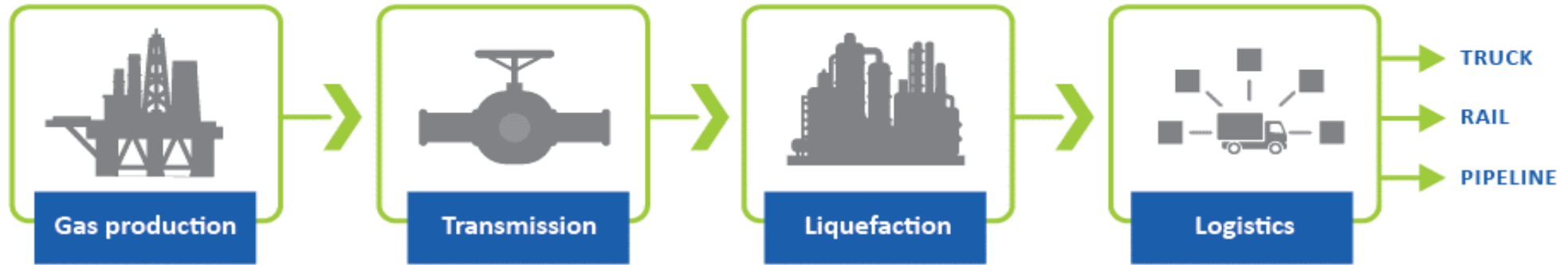
Sustainable

Cleanest fossil fuel with no residue, unlike fuel oil

Liquefied Natural Gas: Facts



LNG Value Chain



LNG: Proven Safety Record

“The physical and chemical properties of LNG render it safer than other commonly used hydrocarbons.”

U.S. Department of Energy

77,000+

commercial cargoes delivered

150 Million

Miles traveled

50 Year

Safety Record

History of LNG



1912

First LNG plant constructed in West Virginia



1959

LNG first crossed the ocean by vessel



1969

Exports began from Alaska to Japan



1970

US begins importing LNG
4 import terminals were constructed during 1970s and still in use today

