

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of firm service
agreement with Peoples Gas System, by
SeaCoast Gas Transmission, L.L.C.

DOCKET NO. 20210042-GU
ORDER NO. PSC-2021-0187-PAA-GU
ISSUED: May 24, 2021

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman
ART GRAHAM
ANDREW GILES FAY
MIKE LA ROSA

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING FIRM TRANSPORTATION SERVICE AGREEMENT

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

BACKGROUND

On February 19, 2021, SeaCoast Gas Transmission, L.L.C. (SeaCoast), filed a petition seeking our approval of a Firm Service Agreement (Agreement) with Peoples Gas System (Peoples), collectively the parties. Peoples is a local distribution company which owns and operates natural gas distribution facilities to serve retail customers and is subject to our regulatory jurisdiction under Chapter 366, Florida Statutes (F.S.). SeaCoast operates as an intrastate natural gas transmission company as defined in Section 368.103, F.S., and only transports natural gas.

By Order No. PSC-08-0747-TRF-GP, SeaCoast received approval of an intrastate gas pipeline tariff that allows it to construct and operate intrastate pipeline facilities and to actively pursue agreements with natural gas customers.¹ SeaCoast provides transportation service only; it does not engage in the sale of natural gas. Pursuant to Order No. PSC-08-0747-TRF-GP, SeaCoast is allowed to enter into certain gas transmission agreements without our prior approval. However, SeaCoast is requesting our approval of this proposed agreement as it does not fit any of the criteria enumerated in the tariff for which our approval would not be required. The parties are subsidiaries of TECO Energy, Inc., and agreements between affiliated companies must be approved by us pursuant to Section 368.105, F.S., and Order No. PSC-08-0747-TRF-GP.

¹ Order No. PSC-08-0747-TRF-GP, issued November 12, 2008, in Docket No. 20080561-GP, *In re: Petition for approval of natural gas transmission pipeline tariff by SeaCoast Gas Transmission, LLC.*

The proposed Agreement is contained in Attachment A to this order. During the evaluation of the instant petition, our staff issued a data request to the parties for which responses were received on April 1, 2021. In addition, an informal conference call was held on April 15, 2021, with the parties to discuss specifics of the request. We have jurisdiction over this matter pursuant to Sections 366.04, 366.05(1), 366.06, and 368.105, F.S.

DECISION

In order to serve growth and safeguard system reliability for existing and new customers in the Lakeland and Polk County area, Peoples has entered into the proposed Agreement with SeaCoast to expand gas flow into this region of its service territory. To provide intrastate transportation of gas to Peoples, SeaCoast will tap into an existing four-inch pipeline lateral of Florida Gas Transmission Company, LLC's (FGT) system serving Hillsborough County and extend a new 2.5 mile six-inch pipeline into Peoples' new high pressure main pipeline at the Polk-Hillsborough County line. As part of this project, an existing out-of-service gate station that previously provided gas to an end-use industrial customer will serve as the access point of the expansion. During the April 15, 2021 call with Peoples, the utility explained that the recommission process would involve testing and repairing the gate station to bring it in line with current safety and operational standards. The cost to recommission the gate station is included in the proposed Agreement. The map showing the proposed extension and its connections to existing facilities is contained in Attachment B of this order.

The parties stated that they have completed the preliminary design for the infrastructure extensions. Pending our approval of the Agreement, the permitting process will be initiated and is expected to take four to five months. Construction is anticipated to begin in the third quarter of 2021. SeaCoast estimated that the proposed transmission pipeline will be completed by the first quarter of 2022. Peoples stated that it projects approximately 5,480 existing customers, including 4,750 residential and 730 commercial/industrial customers, would benefit from the expansion project through increased resiliency and reliability.² In addition, Peoples stated that the proposed project would support additional customer growth in the Lakeland region.

The proposed Agreement specifies an initial term of 20 years and thereafter shall be extended for additional 10-year increments, unless either party gives no less than 30 days of written notification of termination. The negotiated reservation charge (confidential) included in the proposed Agreement is designed to allow SeaCoast to recover its operational and maintenance costs, depreciation, taxes, and return on investment associated with the new transmission pipeline. SeaCoast stated that the rate set forth in the Agreement is a cost-based rate similar to rates set forth in firm service agreements with its other customers. SeaCoast asserts that the agreement is just, reasonable and not unreasonably preferential or unduly discriminatory, and therefore, consistent with Section 368.105(3)(b), F.S. While specific circumstances vary by projects due to pipe sizing, construction conditions, permitting, etc., we find that the information provided by SeaCoast for the proposed pipeline appears reasonable and comparable to similar agreements.

