

August 16, 2022

Writer's Direct Dial Number: (850) 521-1706
Writer's E-Mail Address: bkeating@gunster.com

BY E-PORTAL

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

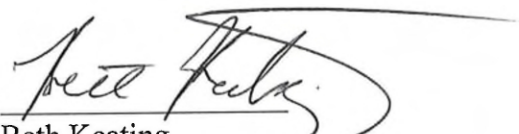
Re: [New Filing] - In re: Joint Petition for Approval of Transportation Service Agreement to reflect Expansion of Wildlight by Florida Public Utilities Company and Peninsula Pipeline Company, Inc.

Dear Mr. Teitzman:

Attached for electronic filing, please find Florida Public Utilities Company and Peninsula Pipeline Company's Joint Petition for Approval of Transportation Service Agreement to reflect Expansion of Wildlight. Included with the attached Joint Petition is the Transportation Service Agreement, which contains certain confidential information. The confidential version of the subject Agreement is being submitted today under separate cover.

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

Sincerely,



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

Cc: Office of Public Counsel

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition for Approval of)	DOCKET NO.
Transportation Service Agreement to reflect)	
Expansion of Wildlight by Florida Public)	
Utilities Company and Peninsula Pipeline)	FILED: August 16, 2022
Company, Inc.)	

JOINT PETITION FOR APPROVAL OF FIRM TRANSPORTATION BETWEEN FLORIDA
PUBLIC UTILITIES COMPANY AND PENINSULA PIPELINE COMPANY
TO REFLECT EXPANSION OF WIDLIGHT DEVELOPMENT IN NASSAU COUNTY

Florida Public Utilities Company (“FPUC”) and Peninsula Pipeline Company, Inc. (“PPC”) (collectively, “Petitioners”), by and through their respective undersigned attorneys and pursuant to Section 368.105, Florida Statutes, as well as Sections 366.03 and 366.041, Florida Statutes, and consistent with Rule 28-106.201, Florida Administrative Code, jointly file this Petition, which requests approval of the arrangement between the Petitioners for service in Nassau County. Specifically, the Petitioners seek approval of a Gas Transportation Agreement between PPC and FPUC, which will further enhance FPUC’s ability to expand service for the growing Wildlight development (“Agreement”). The Agreement contemplates that Peninsula will construct new pipeline facilities in two phases. Phase 1 will involve the construction of three (3) new pipeline segments, which will, in total, consist of approximately 500 feet of 2-inch steel, 11,925 feet of 6-inch steel, 16,400 feet of 8-inch steel, 3675 feet of 6-inch HDPE, new regulator stations and improvements, a new gas injection point, and three new points of delivery. Phase 2 will involve the installation of two (2) new pipeline segments, which will in total, consist of in total 33,000 feet of 8-inch steel. In support of this request, the Petitioners hereby state:

1. The names and mailing addresses of the joint Petitioners are:

Joint Petition for Approval of Transportation Service Agreement

2. The names and mailing addresses of the persons authorized to receive notices and communications with respect to this joint petition are:

Beth Keating, Esq. Gunster, Yoakley & Stewart, P.A. 215 South Monroe St., Suite 601 Tallahassee, FL 32301 bkeating@gunster.com (850) 521-1706	Matt Everngam Director-Regulatory Affairs 500 Energy Lane Dover, DE 19901 MEverngam@chpk.com
--	--

3. FPUC owns and operates natural gas distribution facilities in Florida and is a natural gas public utility subject to the Commission's regulatory jurisdiction under Chapter 366, Florida Statutes. PPC is an intrastate natural gas transmission company as defined in Section 368.103, Florida Statutes. FPUC and PPC are both corporate subsidiaries of Chesapeake Utilities Corporation.

4. The Petitioners are unaware of any material facts in dispute at this time, but the proceeding may involve disputed issues of material fact. The Petitioners' requests set forth herein do 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. The substantial interests of both Petitioners will be impacted by the Commission's decision regarding the request set forth herein.