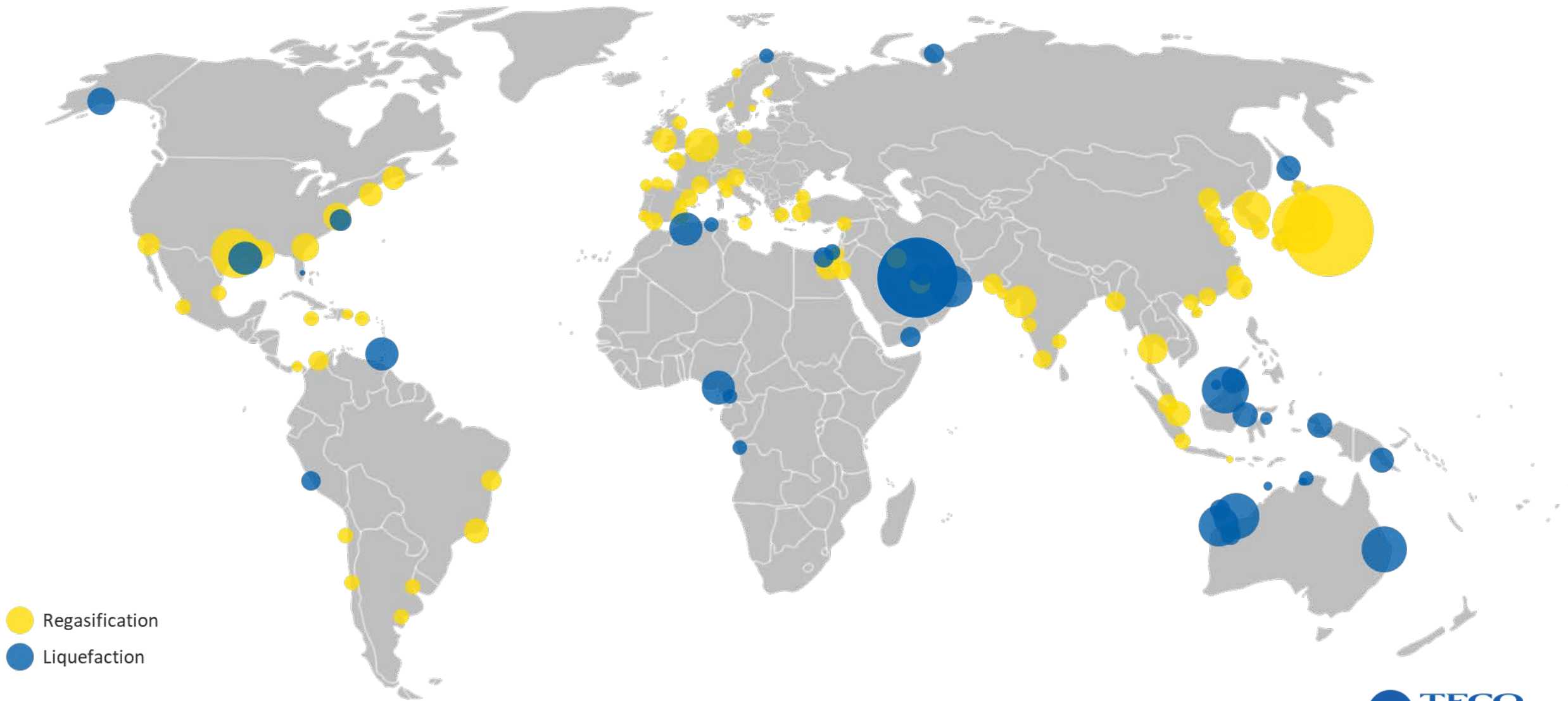


Today

100+ LNG facilities in US support global exports of natural gas and domestic transport markets



LNG: Global Market



LNG IS Moving Florida Forward

ELECTRIC generation



MARINE propulsion



GROUND transportation



Electric Generation: Domestic Resiliency and Peak Demand

Florida's power generation, residential sector, and manufacturing all rely on natural gas transported via interstate pipelines.

