

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

April 11, 2024

E-PORTAL FILING

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

Re: Docket 20240039-GU – Petition for approval of transportation service agreements between Peninsula Pipeline Company, Inc. and Pivotal Utility Holdings, Inc. d/b/a Florida City Gas.

Dear Mr. Teitzman:

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

Thank you for your assistance with this filing.

Kind regards,



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

Enclosure

20240039 – Petition for approval of transportation service agreements between Peninsula Pipeline Company, Inc. and Pivotal Utility Holdings, Inc. d/b/a Florida City Gas.

Peninsula Pipeline and Florida City Gas’s Revised Responses to Staff’s Second Set of Data Requests

- 1. Will FCG purchase the alternative natural gas directly from the owners and/or operators of each landfill or from third party suppliers?**

Company Response

FCG will purchase gas from third party gas producers. See Response to Data Request No. 2, below.

- 2. Referring to paragraphs 14, 17, and 20 of the petition, is the producer of gas different or separate from the landfill owner or operator? Please explain.**

Company Response

For the Brevard and Indian-River projects the producer of the gas is a different entity from the landfill owner and operator. In projects like the ones proposed in the Petition, gas producers typically enter into agreements with owners of possible gas sources to create projects capable of producing pipeline quality gas. Producers take on the responsibility of developing and owning the gas production facilities, and pay the landfill owner (or other resource owner) a fee to access the raw resource for conversion and/or to locate production facilities on the property.

For the Miami-Dade project, the producer is the renewables division of the business entity that owns the landfill.

- 3. Will FCG include the cost of the purchased landfill gas in the next Purchased Gas Adjustment proceeding?**

Company Response

Yes, the cost of the purchased gas agreed upon between FCG and the gas producers will be included in the PGA.

- 4. Please discuss the cost differences between purchasing natural gas from locally produced alternative gas (i.e., landfill gas) and from traditional out of state gas sources.**

Company Response

In general, FCG has negotiated deals at a cost equivalent to incremental Florida Gas Transmission (FGT) long-haul short-term capacity. By introducing the new gas supply from

these projects, FCG will be able to potentially optimize its capacity portfolio -- and realizing a savings to customers.

5. Please discuss for each project all other options FCG considered to bring additional gas into the area.

Company Response

All three projects are located along the eastern coast of Florida. The interstate source of gas supply that runs along these project areas is the East Leg of Florida Gas Transmission. Due to the growth in demand from new gas customers and from electrical generation, this portion of FGT has become constrained, leading to difficulty in securing capacity and scheduling existing capacity on the system. (For additional information regarding FCG's difficulties in securing additional supply to its system, see FCG's 2017 rate case, Docket No.20170179-GU, where FCG established the need for its LNG storage facility in Homestead.) To secure gas supply, FCG had to look at alternatives to FGT, such as the projects contemplated in the Petition.

6. Please discuss for each project whether Peninsula is sizing the pipeline based solely on FCG's needs, or whether Peninsula is sizing the pipeline with sufficient capacity to attract additional transportation customers.

Company Response

For all of the projects, the pipe is sized to meet FCG's gas supply needs.