I. **BACKGROUND**

5. By Order No. PSC-07-1012-TRF-GP, issued December 21, 2007, the Commission approved PPC'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

Joint Petition for Approval of Transportation Service Agreement

parameters for PPC's operations in the State.¹ Pursuant to PPC's tariff on file with the Commission, as well as Order No. PSC-07-1012-TRF-GP, PPC is allowed to undertake certain projects without express Commission approval. It 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.²

6. FPUC is, as noted, a subsidiary of Chesapeake Utilities Corporation ("CUC"), a Delaware corporation authorized to conduct business in Florida. Because both PPC and FPUC are owned and/or controlled by CUC, PPC is required, consistent with Sheet 12, Section 4 (d) of its tariff, to seek approval of such agreements prior to commencing construction.

7. By Order No. PSC-2012-0230-PAA-GU, issued in Dockets No. 20110277-GU and 2011-0271-GU, on May 9, 2012, the Commission approved certain aspects of a business arrangement involving PPC, FPUC, and Peoples for the expansion of service in Nassau County. By that Order, the Commission approved transportation agreements between FPUC and PPC and between Peoples and PPC, as well as a territorial agreement between Peoples and FPUC. Thereafter, the Commission approved an amendment to the transportation service agreement between PPC and

¹ Order No. PSC-06-0023-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.*

² Peninsula Pipeline Company, Inc., Intrastate Pipeline Tariff, Original Vol. 1, Sheet No. 12, Section 4

Joint Petition for Approval of Transportation Service Agreement

Peoples.³ The Commission also approved an agreement between FPUC and PPC for the extension of the facilities along William Burgess Road in Nassau County (“William Burgess Agreement”).⁴ These agreements were coordinated to implement a joint effort by PGS and FPUC to reinforce gas supply to Nassau County, thereby enabling FPUC to expand natural gas service in that county, while enhancing PGS’s ability to continue to serve its limited customers in Nassau County without reduction in pressure on the PGS’s system in northern Duval county. Thereafter, the Commission approved further restructuring of the agreements, including amendment of the transportation agreement between FPUC and PPC to reflect that FPUC would no longer need Peninsula to transport natural gas for delivery through Peoples’ distribution system, but would, instead, need Peninsula to transport natural gas for delivery to FPUC across its portion of the Callahan pipeline and the Fernandina Beach Line, which would enable delivery of increased quantities of natural gas to FPUC.⁵ This latest Agreement for the “Wildlight Expansion” reflects FPUC’s ongoing efforts to extend natural gas service to meet the various needs associated with the rapid growth in Nassau County.

II. WILDLIGHT EXPANSION AGREEMENT

8. As previously noted, by Order No. PSC-14-0713-PAA-GU, the Commission approved a transportation service agreement between PPC and FPUC for an extension of facilities along William Burgess Road. With this newest Agreement, the Petitioners contemplate the addition of

³ Order No. PSC-15-0318-PAA-GP, issued August 10, 2015, in Docket No. 20150094-GP, *In re: Petition for approval of amendment to special contract with Peninsula Pipeline Company, by Peoples Gas System.*

⁴ Order No. PSC-14-0713-PAA-GU, issued December 31, 2014, in Docket No. 20140189-GU, *In re: Petition for approval of transportation service agreement for an extension in Nassau County with Florida Public Utilities Company, by Peninsula Pipeline Company, Inc.*

⁵ Order No. PSC-2019-0545-PAA-GU, issued December 20, 2019, in Docket No. 20190145-GU, *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.*

Joint Petition for Approval of Transportation Service Agreement

new interconnection points and pipeline extensions from PPC facilities in the area to begin expanding service to meet the needs of the growing Wildlight development in Yulee, Florida. Within the Wildlight community, a developer is in the process of constructing a new, residential community known as Del Webb located between I-95 and US Highway 17 that will consist of 660 residential homes. Additionally, FPUC will provide service to other commercial accounts that will be developed in the area as growth continues. The potential scope of this phase of the development is up to 1,700 homes. Additionally, a portion of the development is zoned for industrial use, and as such, the availability of natural gas is expected to enhance the ability to bring industrial customers and their associated jobs to the area.

