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BY E-PORTAL

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

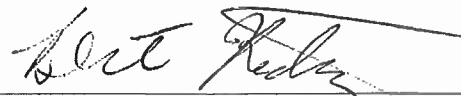
Re: Docket No. 20250099-GU: Joint petition for approval of transportation service agreements between Peninsula Pipeline Company, Inc. and Florida City Gas.

Dear Mr. Teitzman:

Attached for filing, please find Peninsula Pipeline's and Florida City Gas's Responses to Staff's First Set of Data Requests in the referenced docket.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions whatsoever.

Sincerely,



Beth Keating
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MEK

Docket No. 20250099-GU – Joint petition for approval of transportation service agreements between Peninsula Pipeline Company, Inc. and Florida City Gas.

**Florida City Gas's and Peninsula Pipeline's Joint Responses
to Staff's First Data Requests**

1. Are the petitioners requesting Commission-approval of the confidential Interconnection Agreements (ICA)?

Response: No, the petitioners are not requesting approval of the ICAs.

2. The following question refers to the confidential monthly reservation charges contained in the previously approved Transportation Service Agreements (TSA) and in the proposed TSA. Please confirm that they have not changed (staff no longer has the confidential TSA from Docket 20240039-GU).

Response: As outlined in paragraphs 13, 17, and 22, the monthly charge from the ICA is incorporated into the previously approved TSA charges. The RNG producer will still pay that amount to FCG under the terms of the ICA and FCG will credit that payment to its PGA and applicable balancing and swing costs. Therefore, the RNG producer is still paying its portion of the project.

3. The petition on the first page indicates that the three Renewable Natural Gas (RNG) producers, because of confidentiality provisions, are referred to as RNG 1, RNG 2, and RNG 3. However, in Docket 20240039-GU and the instant docket, approximate descriptions of the RNG producers are provided (e.g., landfill in Cocoa, landfill in Vero Beach, landfill in Medley). Please state what exactly is considered confidential in regards to the RNG producers.

Response: The names of the corporate entities that are the RNG producers are confidential.

4. Page 2 of the petition states FCG determined it to be more efficient for Peninsula to undertake the ICAs. Please describe the benefits to the general body of ratepayers of subcontracting to Peninsula. Also, in your response, explain why the overall scope of Peninsula's project did not include the ICAs in the original agreements proposed in Docket No. 20240039-GU.

Response: The benefits to the general body of rate payers remain consistent with those in the original agreements approved in Docket No, 20240039-GU: 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.

As discussed in the prior docket in which the original TSAs were approved, FCG and the RNG producers entered into agreements before FCG was acquired by Chesapeake. Thus, when acquired, the first objective to move these projects forward was to determine the work that would be necessary to tie FCG's facilities into the rest of the system to ensure delivery of the product. In the prior docket, however, the Companies did preview that it was possible, if not likely, that the actual interconnection work may also be done by PPC. That is ultimately where the further discussions landed, because it was simply not efficient to have two different entities doing the planning, engineering, and permitting work, as well as O&M, on facilities constructed for the same project. Therefore, the Companies have amended to TSA to reflect a subcontracting of the ICA work to Peninsula in order have one entity performing the work to avoid duplication of operations and maintenance efforts, and confusion over those responsibilities.

5. Are the RNG producers aware that the work is being subcontracted?

Response: FCG and the RNG producers have been in communication about the status and details of each project per the terms of the contracts.

6. Do the ICAs allow subcontracting of the work to Peninsula? If so, cite the specific paragraph in the agreement that allows for work to be subcontracted.

Response: The ICAs do not address subcontracting work. Thus, nothing in the contract precludes the subcontracting of some or all of the work contemplated. Furthermore, subcontracting some or all work requirements in these types of projects is not uncommon. But, to be clear, each party that is a signatory to the ICA remains obligated to fulfill all of its obligations under the ICA. Thus, FCG remains ultimately responsible for ensuring the work done by Peninsula is consistent with the terms of the ICA.

7. For each RNG project, please provide a discussion on whether the project to interconnect with the alternative gas supply has been completed; if not, state work done to date broken into pipeline facilities and interconnect, and estimated completion date, and whether FCG has been purchasing natural gas from the RNGs. If not, state the estimated date to start purchasing natural gas.

Response: Brevard – The pipeline facilities for this project have been completed and are in-service and the interconnect facilities are anticipated to be completed in October 2025. Natural gas anticipated to be purchased after interconnect facilities are in service.

Indian-River – Interconnect is constructed and pipeline facilities to Vero Beach south are in service, with pipeline segment to Vero North estimated to be complete in mid-2026. Natural gas is currently being purchased.