² Peoples Gas System's response to Commission staff's first data request, question 5. Document No. 03189-2021.

Consideration of Potential Alternatives to the SeaCoast Extension

Peoples stated that it evaluated other options to meet demand and improve delivery of gas to customers in the Lakeland and Polk County area, but those alternatives were more expensive and had shortcomings. One option considered by Peoples was a transmission line that traversed the Lakeland area with approximately 9 miles of eight-inch steel pipeline serving as the project's main line, along with approximately 2.5 miles of six-inch steel pipeline for the distribution system. The origin point of this alternative was Peoples' North Lakeland Gate Station, which serves Peoples' Lakeland and Tampa divisions. Peoples explained that this alternative line could create competing capacity demands on its North Lakeland Gate Station, which could limit the efficiency and effectiveness of that option. Contracting with SeaCoast, as proposed in the Agreement, would provide Peoples with an alternative access to FGT's system. This option would result in improved system resiliency through an additional gas delivery access point.

In response to data request, SeaCoast and Peoples provided a cost estimate for the proposed six-inch SeaCoast transmission pipeline and stated that this alternative is the most cost-effective.³ Peoples also stated that FGT provided a proposal to expand its pipeline in order to meet the requirements of this project, but the FGT proposal was not cost-effective in comparison to the proposal from SeaCoast and could not be completed within the utility's time requirements.⁴

Peoples' Cost Recovery of Payments to SeaCoast

Peoples' payments to SeaCoast would be included in the calculation of the monthly Purchased Gas Adjustment (PGA) factor. Consistent with the methodology we approved in Docket No. 20000810-GU, a portion of the costs would be paid by transportation customers taking service under Peoples' Natural Choice Transportation Service program via the swing charge mechanism.⁵ Swing service charge revenues collected from transportation customers would then be credited back to the PGA. Sales customers purchase their gas from Peoples and are subject to Peoples' PGA charges. Peoples stated that if this project is approved it would include the charges in the 2022 PGA cap that would be filed for our review and approval in September 2021. Peoples estimates the impact on the PGA cap to be \$0.0073 per therm.

Conclusion

In 2015⁶ and 2019,⁷ we approved similar transportation agreements between Peoples and SeaCoast. Based on the petition and the parties' responses to data request, the parties have

³ Peoples Gas System's response to Staff's first data request, question 1. Document No. 03189-2021.

⁴ Peoples Gas System's response to Staff's first data request, question 4. Document No. 03189-2021.

⁵ The swing charge mechanism is designed to recover the estimated costs incurred by the Company to provide swing service (i.e., manage the level of gas and interstate pipeline capacity nominated for delivery to Peoples' system) to transportation customers. The revenue derived from the charge is credited to the Purchased Gas Adjustment clause.

⁶ Order No. PSC-15-0574-PAA-GU, issued December 18, 2015, in Docket No. 20150221-GU, *In re: Petition for approval of firm service agreement with Peoples Gas System for an extension in Clay County, by SeaCoast Gas Transmission, LLC*.

supported the importance of the need for pipeline extensions to service customers in the Lakeland and Polk County area. We hereby find that the proposed Agreement is cost-effective, reasonable, meets the requirements of Section 368.105, F.S., and benefits Peoples' customers. We therefore approve of the proposed Agreement between the parties dated February 19, 2021.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Agreement dated February 19, 2021, between SeaCoast Gas Transmission, L.L.C. and Peoples Gas System, is hereby approved. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that if no protest is filed by a person whose substantial interests are affected within 21 days of the issuance of the Order, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 24th day of May, 2021.



ADAM J. TEITZMAN
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

BYL

⁷ Order No. PSC-2019-0545-PAA-GU, issued December 20, 2019, in Docket No. 20190145-GU, *In re: Joint petition for approval of restructures Nassau County agreements to reflect Callahan expansion, by Peoples Gas System, Florida Public Utilities Company, SeaCoast Gas Transmission, and Peninsula Pipeline Company, Inc.*

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on June 14, 2021.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

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EXHIBIT A TO PETITION FOR APPROVAL
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FILED: FEBRUARY 19, 2021
Contract No. FT1-PGS-0008

FIRM SERVICE AGREEMENT

This FIRM SERVICE AGREEMENT (the "Agreement") is entered into by and between SEACOAST GAS TRANSMISSION, LLC, a Delaware limited liability company ("Company" or "Transporter"), and PEOPLES GAS SYSTEM, a division of Tampa Electric Company, a Florida corporation ("Shipper," together with Company, the "Parties" or, individually, a "Party").