9. In addition, the Wildlight Community is planning additional development currently known as phase PDP4. This will be located north of State Road 200 and between US Highway 17 and Chester Road. This area of the project when fully built out, will consist of up to 4,278 single family homes that will also be able to take service from the facilities anticipated by this Agreement. The first homes are expected to be built in the second quarter of 2023. In total the proposed PPC facilities will support the growth of over 5,978 homes, along with commercial and industrial customers that will come as the area develops.

10. The Agreement for which the Companies seek approval will likewise reflect the construction of pipeline facilities in two separate phases. The Agreement contemplates that the Company will build the project alongside the construction and development of the area. Thus, reservation charge will change as each phase of the project goes into service. Phase 1 will consist of three extensions with associated facilities, and a gas injection interconnect with associated facilities. The overall scope of the natural gas project for Phase 1 contemplates the installation of approximately 500 feet of 2-inch steel, 11,925 feet of 6-inch steel, 16,400 feet of 8-inch steel, 3675

Joint Petition for Approval of Transportation Service Agreement

feet of 6-inch HDPE, new regulator stations and improvements, three additional points of delivery for FPUC, and an additional gas injection interconnect that will serve as a supplemental delivery point to the William Burgees system. Phase 2 of the natural gas project will consist of two (2) additional pipeline extensions, consisting of 33,000 feet of 8-inch steel. The locations are shown on the Project Map attached hereto as Attachment B.

11. The first extension addressed by the Agreement will begin at the end of the existing gas main along SR 200. From there, Peninsula will construct a new segment consisting of approximately 3,700 feet of 6-inch steel pipeline continuing eastward along SR 200 to the intersection of SR 200 and a new road named Crosstown Avenue. The line will then continue for approximately 3,825 feet of 6-inch steel pipeline northward along Crosstown Avenue and terminate at or near Curiosity Avenue. A new regulator station will be constructed by Peninsula on Crosstown Avenue just north of SR 200. From this regulator station, Peninsula will proceed to construct approximately 3,675 feet of 6-inch HDPE pipe continuing northwards along Crosstown Avenue to a new point of delivery for FPU. This portion of the project is contemplated to be completed by the first quarter of 2023.

12. PPC will also provide an injection point on the William Burgess line to provide an additional access point for gas supplies. The injection point will be located on the intersection of Radio Road and US 17. This injection point will serve as an emergency backup point for injecting gas supplies, and thus, will ensure FPUC has the ability to access gas quantities at an additional point on the line to provide additional reliability for customers.

13. PPC will also construct a new tie in with the existing gas main at the intersection of SR 200 and Felmor Road. From this intersection, Peninsula will build approximately 4,000 feet of 8-inch steel pipeline north along Felmor Road to or near the intersection of Pages Dairy Road and Felmor

Road. From the endpoint of this pipe, Peninsula will install approximately 500 feet of 2-inch steel pipeline until it terminates near the entrance of the new Headwaters Community of the Lofton Creek subdivision for a new point of delivery for FPUC. This portion of the project is contemplated to be completed by the first quarter of 2023.

14. Finally, Peninsula will construct a third pipeline extension for FPUC. This portion of the project will start with Peninsula's construction of a new regulator station on Radio Road and US 17 that will tie into the existing main. From this new regulator station, Peninsula will construct a pipeline consisting of approximately 12,400 feet of 8-inch steel north along US 17 to the intersection with Pages Dairy Road. The pipeline will transition to approximately 4,400 feet of 6-inch steel and head west along Pages Dairy Road to the intersection of SR 200, and then the line will continue going west along SR 200 and terminate on Still Quarters Road. This portion of the project is contemplated to be completed by the first quarter of 2024.

15. The first portion of Phase 2 of the project will tie into the existing main at the intersection of SR200 and David Hallman Parkway. From this intersection, the Company will install approximately 11,000 feet of 8-inch steel along David Hallman Parkway to Chester Road. The line will then continue north along Chester Road to Heron Isles Parkway. This portion of the project is contemplated to be completed by the third quarter of 2024.

16. A second portion of Phase 2 will continue from the end of the first portion along Chester Road and Heron Isles Parkway. Peninsula will construct approximately 22,000 feet of 8-inch steel a yet to be constructed road named Spine Road. These facilities are anticipated to be the final section completed for phase 2.