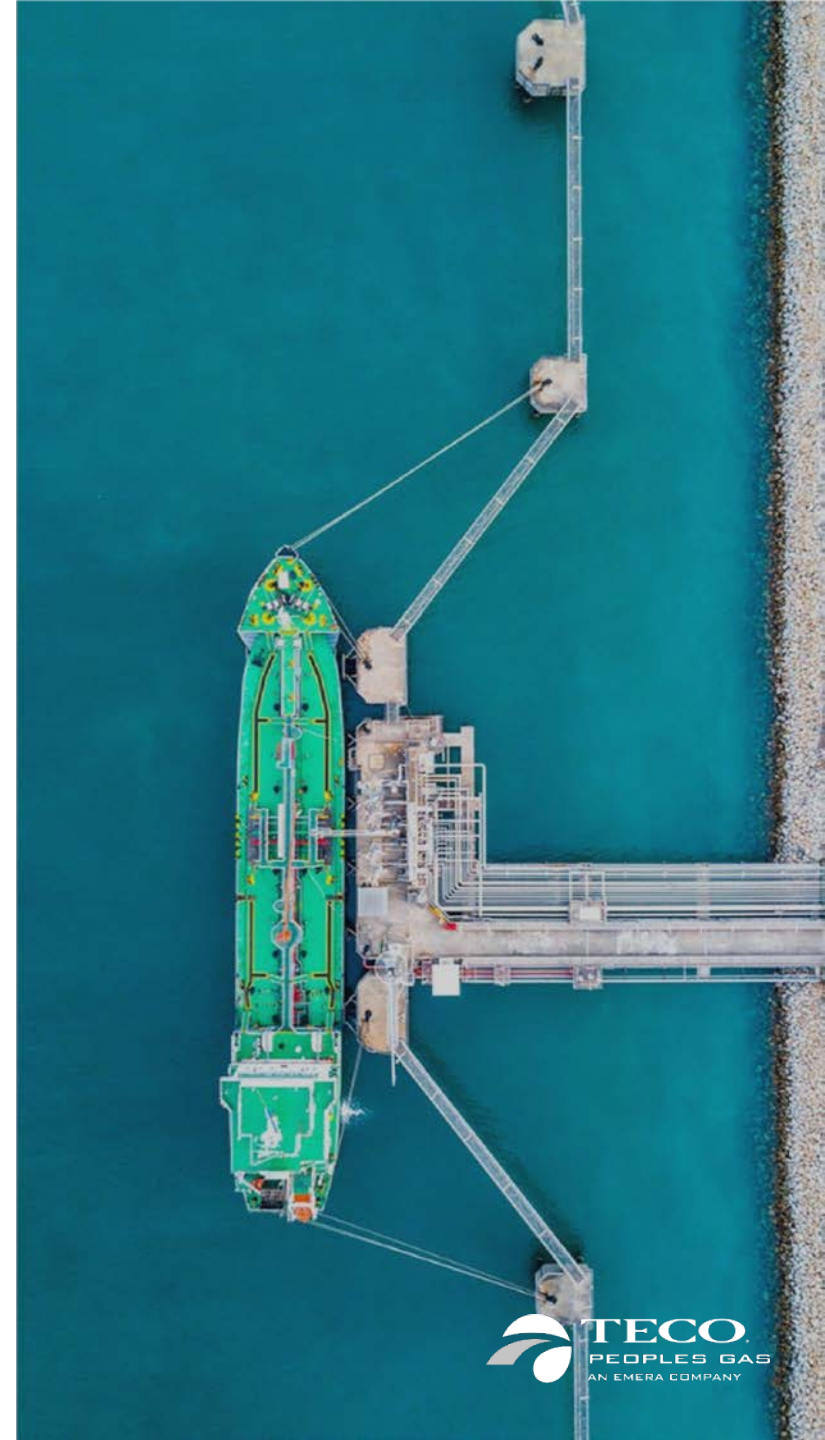
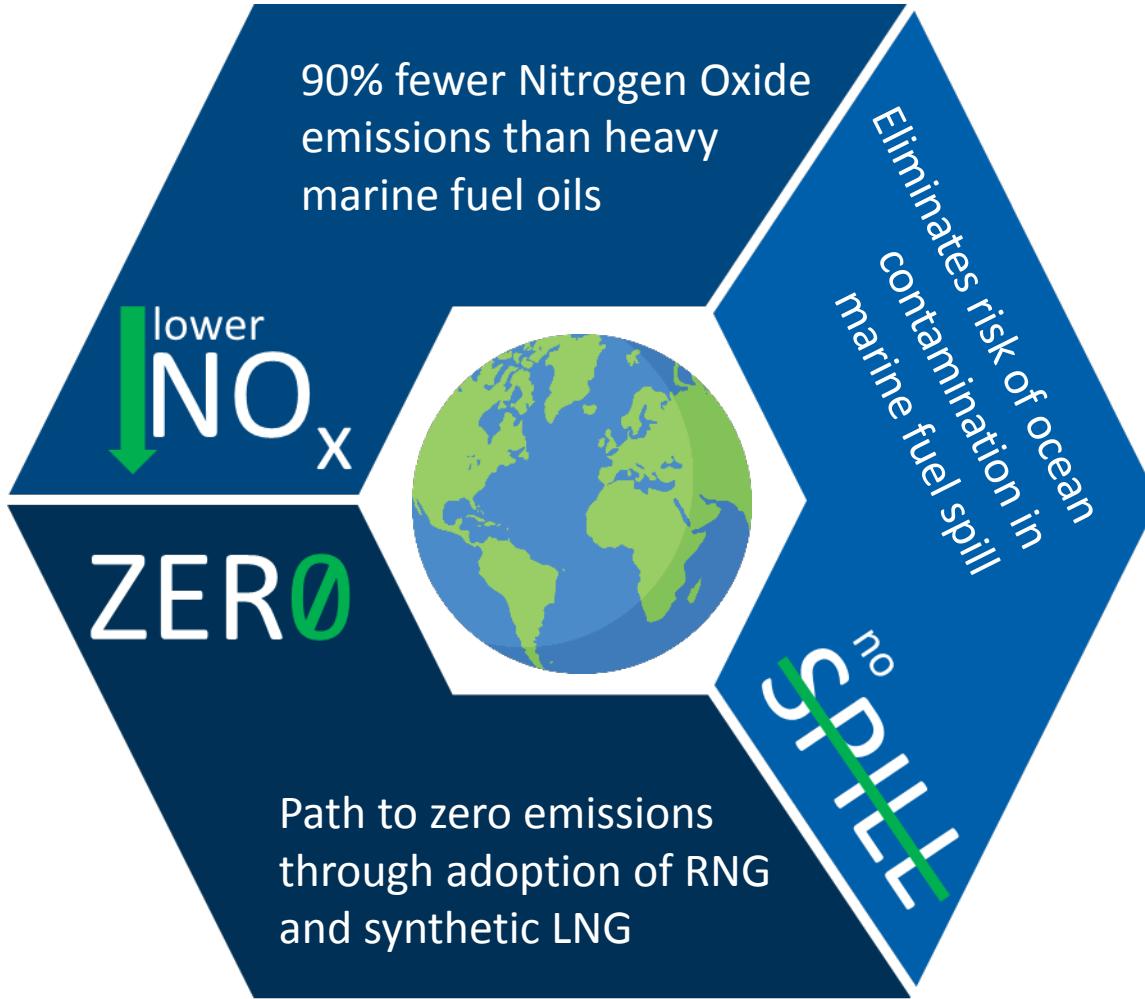
Florida has no natural gas production or storage – the state's geology is not suitable for underground cavern reserves.

Localized LNG storage facilities increase system reliability and support peak energy demand across all demand sectors.

55+ US utility-owned/operated LNG facilities liquefy natural gas during lower demand, then gasify the stored supply when needed without stressing interstate transportation.