WHEREAS, Shipper has requested Company to transport Gas to be delivered to Shipper's distribution system on a firm basis and Company is willing to transport Shipper's Gas on a firm basis to Shipper's distribution system under the terms and conditions of this Agreement.

NOW, THEREFORE, Company and Shipper agree that the terms below, together with the applicable General Terms and Conditions of Company's Tariff constitute the transportation service to be provided and the rights and obligations of Shipper and Company.

1. Transportation service under this Agreement will be provided under Section 368.105 (3) and (4) of the Natural Gas Transmission Pipeline Intrastate Regulatory Act ("Regulatory Act").
2. SERVICE TYPE: Firm Transportation Service.
3. RATE:
 - a. During the term of this Agreement, Shipper shall pay to Company the monthly reservation charge for Firm Transportation Service provided under this Agreement, which shall be equal to the MDQ for the respective month multiplied by the number of days in each month multiplied by the rate per Dekatherm set forth in Exhibit B of this Agreement.
 1. The parties agree to execute and file with the Commission this Firm Service Agreement to comply with the provisions of the Regulatory Act. In the event, this Firm Transportation Agreement is not approved by the Florida Public Service Commission, the same shall be of no further force or effect.
 2. It is further agreed that Company may seek authorization from the Commission and/or other appropriate body at any time and from time to time to change provisions in the General Terms and Conditions of Company's Tariff, and Company shall have the right to place such changes in effect in accordance with the Regulatory Act. This Agreement shall be deemed to include such changes and any changes which become effective by operation of law and Commission order. Nothing contained herein shall require Shipper to support a position contrary to its own interests in its commercially reasonable discretion, nor require a Shipper to support a tariff provision that would materially reduce the value of the service described herein. Notwithstanding the foregoing, Company and Shipper agree not to initiate any proceeding before the Commission with respect to an increase or decrease in any negotiated rate during the term of such negotiated rate.

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4. CONTRACT DATA:

The Maximum Daily Quantity ("MDQ") for service under this Agreement shall be [REDACTED].

The Maximum Hourly Quantity ("MHQ") for service under this Agreement shall be [REDACTED].

The Primary Receipt Point(s), Primary Route (if applicable), and Receipt Point MDQ are listed on Exhibit A attached hereto and are incorporated herein as if copied and set forth herein at length.

The Primary Delivery Point(s) (if applicable), Delivery Point MDQ and Delivery Pressure are listed on Exhibit B attached hereto and are incorporated herein as if copied and set forth herein at length.

5. BALANCING OF RECEIPTS AND DELIVERIES OF GAS:

Balancing of receipts and deliveries shall be governed by the provisions of the Operational Balancing Agreement, the form of which is attached hereto as Exhibit C, such agreement to be executed by the Company and Shipper at the time this Firm Service Agreement is executed.

6. TERM:

This Agreement shall be effective upon the date of its execution by Shipper. Service under this Agreement shall commence on the later of January 1, 2022 or the first day of the first month following the day on which the Shipper receives written notification of service commencement from the Transporter ("Commencement Date") and shall continue for a term of twenty (20) years ("Primary Term"). Upon two years written notice to Company, Shipper shall have the unilateral right to extend the term of this Agreement beyond the Primary Term at a rate to be mutually agreed by both parties for a period of ten (10) years from the last day of the Primary Term. This Agreement shall terminate upon 30 Days written notice by Company and Company may discontinue service hereunder if (a) Shipper, in Company's reasonable judgment fails to demonstrate creditworthiness, and (b) Shipper fails to provide adequate Security in accordance with Section 18 of the General Terms and Conditions, or (c) Shipper fails to restore imbalances arising in connection with services rendered.