V.

CONCLUSION

17. The Petitioners believe that the proposed Agreement will enhance FPUC's ability to provide and expand natural gas service for the growing Wildlight community in Yulee, Florida. The facilities contemplated by the proposed Agreement will facilitate delivery of natural gas to areas in Nassau County that currently do not have access to natural gas service. As such, the Petitioners assert that the proposed Agreement is in the public interest.

WHEREFORE, Florida Public Utilities Company and Peninsula Pipeline Company, Inc., respectfully request that the Commission:

1. approve the Transportation Service Agreement between Peninsula Pipeline Company, Inc., and Florida Public Utilities Company for the Wildlight Expansion; and
2. Grant any other such relief as the Commission may deem appropriate.

RESPECTFULLY SUBMITTED this 16th day of August, 2022 .



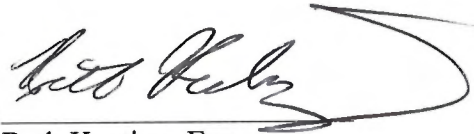
Beth Keating, Esq.
Gunster, Yoakley & Stewart, P.A.
215 S. Monroe St., Ste 601
Tallahassee, FL 32301
(850) 521-1706

Joint Petition for Approval of Transportation Service Agreement

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 16th day of August , 2022 :

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



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

ATTACHMENT A

FIRM TRANSPORTATION SERVICE AGREEMENT
(REDACTED)

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

THIS AGREEMENT entered into this July 8, 2022, by and between Peninsula Pipeline Company, Inc., a corporation of the State of Delaware (herein called "Company" or "PPC"), and the Florida Public Utilities Company, a corporation of the State of Florida (herein called "Shipper" or "FPUC"). PPC and FPUC are sometimes referred to herein individually as a "Party and collectively as "Parties."

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; and

WHEREAS, Shipper desires Company to construct a project that will allow Shipper to serve customers within its service area with natural gas service and Company is willing to construct the project and points of delivery; and

WHEREAS, Company intends to construct the Wildlight Expansion Project ("Project") in Nassau County, Florida. The Project will be constructed in two separate phases. As specified in Exhibit A attached herein, Phase I of the Project will enable natural gas service to three (3) additional points of delivery and Phase II will consist of an additional steel pipeline extension.

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.

"In-Service Date" means the date that Company has commenced commercial operations of the Project and that construction has been completed and that the Project has been inspected and tested as required by applicable law.

"Phase Notification" means the notification from the Shipper to begin construction of additional route.

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

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 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 (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 on Exhibit A of this Agreement and shall be charged to Shipper beginning on In-Service Date, and shall thereafter be assessed in accordance with the terms and conditions set forth herein.

3.2 The parties agree to execute and administratively file with the Florida Public Service Commission an affidavit, in the form provided in Company's Tariff to comply with the provisions of the Natural Gas Transmission Pipeline Intrastate Regulatory Act.

3.3 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 tax charges (including, without limitation, income taxes and property taxes) with regard to the service provided by Company under this Agreement, 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. 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 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, and in such event the 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.

3.4 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

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

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 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. 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 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, and in such event the 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 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 In-Service Date ("Initial Term"). Thereafter, 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 Shipper has twelve (12) months from the Execution Date to notify the Company to begin construction of the additional Points of Delivery as described in Exhibit A at the rates and terms set forth herein. If the Shipper notifies the Company after twelve (12) months, the Company may request the opportunity to negotiate a modification of the rates or terms of this Agreement to be effective for the remainder of the Current Term, and the parties shall negotiate such modification in good faith. Any such new rate will be implemented, and Exhibit A updated accordingly, on the In-Service Date of the additional Points of Delivery. Notwithstanding the above, and regardless of whether notification occurs within twelve (12) months, if there is a material impact on project costs related to materials, ROW, or labor after the notification and before commencement of permitting, such as a material change in the construction fee or the cost of steel, the Company may also request the opportunity to negotiate a modification of the rates or terms of this Agreement to be effective for the remainder of the Current Term, and the parties shall negotiate such modification in good faith.