Miami-Dade – Pipeline facilities are partially completed with the pipeline and tie-in to Hialeah completed and in-service. Interconnect completion and natural gas purchases anticipated in early 2026.

8. Why are the length and type of pipe in Attachment B to the petition considered confidential? Please explain.

Response: Each ICA contains a confidentiality provision. While they differ somewhat, each is detailed and specific with regards to confidentiality. In an abundance of caution and desiring not to be in breach of these agreements, the Company's has submitted information derived from the ICAs under confidential cover. Upon review, however, the information in Section II of Attachment B is not tied to the ICA; therefore, the Company's agree that confidentiality is not needed for those specifications.

9. Is the confidential section of pipe described in Attachment B related to the miles of pipe described in paragraph 14 on page 7 of the petition? Please explain.

Response: It is related to the original FTSA, rather than the ICA, therefore, confidential classification is not necessary for that segment.

10. Provide a breakdown of the capital costs of the interconnect projects associated with each RNG as proposed in the petition. Please provide a discussion on whether cost to construct an interconnection with a landfill are comparable to similar projects completed in Florida by Peninsula, FCG, or Chesapeake.

Response:

		Engineering Cost Estimate
Brevard		
	RNG Interconnect	\$ 1.8 M
	Pipeline Expansion	\$ 3.34 M
	Total CAPEX	\$ 5.2 M
Miami Dade		
	RNG Interconnect	\$ 2.4 M
	Pipeline Expansion	\$ 10 M
	Upsize of Pipeline	
	Total CAPEX	\$ 12.5 M
Indian River		
	RNG Interconnect	\$ 3 M
	Pipeline Expansion	
	Total CAPEX	\$ 3.1 M

11. Provide a breakdown of the costs included (labor, material, O&M expenses, return, taxes, etc.) for each of the alternative natural gas interconnect monthly reservation charges included in Attachment A to the petition. In your response, please demonstrate why the monthly reservation charge is broken into 5-year terms over the 25-year term.

Response:

	ICA	FTSA
Brevard		
(O&M)	\$(224,183)	\$(90,428)
(Tax)	\$(71,062)	\$(138,400)
Miami Dade		
(O&M)	\$(409,587)	\$(41,650)
(Tax)	\$(194,373)	\$(125,940)
Indian River		
(O&M)	\$(157,136)	\$(347,800)
(Tax)	\$(56,902)	\$(198,800)

The monthly reservation charges in the amended FTSA's have been updated to mirror the terms negotiated between FCG and the RNG producers in the ICAs. Two of the 3 ICA's called for payments in 5-year increments, so the overall projects were developed and papered to mirror those increments

While the 5 year increments included in the amended FTSA's need to mirror the ICA terms, the reason for 5-year increments can be due to a number of factors. Often, for larger projects, PPC will negotiate charges that reflect either the development of a project over time, or, conversely, front-loaded recovery in the first few years with reductions over time.

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12. Provide a breakdown of the costs included (labor, material, O&M expenses, return, taxes, tc.) for the monthly reservation charge included in Segment III of Attachment B to the petition.

Response: See chart in DR 11 above.

13. Provide a breakdown of the costs included (labor, material, O&M expenses, return, taxes, etc.) for each of the alternative natural gas interconnect monthly reservation charges included in Attachment C to the petition. In your response, please demonstrate why the monthly reservation charge is broken into 5-year terms over the 20-year term.

Response: See Response to DR 11 above.

14. Are there any changes to the maps that were previously provided in Docket No. 20240039-GU? If so, please provide updated maps to reflect any additional construction proposed in the petition.

Response: There are no changes to the maps that were previously provided in Docket No. 20240039-GU. The amendments to the TSAs are not due to any additional construction.

15. Please provide further discussion of paragraph 25 on page 11 of the petition. Specifically address how the payments from RNG to FCG and subsequent payments to Peninsula are organized (i.e., the direction of payments and type of payments between the parties, including RNG).

Response:

Key:

FCG Current Payment to PPC – A

RNG Payment to FCG – B

FCG Amended Payment to PPC – A+B

RNG Payment to FCG – B

Total Cost to FCG - C

Current			
	Payment from FCG to PPC under TSA	Payment from RNG Producer to FCG	Total
Brevard	A	B	C
Indian River	A	B	C
Miami Dade	A	B	C

Amended				
	Payment from FCG to PPC under Amended TSA	Payment from RNG Producer to FCG	Credit to PGA	Total
Brevard	A+B	B	(B)	C
Indian River	A+B	B	(B)	C
Miami Dade	A+B	B	(B)	C