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December 14, 2012

### BY HAND DELIVERY

Ms. Ann Cole, Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

120313-GU

Re: New Filing: Petition by Peninsula Pipeline Company for Approval of Agreement with Florida Public Utilities Company

Dear Ms. Cole:

Enclosed for filing, please find the original and 7 copies of Peninsula Pipeline Company's Petition for Approval of a Transportation Service Agreement with Florida Public Utilities Company. Attached to this Petition is a redacted version of the referenced Transportation Agreement. By separate filing also made today, Peninsula is submitting a Notice of Intent to Request Confidential Classification of certain information set forth in the Transportation Service Agreement.

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

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Sincerely,

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Petition for Approval of Transportation	)		
Service Agreement with Florida Public	)	DOCKET NO.	120313-90
Utilities Company by Peninsula Pipeline	)		
Company, Inc.	)	FILED:	December 14, 2012

# PETITION FOR APPROVAL OF TRANSPORTATION SERVICE AGREEMENT BETWEEN PENINSULA PIPELINE COMPANY, INC. AND FLORIDA PUBLIC UTILITIES COMPANY

Peninsula Pipeline Company, Inc. ("Peninsula" or "Company"), by and through its undersigned counsel, hereby files this Petition seeking approval of a Firm Transportation Service Agreement ("Agreement") between the Company and Florida Public Utilities Company ("FPUC"), which is attached hereto as Attachment A. The Agreement provides for upstream interconnection of Peninsula's facilities with the Florida Gas Transmission Company's ("FGT") system at the Florida Turnpike north of Roebuck, Florida and at a downstream interconnection with FPUC's facilities at Congress and 35<sup>th</sup> Street in Riviera Beach, Florida (herein "Riviera lateral"). 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. 1015 6<sup>th</sup> Street NW Winter Haven, FL 33882

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

Beth Keating Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 (850) 521-1706 Cheryl Martin Director, Regulatory Affairs 1641 Worthington Road, Suite 220 West Palm Beach, FL 33409

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- Peninsula is a Delaware corporation authorized to transact business in the State of Florida and a wholly-owned subsidiary of Chesapeake Utilities Corporation ("CUC"). Peninsula is engaged in the business of building pipeline laterals from interstate transmission pipelines to new customers. Peninsula provides firm transportation service only and does not engage in the sale of natural gas.
- 4) By Order No. PSC-07-1012-TRF-GP, issued December 21, 2007, the Commission approved 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.<sup>1</sup>
- No. PSC-07-1012-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. 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:

<sup>.</sup> 

<sup>&</sup>lt;sup>1</sup> Order No. PSC-06-0023-DS-GP, issued on 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.

<sup>&</sup>lt;sup>2</sup> Peninsula Pipeline Company, Inc., Intrastate Pipeline Tariff, Original Vol. 1, Sheet No. 11, Section 3

- 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 a supplier of an alternative form of energy.

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

- 6) 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.<sup>3</sup>
- 7) FPUC is a corporation organized under Florida law. As a result of corporate transactions, however, FPUC (like Peninsula) is now a corporate subsidiary of CUC. Pursuant to the provisions of Chapter 366, Florida Statutes, it is subject to economic regulation by the Commission. FPUC's principal offices are located at 1641 Worthington Road, Suite 220, West

<sup>&</sup>lt;sup>3</sup> Peninsula Pipeline Company, Inc., Intrastate Pipeline Tariff, Original Vol. 1, Sheet No. 12, Section 4

Palm Beach, Florida 33409. Because both FPUC 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 FPUC, consistent with Sheet 12, Section 4 (d). As noted above, the approved tariff, consistent with Order No. PSC-06-0023-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.<sup>4</sup> The Agreement with FPUC would not meet any of the enumerated criterions; thus; Peninsula respectfully seeks Commission approval in this instance.

- With regard to review of the Agreement under the standard set forth in Section 368.105, Florida Statutes, the Company submits that the Agreement was developed through an "arms length" transaction.<sup>5</sup> Specifically, this contract has been necessitated by Peninsula's purchase of the existing Riviera lateral from FGT: The Riviera lateral is used to transport natural gas from FGT's system to FPUC's. Because the gas will now pass through Peninsula's system via this lateral, a new firm transportation service agreement between Peninsula and FPUC is required.
- 9) The rates in the contract between FPUC and Peninsula meet the requirements of Section 368.105(3), Florida Statutes, and the contract containing those rates is consistent with Orders Nos. PSC-06-0023-DS-GP and PSC-07-1012-TRF-GP and with 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

<sup>4</sup> 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.

<sup>&</sup>lt;sup>5</sup> See also 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.")

other customers, including the agreement between FPUC and Peninsula approved by the Commission by Order No. 12-0230-PAA-GU, issued in Docket No. 110271-GU. Likewise, the rates are not otherwise "inherently unfair," as proscribed by the Court in the <u>GTE Florida v.</u>

<u>Deason decision.</u> As such, the Company asks that the Agreement be approved.