4.3 No less than 120 days before 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

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

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.

4.4 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.

4.5 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. 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.

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

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. 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 Gas Month in question, subject to any additional restrictions imposed by the Transporter or by Company pursuant to Company's Tariff.

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: Florida Public Utilities Company
911 South 8th Street Fernandina Beach,
Florida 32034
Attention: Contracts

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

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 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

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

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. 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 3.3 and 3.4 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.

PENINSULA PIPELINE COMPANY, INC.
FIRM TRANSPORTATION SERVICE AGREEMENT

(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 3.3 or 3.4 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. 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
Florida Public Utilities Company

By: *Bill Hancock*
Bill Hancock

By: *Jeff Sylvester*
Jeff S. Sylvester

Title: Assistant Vice President

Title: Senior Vice President & COO

Date: 07/10/2022

Date: 07/08/2022

(To be attested by the corporate secretary if not signed by an officer of the company)

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A TO
FIRM TRANSPORTATION SERVICE AGREEMENT
BETWEEN
PENINSULA PIPELINE COMPANY, INC. AND
FLORIDA PUBLIC UTILITIES COMPANY

DATED
July 8, 2022

Phase I Construction

Description of Transporter Delivery Point(s)

1. At or near Radio Road and SR 17
2. Secondary Alternate Fuel Injection Point

Phase I Description of Point(s) of Delivery

1. At or near Crosstown Avenue and SR 200 (a)
2. At or near Still Quarters Road and SR 200 (b)
3. At or near Pages Dairy Road and Felmor Road (d)

Phase II Points of Delivery

1. Location TBD at or near the Chester Road and Heron Isles Parkway

Phase I Pipeline Segments Monthly Reservation Charges:

Segment I (a) – Near Crosstown Avenue and SR 200	██████████
Segment I (b) – Near Felmor Road and SR 200	██████████
Segment I (c) – Secondary Alternate Fuel Injection Point	██████████
Segment I (d) – Near Pages Dairy and Felmor Road	██████████
Phase I Total Monthly Reservation Charge	██████████

Phase II Pipeline Segments Monthly Reservation Charges:

Segment II (a) – TBD near Chester and Heron Isles Parkway	██████████
---	------------

Total MDTQ (Dekatherms): ██████████ **Dt/Day**
MHTP: ██████████

Monthly Reservation Charge: ██████████ (██████████/ Dth/Day). This charge is subject to adjustment pursuant to the terms of this Agreement and is additive to the Initial Monthly Reservation Charge¹

¹ The Monthly Reservation Charge in this Agreement reflects the costs only for new facilities for additional gas receipt and Point(s) of Delivery locations on the extension north of Radio Road owned by Peninsula Pipeline Company, Inc. as set forth herein. This Agreement does not incorporate, revise or otherwise duplicate charges for Shipper's extant services in Nassau County from existing facilities which include an interconnection delivery point with the Southern Natural Gas Cypress pipeline on Crawford Road, delivery point(s) on the existing William Burgess Road facilities approved by the Commission in Docket No. 20140189-GU, and delivery across a portion of the Callahan pipeline and the Fernandina Beach Line approved by the Commission in Docket No 20190145-GU.