7. CONDITIONS PRECEDENT:

a. Transporter's obligations under this Agreement are expressly made subject to the following Conditions Precedent:

1. Transporter's receipt of all required authorizations on or before June 30, 2021

b. Shipper's obligations under the Agreement are expressly made subject to the following Condition(s) Precedent:

1. Receipt of approval from the Florida Public Service Commission before June 30, 2021

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8. EARLY TERMINATION

If Shipper decides to terminate this agreement before June 30, 2021 or as a result of the failure of the conditions precedent set forth in Section 7(b), the Shipper shall only be liable for termination payment based on actual costs incurred by the Transporter. All termination notices shall be at least a five (5) prior Business Days' written notice to Transporter. If Shipper terminates this agreement as hereinabove provided, Transporter and Shipper shall be released from all obligations under this agreement, and Shipper shall pay to Transporter, within forty-five (45) days after the date of delivery of Shipper's notice of termination, all costs incurred by Transporter for the design, engineering, permitting, obtaining materials, construction including the date of Shipper's notice of termination.

9. CREDIT REQUIREMENTS:

- a. Shipper must demonstrate that it has an Investment Grade Credit Rating. If Shipper has an Investment Grade Credit Rating on the date it executes and delivers this Service Agreement, but later ceases to have an Investment Grade Credit Rating, Shipper must provide security as set forth in categories 1. or 2. below.
- b. If Shipper, at the time of its execution and delivery of this Service Agreement, or at any time thereafter during the term of this Service Agreement, does not qualify under paragraph (a), Shipper must provide security for its obligations by providing to or as directed by Company:
 1. an irrevocable guarantee, in form, amount and substance acceptable to Company in its commercially reasonable discretion (such discretion including the requirements of Company's lenders in connection with any financing of Phase I of the Florida SeaCoast Gas Transmission), supporting Shipper's obligations under this Service Agreement from a Guarantor acceptable to Company in its commercially reasonable discretion having an Investment Grade Credit rating; or
 2. a Letter of Credit, or a cash deposit in an amount equal to the amount of a Letter of Credit, or such other form of security as Company deems in its sole discretion, to be acceptable.

Notwithstanding the foregoing, Company may waive or reduce, in its sole discretion, the foregoing creditworthiness requirement, subject to revocation of such waiver or reduction if a material change occurs in the financial criteria relied upon at the time such waiver or reduction was granted.

Shipper shall (a) furnish to Company, (i) as soon as available, but in any event within 120 days after the end of each fiscal year of Shipper, audited financial statements of Shipper setting forth in comparative form the corresponding figures for the preceding fiscal year together with the auditor's report thereon, and (ii) as soon as available, but in any event within 60 days after the last day of each of Shipper's first three fiscal quarters, quarterly unaudited financial statements of Shipper on a basis consistent with the corresponding period of the preceding fiscal year, and (b) cooperate with Company to obtain and provide to Company, where

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possible, such additional information regarding the financial condition of Shipper as Company may reasonably request from time to time. Company may, in its sole discretion, accept unaudited financial statements in lieu of the audited statements described in clause (l) above.

10. COMPANY'S TARIFF PROVISIONS:

Except as otherwise provided in this Agreement, 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.

11. NOTICES:

Except as otherwise provided in the Tariff, all notices shall be in writing and mailed to the applicable address below or transmitted via facsimile. Shipper or Company may change the addresses or other information below by written notice to the other without the necessity of amending this Agreement:

Company:
Administrative Matters:
SeaCoast Gas Transmission, LLC
702 N. Franklin Street
Tampa, Florida 33602
Attention: President
Telephone: (813) 228-4111
Facsimile: (813) 228-1328

Shipper:
Administrative Matters:
Peoples Gas System, a division of Tampa Electric Company
702 N. Franklin Street
Tampa, Florida 33602
Attention: Andrew Kennedy
Telephone: (813) 228-1498
Facsimile: (813) 228-4742
Email: PGSGasTransportation@tecoenergy.com

With a copy to:
SeaCoast Gas Transmission, LLC
702 N. Franklin Street
Tampa, Florida 33602
Attention: General Counsel
Telephone: (813) 228-4111
Facsimile: (813) 228-1328
Email: dmnicholson@tecoenergy.com

With a copy to:
Peoples Gas System, a division of Tampa Electric Company
702 N. Franklin Street
Tampa, Florida 33602
Telephone: 813-228-4111
Facsimile: 813-228-1328
Email: ContractAdmin@tecoenergy.com

