

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of second amendment to transportation service agreement between Peninsula Pipeline Company, Inc. and Florida Public Utilities Company, for the New Smyrna Beach project.

DOCKET NO. 20250132-GU
ORDER NO. PSC-2026-0021-PAA-GU
ISSUED: January 14, 2026

The following Commissioners participated in the disposition of this matter:

GABRIELLA PASSIDOMO SMITH, Chairman
GARY F. CLARK
MIKE LA ROSA
BOBBY PAYNE
ANA ORTEGA

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING AMENDMENT TO
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 October 29, 2025, Peninsula Pipeline Company, Inc. (Peninsula), filed a petition seeking approval of a second amendment to firm transportation service agreement between Peninsula and Florida Public Utilities Company (FPUC), collectively the Parties. The proposed second amendment to the agreement is included as Attachment A to this order.

Peninsula and FPUC are both wholly owned subsidiaries of Chesapeake Utilities Corporation (Chesapeake). Peninsula operates as an intrastate natural gas transmission company as defined by Section 368.103(4), Florida Statutes (F.S.).¹ FPUC operates as a local distribution company subject to our regulatory jurisdiction pursuant to Chapter 366, F.S.

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, F.S., et seq.*

By Order No. PSC-07-1012-TRF-GP, Peninsula 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.² The Parties are subsidiaries of Chesapeake, and agreements between affiliated companies must be approved by us pursuant to Section 368.105, F.S.

By Order No. PSC-2017-0498-PAA-GU, we approved the initial transportation service agreement between Peninsula and FPUC (2017 Order).³ Pursuant to the 2017 Order, Peninsula would construct and own a new pipeline in New Smyrna Beach and relocate an existing gate station. The purpose of this construction project was to eliminate pressure issues FPUC was facing at the time as well as to provide the opportunity for growth in the New Smyrna Beach area.⁴

By Order No. PSC-2024-0072-PAA-GU, we approved Peninsula's amended agreement to include an additional source of gas, an additional interconnect, and four new delivery points.⁵ Peninsula stated the addition to the project was needed to ensure sufficient additional gas supply and provide operational support to FPUC's system.⁶ In response to our staff's data request, Peninsula stated that the construction of this project is anticipated to be complete in 2026.⁷ This petition for a second amendment arises out of the need for an additional delivery point.

During the evaluation of the petition, our staff issued one data request to the Parties for which responses were received on December 2, 2025.⁸ We have jurisdiction over this matter pursuant to Sections 368.104, and 368.105, F.S.

Decision

The purpose of this amendment is to revise certain provisions of the currently approved firm transportation service agreement to reflect the construction of an additional point of delivery. In response to our staff's data request, Peninsula stated that the additional delivery point is necessary to enhance reliability and to meet FPUC's supply capacity design-day demand due to additional growth in the New Smyrna Beach area.⁹ Currently, FPUC is using compressed natural gas to supplement supply in the area during high demand months to ensure adequate supply. The additional delivery point would be located at or near the intersection of Pioneer Trail

² Order No. PSC-07-1012-TRF-GP, issued December 21, 2007, in Docket No. 20070570-GP, *In re: Petition for approval of natural gas transmission pipeline tariff by Peninsula Pipeline Company, Inc.*

³ Order No. PSC-2017-0498-PAA-GU, issued December 29, 2017, in Docket No. 20170193-GU, *In re: Petition for approval of transportation service agreement with Florida Public Utilities Company, by Peninsula Pipeline Company, Inc.*

⁴ Document No. 07483-2017, filed September 1, 2017.

⁵ Order No. PSC-2024-0072-PAA-GU, issued March 20, 2024, in Docket No. 20230135-GU, *In re: Petition for approval of transportation service agreement with Florida Public Utilities Company by Peninsula Pipeline Company, Inc.*

⁶ Document No. 06598-2023, filed December 14, 2023.

⁷ Document No. 15299-2025, filed December 2, 2025.

⁸ *Id.*

⁹ Document No. 15299-2025, filed December 2, 2025.

and Junonia Boulevard in Volusia County. In response to our staff's data request, Peninsula stated that the expected completion date of the new delivery point would be March 31, 2026.

In response to our staff's data request, Peninsula stated that there would be no change in the monthly reservation charge.¹⁰ The monthly reservation charge has been previously approved in Order No. PSC-2024-0072-PAA-GU. The reservation charge to FPUC allows Peninsula to recover the pipeline construction costs. Furthermore, Peninsula explained that it would be able to construct the additional delivery point within the existing anticipated capital cost for the original project.