Marine Transport



Ground Transportation



Transit

- Easier lifecycle maintenance

Trucking

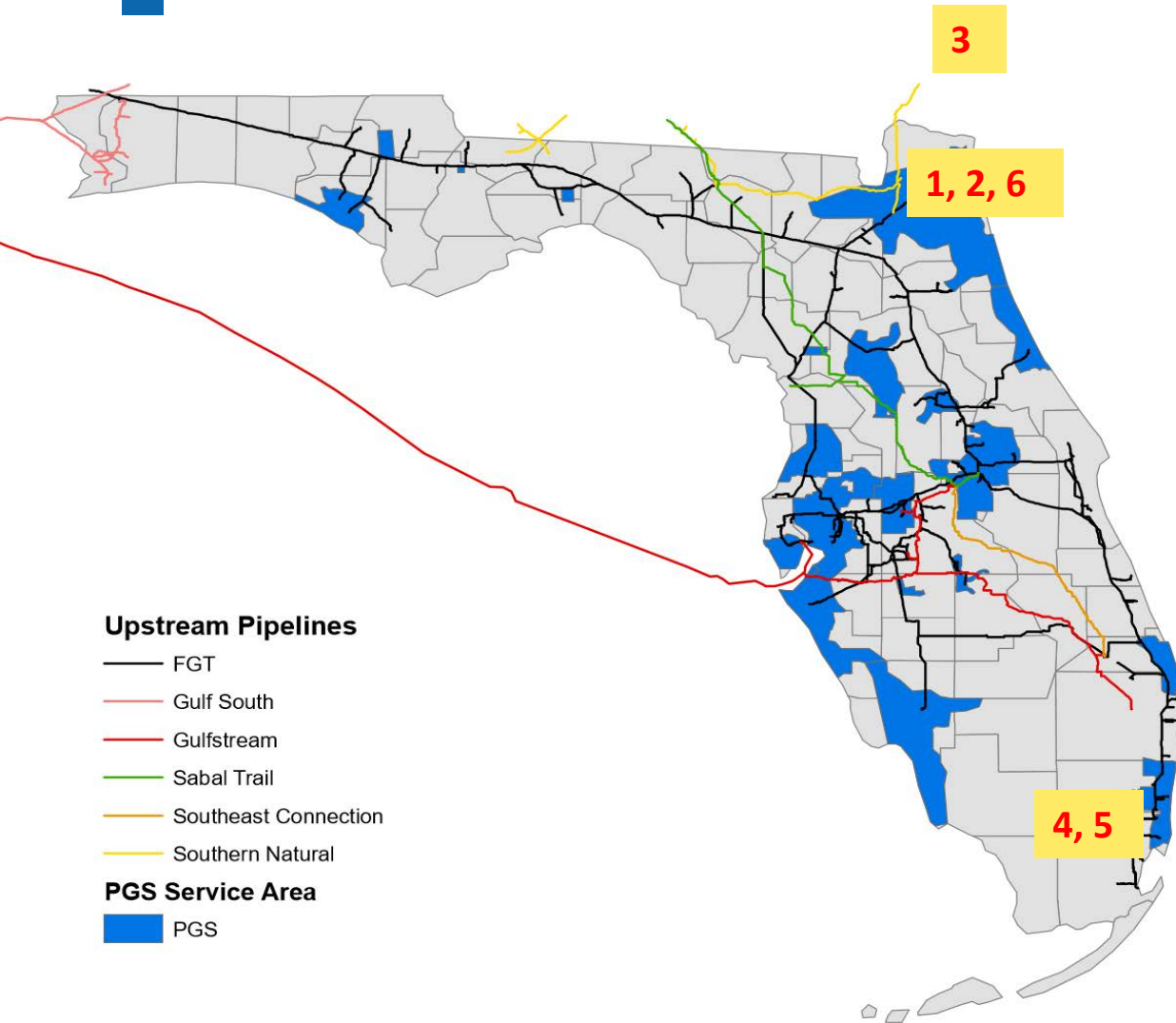
- Most cost-effective way to reduce NOx emissions



Rail

- Effective LNG shipping strategy
- Lower air emissions from locomotive engines
- Economical fuel choice for rail operations

Regional pipeline infrastructure and LNG facilities



	Location	Status	Markets
1	Jacksonville	In-service	Marine and ground Transportation
2	Jacksonville	In-service	Marine & Ground Transportation
3	Near Savannah, GA	In-service	Export and marine markets
4	Miami	In-service	Export LNG by ISO containers and ground transportation
5	Miami	Planned	Peak shaving
6	Jacksonville	Planned	Export, marine and ground transportation

Peoples Gas LNG: Ready to Move