WHEREFORE, Peninsula respectfully requests that the Commission approve the Transportation Service Agreement between Peninsula Pipeline Company, Inc., and Florida Public Utilities Company.

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RESPECTFULLY SUBMITTED this 14th day of December, 2012.

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301

(850) 521-1706

Attorneys for Peninsula Pipeline Company, Inc.

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<sup>&</sup>lt;sup>6</sup> Supra, footnote 5.

### **CERTIFICATE OF SERVICE**

I HEREBY ATTEST that a true and correct copy of the foregoing Petition has been served upon the following by U.S. Mail this 14th Day of December, 2012:

Office of the Public Counsel c/o The Florida Legislature 111 West Madison St., Rm. 812 Tallahassee, FL 32399-1400	

Beth Keating

Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601

Tallahassee, FL 32301 (850) 521-1706

THIS AGREEMENT entered into this 1st day of December, 2012 by and between Peninsula Pipeline Company, Inc., a corporation of the State of Delaware (herein called "Company"), and Florida Public Utilities Company, a corporation of the State of Florida (herein called "Shipper").

#### WITNESSETH:

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

WHEREAS, Company desires to provide Firm Transportation Service to Shipper in accordance with the terms hereof.

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

## ARTICLE 1 DEFINITIONS

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

### 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 made available for delivery for the account of Shipper under this FTS Agreement on any one Gas Day.
- 2.2 If, on any Day, 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 shall be 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 set forth on Exhibit A of this Agreement.

- 3.2 The parties agree to execute and file with the Commission a petition for approval of this Agreement within thirty (30) days of execution by both parties.
- 3.3 If, during the term of this Agreement, the Federal Government, or any State, municipality or subdivision of such Government, should increase or decrease any present tax or levy any additional or eliminate any existing tax, relating to the service provided by Company under this Agreement, such change shall be implemented immediately upon the effective date of such change.

## 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 and shall continue in full force and effect for an initial period of twenty 20 years from the in-service date. Thereafter, the Agreement shall be extended on a 10 year basis unless terminated by either party, with at least ninety (180) days written notice to the other party prior to the termination date.
- 4.2 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 other parts of this Agreement until such time as such monthly balancing and operational controls have been resolved.
- 4.3 In the event Shipper fails to pay for the service provided under this Agreement or otherwise fails to meet Company's standards for creditworthiness, 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, 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). 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 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 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 Month in question, subject to any additional restrictions imposed by the Transporter or by Company pursuant to Company's tariff provisions.

## ARTICLE IX MISCELLANEOUS PROVISIONS

9.1 <u>Notices and Other Communications</u>. 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.

Post Office Box 960

Winter Haven, Florida 33882 Attention: John W. Mclelland

Shipper:

Florida Public Utilities Company 1641 Worthington Road, Suite 220 West Palm Beach, Florida 33409 Attention: Director, Regulatory Affairs

- 9.2 <u>Headings</u>. 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 date of its execution by both parties, 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 <u>Waiver</u>. 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 <u>Attorneys' Fees and Costs</u>. 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 <u>Independent Parties</u>. 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.
- 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.

- 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. 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 <u>Counterparts</u>. 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 effective as of the date first written above.

COMPANY Peninsula Pipeline Company, Inc. By: Jeffry M. Householder Title: President	SHIPPER Florida Weblic Utilities Company By: Kevin Webber Title: VP Business Dev & Gas Operations
(To be attested by the corporate secre	tary if not signed by an officer of the company)
Attested By:	Attested By:
Title:	Title:
Date:	Date:

### **EXHIBIT A**

TO

### FIRM TRANSPORTATION SERVICE AGREEMENT

### **BETWEEN**

### PENINSULA PIPELINE COMPANY, INC.

AND

### FLORIDA PUBLIC UTILITIES COMPANY

### DATED

### December 1, 2012

Description of Delivery Point(s) Description of Points of Delivery

MDTQ, in Dekatherms, Excluding Fuel Retention

Interconnection Between Florida Gas Transmission Shipper and Company Company and Company At Turnpike north of Roebuck

Interconnection between at Congress and 35th St. in Riviera Beach

Total MDTQ (Dekatherms):

MHTP: 6%

Fuel Retention Percentage:

Monthly Reservation Charge:

### PENINSULA PIPELINE COMPANY, INC. FIRM TRANSPORTATION SERVICE APPLICATION

### 1. General information:

- (a) Any party seeking new service or a change to existing service from Peninsula Pipeline Company, Inc. ("Company") shall complete a Firm Transportation Service (FTS) Application pursuant to the Rules and Regulations of Company's tariff. Such party shall be known as the "Requesting Party".
- (b) Completed FTS Applications shall be forwarded to:

John W McLelland Peninsula Pipeline Company, Inc. P.O. Box 960 Winter Haven, Florida 33882

- 2. Information to be provided by the Requesting Party:
  - (a) Requesting Party's Identification:

Legal Name: FLORIDA PUBLIC UTILITIES COMPANY

Address:

1015 6th Street NW Street:

P.O. Box: 960

Winter Haven City:

Florida State: Zip Code: 33881

Type of Legal Entity: Corporation State of Incorporation: Florida

Requestin	g Party is (Check One):
	Local Distribution Company
	Industrial Customer
	Electric Generator
-	Other (specify):

## PENINSULA PIPELINE COMPANY, INC. FIRM TRANSPORTATION SERVICE APPLICATION

(b)	principal (complete legal name, type	t in arranging this service, specify below each of legal entity and state of incorporation) and uesting Party must supply agency agreements
(c)	Name and full title of individual wh with Company on behalf of Request	o is authorized to execute an FTS Agreementing Party:
	Name: <b>Kevin Webbe</b> Title: <b>VP Business</b>	er Development and Gas Operations
(d)	Contact person for this Request:	
	Name: Address: City: State: Zip Code: Telephone Number: Facsimile Number:	
(e)	The Firm Service Transportation Qu	antity, in Dekatherms, requested is:
	Maximum Daily Transportation Qua	ntity (MDTQ):
	Maximum Hourly Transportation Pe	rcentage (MHTP): 6 %
	Please list all requested Custody Tra	nsfer Point(s) (attach map):
	Interconnection between Florida C Company at the Florida Turnpike	Sas Transmission and Peninsula Pipeline, north of Roebuck.
	Interconnection between Peninsula Utilities at Congress and 35 <sup>th</sup> Stree	a Pipeline Company and Florida Public et in Riviera Beach, Florida.

## PENINSULA PIPELINE COMPANY, INC. FIRM TRANSPORTATION SERVICE APPLICATION

(f) Term of Service: 20 years

Date service is proposed to commence:

February 1, 2013

Date service is proposed to terminate:

February 1, 2033

(g) Credit Evaluation:

Requesting Party shall provide information regarding its credit rating for one or more of the following:

Standard & Poor's Long Term Debt Rating Moody's Comparable Nationally Recognized Rating Organization

3. Requesting Party understands that this FTS Application, complete and unrevised as to format, plus any supplemental information requested by Company, must be received by Company before the request for service will be accepted and processed. Requesting Party further understands that Company is an intrastate pipeline subject to the Regulations of the Florida Public Service Commission. Requesting Party, by its signature, represents to Company that all of the information provided in this FTS Application is correct and accurate.

Signature of Requesting Party:

Printed Name of Requesting Party:

Title of Requesting Party:

Kevin Webber

VP Business Development & Gas Operations

## PENINSULA PIPELINE COMPANY, INC. <u>CUSTOMER AFFIDAVIT</u>

### STATE OF FLORIDA

### COUNTY OF POLK

BEFORE ME, the undersigned authority, personally appeared Kevin Webber, on behalf of Florida Public Utilities ("Customer") who, being by me first duly sworn, says:

- 1. That he is an authorized representative of the Customer and is further authorized to present this Affidavit to the Florida Public Service Commission pursuant to Section 368.105, Florida Statues.
- 1. That he has knowledge of the certain Transportation Service Agreement between Peninsula Pipeline Company, Inc., an intrastate Natural Gas Transmission Company, and Customer, and that:
  - a. Neither PPC, the Natural Gas Transmission Company nor the Customer had an unfair advantage during the negotiations culminating in said Transportation Service Agreement, and
  - b. That competition to the offerings of the Natural Gas Transmission Company does or did exist either with another natural gas transmission company, another supplier of natural gas, or with a supplier of an alternative form of energy at the time that the Transportation Service Agreement referred to herein was entered into by PPC, and the Customer.

DONE AND EXECUTED this 28 day of MOVEMBER 2012.

(Title) Vice Prosident

## PENINSULA PIPELINE COMPANY, INC. <u>CUSTOMER AFFIDAVIT</u>

STATE OF FLORIDA
COUNTY OF RIK
I HEREBY CERTIFY that on this day before me, the undersigned authority, personally appeared ROVIN WOODLY, the representative of FORIDA TOURS, to me known to be the person who executed this Affidavit of his own free act and deed.
WITNESS my hand and official seal the $\frac{28}{200}$ day of November \$2012.
Notary Public - State of Florida My Comm. Expires Sep 20, 2014 Commission # DD 996400  SEAL TAMYKA DANFORD NOTARY PUBLIC My Commission Expires: 9/20/20/4
Personally known OR Produced Identification Type of Identification Produced