ATTACHMENT B
PROJECT MAPS



200

Pulcaupen Rd

F

In Creek

Pages Dairy Rd

Pages Dairy Rd

Yulee Hills Rd

Blount's Branch

Worthington Dr

Pages Dairy Rd

Chester Rd

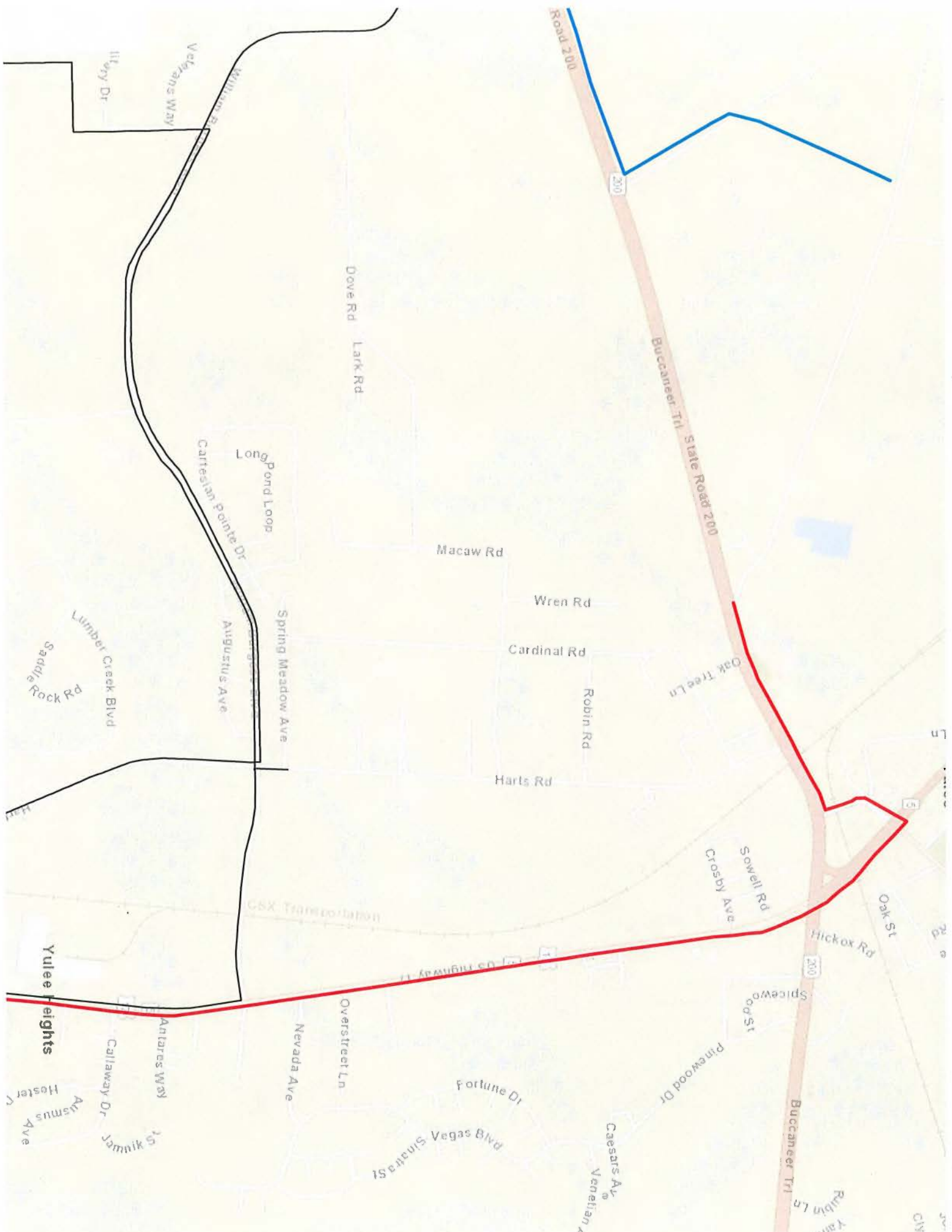
Commodore Point Dr

Blackrock Rd

Blackrock Rd

Chester Rd

Roses Bluff Rd



Ilfevy Dr

Veterans Way

Millman Rd

Dove Rd Lark Rd

Long Pond Loop
Cartesian Pointe Dr

Augustus Ave

Spring Meadow Ave

Lumber Creek Blvd
Saddle Rock Rd

Macaw Rd

Wren Rd

Cardinal Rd

Robin Rd

Harts Rd

Oak Tree Ln

Crosby Ave
Sowell Rd

Hickox Rd

Oak St

CSX Transportation

Yulee Heights

Antares Way

Callaway Dr

Hester Ave
Alsmus Ave

Nevada Ave

Overstreet Ln

Fortune Dr

Vegas Blvd

Caesars Ave

Venetian Ave

Pinewood Dr

Spicewood St

Buccaneer Trl

Rubin Ln

Yankle

Road 200
200

Buccaneer Trl
State Road 200

Clay