Invoices and Payment:
SeaCoast Gas Transmission, LLC
702 N. Franklin Street
Tampa, Florida 33602
Attention: General Accounting
Telephone: (813) 228-4191
Facsimile: (813) 228-4742
Email: rbarbour@tecoenergy.com

Invoices and Payment:
Peoples Gas System, a division of Tampa Electric Company
702 N. Franklin Street
Tampa, Florida 33602
Attention: Settlements
Telephone: (813) 228-1768
Facsimile: (813) 228-4742
Email: PGSSettlements@tecoenergy.com

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12. CANCELLATION OF PRIOR CONTRACT(S)

This Agreement supersedes and cancels, as of the Effective Date of this Agreement, the contract(s) between the Parties hereto as described below, if applicable: None.

13. OPERATIONAL FLOW ORDERS

Company has the right to issue effective Operational Flow Orders pursuant to Section 12 of the General Terms and Conditions.

14. 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.

15. 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 supersedes any and all prior negotiations, agreements and understandings with respect to the subject matter hereof. Neither Party shall be bound by any other obligations, conditions or representations with respect to the subject matter of this Agreement.

16. 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 11 shall not be deemed nor require an amendment of this Agreement provided such change is communicated in accordance with Section 11 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.

17. 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.

18. 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

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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.

19. ATTORNEY'S 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.

20. INDEPENDENT PARTIES

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

21. 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.

22. 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 22, 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

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neither party shall have any obligation to the other during the period that performance under the Agreement is precluded.

23. 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.

24. 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.

THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK

SIGNATURE PAGE TO FOLLOW

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed by their respective Officers and/or representatives thereunto duly authorized to be effective as of the date stated above.

COMPANY:

SEACOAST GAS TRANSMISSION, LLC

Helen Wesley
By: hwesley@tecoenergy.com
Name: Helen Wesley
Title: Vice President
Date: 02/18/2021

Richard F Wall
By: rwall@tecoenergy.com
Name: Richard Wall
Title: Vice President, Operations
Date: 02/17/2021

SHIPPER:

PEOPLES GAS SYSTEM

Joann Wehle
By: jwehle@tecoenergy.com
Name: Joann Wehle
Title: Vice President, Marketing & Sales
Date: 02/17/2021

Luke Buzard
By: labuzard@tecoenergy.com
Name: Luke Buzard
Title: Vice President, Pipeline Safety & Regulatory
Date: 02/17/2021

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Exhibit A - Receipt Point
Exhibit B - Delivery Point
Exhibit C - Amendment to Operational Balancing Agreement

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EXHIBIT A

For Contract No. FT1-PGS-0008

BETWEEN SEACOAST GAS TRANSMISSION COMPANY, L.L.C.
AND SHIPPER

ORIGINAL CONTRACT DATE: February 17, 2021

EFFECTIVE DATE OF THIS EXHIBIT A (which supersedes and replaces
any prior Exhibit A to this Agreement): Commencement date

Primary Receipt Points:

Primary Receipt Point

FGT – Consolidated Minerals
POI -TBD

Primary Receipt Point MDQ


plus retainage

TRANSPORTER:

SEACOAST GAS TRANSMISSION, LLC

Helen Wesley

By: hwesley@tecoenergy.com

Name: Helen Wesley

Title: Vice President

Date: 02/18/2021

Richard F Wall

By: rwall@tecoenergy.com

Name: Richard Wall

Title: Vice President, Operations

Date: 02/17/2021

SHIPPER:

PEOPLES GAS SYSTEM

Joann Wehle

By: jwehle@tecoenergy.com

Name: Joann Wehle

Title: Vice President, Marketing & Sales

Date: 02/17/2021

Luke Buzard

By: labuzard@tecoenergy.com

Name: Luke Buzard

Title: Vice President, Pipeline Safety &
Regulatory

Date: 02/17/2021

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EXHIBIT B

For Contract No. FT1-PGS-0008

BETWEEN SEACOAST GAS TRANSMISSION, L.L.C. AND SHIPPER

ORIGINAL CONTRACT DATE: February 17, 2021

EFFECTIVE DATE OF THIS EXHIBIT B (which supersedes and replaces
any prior Exhibit B to this Agreement): Commencement date

RATE:
Reservation: \$ [REDACTED]
Usage 1: \$0.00 per dth

Retainage: 0.0%

Primary Delivery Points:

Primary Delivery Point	Primary Delivery Point MDQ	Minimum Delivery Pressure (PSIG)
Seacoast/PGS Southwest Lakeland	[REDACTED]	100 psig

Maximum Daily Transport Quantity: [REDACTED]
Maximum Hourly Flow Rate: 6%
Maximum Hourly Quantity: [REDACTED]

TRANSPORTER:
SEACOAST GAS TRANSMISSION, LLC

Helen Wesley
By: hwesley@tecoenergy.com

Name: Helen Wesley

Title: Vice President

Date: 02/18/2021

Richard F Wall
By: rfwall@tecoenergy.com

Name: Richard Wall

Title: Vice President, Operations

Date: 02/17/2021

SHIPPER:
PEOPLES GAS SYSTEM

Joann Wehle
By: jtwehle@tecoenergy.com

Name: Joann Wehle

Title: Vice President, Marketing & Sales

Date: 02/17/2021

Luke Buzard
By: labuzard@tecoenergy.com

Name: Luke Buzard

Title: Vice President, Pipeline Safety &
Regulatory

Date: 02/17/2021

SEACOAST GAS TRANSMISSION, L.L.C
DOCKET NO. TBD
EXHIBIT A TO PETITION FOR APPROVAL
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FILED: FEBRUARY 19, 2021 EXHIBIT C

AMENDMENT TO OPERATIONAL BALANCING AGREEMENT

THIS AMENDMENT TO OPERATIONAL BALANCING AGREEMENT (this "Amendment") is entered into as of February 17, 2021 (the "Effective Date") by and between Peoples Gas System, a Division of Tampa Electric Company, a Florida corporation ("PGS") and the SeaCoast Gas Transmission, LLC, a Delaware limited liability company ("OBA Party").

Recitals

WHEREAS, PGS and OBA Party entered into that certain Operational Balancing Agreement dated as of October 7, 2015 (as amended to date, the "Agreement"); and

WHEREAS, PGS and OBA Party desire to enter into this Amendment for the purposes of amending certain provisions of the Agreement as set forth herein;

NOW, THEREFORE, in consideration of the foregoing recitals, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Exhibit A. Exhibit A is deleted in its entirety and replaced with Exhibit A appended hereto.
2. No Other Amendment. Except as amended as set forth in this Amendment, the Agreement shall remain unchanged and shall be in full force and effect.
3. Counterparts: Electronic Signatures. This Amendment may be executed electronically and in as many counterparts as may be convenient or required. All counterparts shall collectively constitute a single document.

[Signatures appear on the following page]

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Effective Date.

**Peoples Gas System, a Division of
Tampa Electric Company**

Joann Wehle
By: jtwehle@tecoenergy.com 02/18/2021
Name: Joann Wehle
Title: Vice President, Marketing & Sales

Luke Buzard
By: labuzard@tecoenergy.com 02/18/2021
Name: Luke Buzard
Title: Vice President, Pipeline Safety &
Regulatory

SeaCoast Gas Transmission, LLC

Helen Wesley
By: hwesley@tecoenergy.com 02/18/2021
Name: Helen Wesley
Title: Vice President

Richard F Wall
By: rfwall@tecoenergy.com 02/18/2021
Name: Richard Wall
Title: Vice President, Operations

SEACOAST GAS TRANSMISSION, L.L.C
DOCKET NO. TBD
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EXHIBIT A
To the Operational Balancing
Agreement Between
PEOPLES GAS SYSTEM, a division of Tampa Electric
Company and
SEACOAST GAS TRANSMISSION, LLC
Dated
October 7, 2015

Location

<u>ORN</u>	<u>DESCRIPTION</u>	<u>MEASURING PARTY</u>
TBD	SeaCoast/PGS - Asbury Lake	Seacoast
TBD	SeaCoast/PGS - Green Cove Springs	Seacoast
TBD	SeaCoast/PGS - Southwest Lakeland	Seacoast

The Parties acknowledge that for the purposes of this Operational Balancing Agreement all listed Delivery Points will be aggregated in such a manner as to create a single Operational Imbalance as if the Delivery Points for a single Location. The Points not covered by this Operational Balancing Agreement (e.g., other FGT / PGS Interconnects) will not be included in the determination of the Operational Imbalance.

SEACOAST GAS TRANSMISSION, L.L.C
DOCKET NO. TBD
EXHIBIT B TO PETITION FOR APPROVAL
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