Conclusion

Based on the petition and the Parties' responses to our staff's data request, we approve the proposed second amendment to the firm transportation service agreement dated October 27, 2025, between Peninsula and FPUC. The proposed second amendment to the firm transportation service agreement is reasonable and meets the requirements of Section 368.105, F.S.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the proposed second amendment to the firm transportation service agreement dated October 27, 2025, between Peninsula Pipeline Company, Inc. and Florida Public Utilities Company, attached hereto, is 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 in the event this Order becomes final, this docket shall be closed.

¹⁰ Document No. 15299-2025, filed December 2, 2025.

By ORDER of the Florida Public Service Commission this 14th day of January, 2026.



ADAM 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.

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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 February 4, 2026.

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.

AMENDMENT No. 2 TO
FIRM TRANSPORTATION SERVICE AGREEMENT

This Second Amendment to Firm Transportation Service Agreement ("Amendment No. 2") is made and entered into this 27th day of October, 2025, by and between Florida Public Utilities Company, a corporation of the state of Florida (herein called "Shipper") and Peninsula Pipeline Company, Inc., a corporation of the State of Delaware (herein called "Company" and jointly with Shipper called "Parties") to amend certain provisions of the Firm Transportation Service Agreement dated August 25, 2017 between Company and Shipper, as previously amended.

WITNESSETH

WHEREAS, Company and Shipper are parties to that certain Firm Transportation Service Agreement entered into on August 25, 2017, and approved by the Florida Public Service Commission ("FPSC") in Docket No. 20170193-GU (the "Agreement"), pursuant to which Company provides Shipper with firm transportation service in Volusia County, Florida; and

WHEREAS, by Amendment No. 1 To First Transportation Service Agreement, dated December 11, 2023 (herein called "Amendment No. 1"), the Parties amended the Agreement, which amendment was approved by the FPSC in Docket No. 20230135-GU; and

WHEREAS, the Parties desire to further amend the Agreement with this Amendment No. 2 To Firm Transportation Service Agreement (herein called "Amendment No. 2") to add a new Point of Delivery to be constructed by Company, without any further change to the reservation rates;

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:

1. Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Agreement, as amended.

AMENDMENT No. 2 TO
FIRM TRANSPORTATION SERVICE AGREEMENT

2. Exhibit A to the Agreement is hereby superseded and replaced by Second Revised Exhibit A, which is attached to this Amendment No. 2.

3. The Parties agree that the rates shall remain as provided in Amendment No. 1 and all terms and conditions of this Amendment No. 2 may be placed into effect upon execution. The Parties further agree that, in the event that: (a) the FPSC declines to approve this Amendment No. 2; or (b) the FPSC fails to address this Amendment No. 2 within twelve (12) months of execution; or (c) any person whose substantial interests are affected files a timely protest of the FPSC's order approving this Amendment No. 2, the rates, terms and conditions shall revert to the Amendment No.1 as approved by FPSC Docket No. 20230135-GU.

4. Except as modified by this Amendment No. 2, the Agreement, as amended by Amendment No. 1, shall remain unchanged and continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to be executed by their duly authorized officers or representatives effective as of the date first written above.

COMPANY:
Peninsula Pipeline Company, Inc.

SHIPPER:
Florida Public Utilities Company

By: Kevin Webber
Kevin J. Webber

By: Jeff Sylvester
Jeffrey S. Sylvester

Title: Senior Vice President
& Chief Development Officer

Title: President and Chief
Operating Officer

Date: 10/27/2025

Date: 10/27/2025

AMENDMENT No. 2 TO
FIRM TRANSPORTATION SERVICE AGREEMENT

SECOND REVISED EXHIBIT A

TO

FIRM TRANSPORTATION SERVICE AGREEMENT

BETWEEN

PENINSULA PIPELINE COMPANY, INC.

AND

FLORIDA PUBLIC UTILITIES COMPANY

Description of Transporter Delivery Point(s)

1. Interconnection with existing PPC pipeline at Pioneer Trail Road in Volusia County

Description of Point(s) of Delivery

1. Existing Pressure Regulator Station at the intersection of Turnbull Bay Road and Creek Shore Trail in Volusia County, FL
2. Existing Pressure Regulator Station at the intersection of Industrial Park Avenue and Turnbull Street in Volusia County, FL
3. New Point of Delivery at or near Glencoe Rd and Paige Avenue
4. New Point of Delivery at or near Bianca Drive and State Road A1A
5. New Point of Delivery at or near Whaler Drive and State Road ALA
6. New Point of Delivery at or near Mango Park
7. At or near of the intersection of Pioneer Trail and Junonia Blvd

MHTP:6%

Total MDTQ (Dekatherms): [REDACTED] Dt/Day

Monthly Reservation Charge: [REDACTED]

This charge is subject to adjustment pursuant to the terms of this Agreement.

Unauthorized Use Rate (In addition to Monthly Reservation Charge): [REDACTED] Each Day of
Unauthorized Use