# BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of natural gas transportation service agreement between Florida City Gas and Miami-Dade County through Miami-Dade Water and Sewer Department.

DOCKET NO. 20250058-GU ORDER NO. PSC-2025-0314-PAA-GU ISSUED: August 20, 2025

The following Commissioners participated in the disposition of this matter:

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

# NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING 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 April 8, 2025, Florida City Gas (FCG or company) filed a petition seeking approval of a proposed 2025 Natural Gas Transportation Service Agreement (TSA) between FCG and Miami-Dade County Water and Sewer Department (MDWASD) through Miami-Dade County. FCG is a public utility as defined by Section 366.02(8), Florida Statutes (F.S.). MDWASD is a water and sewer utility operating in Miami-Dade County, Florida. MDWASD's Alexander Orr (Orr) and Hialeah Preston (Hialeah) use natural gas at plants to heat lime kilns that produce lime for the water treatment process. The natural gas is also used to power high service pumps that pump water through MDWASD's water distribution system to customers.

Currently, FCG is providing natural gas transportation service to MDWASD's Orr and Hialeah plants via the TSA we approved by Order No. PSC-2013-0402-PAA-GU (2014 TSA).<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Order No. PSC-13-0402-PAA-GU, issued August 30, 2013, in Docket No. 20130089-GU, *In re: Joint petition for approval of natural gas transportation service between Florida City Gas and Miami-Dade County through Miami-Dade Water and Sewer Department.* 

The 2014 TSA was needed in order to allow FCG to provide natural gas transportation service to the Alexander Orr and Hialeah water treatment plants after the expiration of their 2011 TSA (effective August 1, 2009 through December 31, 2013).<sup>2</sup> FCG explained in the petition that the 2014 TSA expired on December 31, 2023.<sup>3</sup>

FCG has continued to provide service to Miami-Dade County's Orr and Hialeah plants on a month to month basis under the terms of the 2014 TSA while the parties negotiated a new contract. The purpose of the TSA is to create a new agreement between FCG and Miami-Dade County. The term of the proposed 2025 TSA would be a 10-year agreement, backdating to January 1, 2024, to be consecutive with the 2014 TSA.

Contract rate transportation service is available to certain large volume customers like MDWASD subject to Rule 25-9.034, F.A.C., and to the terms and conditions of FCG's Commission-approved Load Enhancement Service (LES) tariff.<sup>4</sup> The LES tariff provides that:

- (a) The customer must be a commercial customer that currently receives service under contract or otherwise would take service pursuant to the Flexible Gas Service (FGS), Contract Demand Service (KDS), Transportation Supply Service (TSS), Off-System Sales Service (OSS), or GS-1250k rate schedules in FCG's tariff.
- (b) The customer must have an alternative energy source or an economic natural gas bypass alternative, the availability of which shall be documented by the customer and verifiable by FCG.
- (c) FCG must demonstrate to the Commission that service under the proposed contract will not impose any additional costs on FCG's other rate classes, including at a minimum, that the rate shall not be set lower than the incremental cost of service plus some additional amount as a reasonable return on investment.
- (d) FCG is not compelled to offer service under contract, but if offered it shall be pursuant to mutually agreeable terms and conditions.
- (e) In developing rates for a contract under the LES tariff, FCG is required to evaluate competitive and overall economic market conditions.

<sup>&</sup>lt;sup>2</sup> Order No. PSC-12-0171-AS-GU, issued April 2, 2012, in Docket No. 090539-GU, *In re: Petition for approval of Special Gas Transportation Service agreement with Florida City Gas by Miami-Dade County through Miami-Dade Water and Sewer Department.* 

<sup>&</sup>lt;sup>3</sup> Order No. PSC-13-0402-PAA-GU, issued August 30, 2013, in Docket No. 20130089-GU, *In re: Joint petition for approval of natural gas transportation service agreement between Florida City Gas and Miami-Dade County, through Miami-Dade Water and Sewer Department.* 

<sup>&</sup>lt;sup>4</sup> Order No. PSC-2023-0177-FOF-GU, issued June 9, 2023, in Docket No. 20220069-GU, *In re: Petition for approval of rate increase and request for approval of depreciation rates by FCG.* 

(f) The agreed-upon contract must be approved by the Commission prior to execution by the parties.

Pursuant to the proposed TSA, attached hereto as Attachment A, FCG would continue to serve Miami-Dade County's Orr and Hialeah plants. During the evaluation of the petition, our staff issued a data request to FCG. Responses from FCG were received on June 2, 2025. We have jurisdiction over this matter pursuant to Sections 366.04, 366.05, and 366.06, F.S.

# Decision

# **Proposed Transportation Service Agreement**

The 2025 TSA continues the plant-specific volumetric rate structure first established in 2011 and updated with the 2014 TSA. The 2025 TSA has updated the volumes and rates for each plant. FCG and Miami-Dade County indicate the contract will provide for cost-based rates that recover the incremental costs of service plus some additional amount to recover some of FCG's common costs. The LES tariff indicated the Competitive Rate Adjustment tariff may apply in this instance. The proposed term of the 2025 TSA is for ten years beginning January 1, 2024, which would backdate the term to be consecutive with the 2014 TSA.

# **Analysis of Bypass Alternatives Available to Miami-Dade County**

We have historically approved various load retention tariff schedules similar to FCG's LES tariff for gas transportation utilities which are designed to allow utilities to retain customers who have demonstrated the ability to bypass utility facilities at costs below the normal tariff rates.<sup>5</sup> In instances of demonstrated bypass, load retention tariffs typically encourage negotiated rates that allow the utility to cover its cost of providing service to the customer plus provide some amount of contribution to the common costs of the utility. FCG's LES Rate Schedule's section titled "Applicability" includes the requirement that, "the Customer must provide the Company verifiable documentation of either a viable alternative fuel or of a Customer's opportunity to economically bypass the Company's system." In response to the data request, FCG stated that the bypass assumptions today are the same as they were in the 2014 TSA, only that the bypass costs do interconnect with the Florida Gas Transmission pipeline and have been updated.<sup>6</sup>

To demonstrate the viability of bypass options, it is necessary to show that MDWASD's estimated cost per therm to bypass FCG's system would be less than the cost per therm that MDWASD would be charged under the GS-1250k tariff rate. The applicable GS-1250k tariff rate is approximately \$0.14073 per therm. Miami-Dade County's estimated costs to bypass FCG's system for the Orr and Hialeah plants are \$0.0233 per therm and \$0.0455 per therm, respectively. Based on review of materials submitted in support in support of the petition and

<sup>&</sup>lt;sup>5</sup> Order No. PSC-00-1592-TRF-GU, issued September 5, 2000, in Docket No. 000717-GU, In re: Petition for authority to implement contract transportation service by City Gas Company of Florida; Order No. PSC-96-1218- FOF-GU, issued September 24, 1996, in Docket No. 960920-GU, In re: Petition for approval of flexible service tary f by City Gas Company of Florida; Order No. PSC-98-1485-FOF-GU, issued November 5, 1998, in Docket No. 980895-GU, In re: Petition by Florida Division of Chesapeake Utilities Corporation for authority to implement proposed flexible gas service tary f and to revise certain tary f sheets.

<sup>&</sup>lt;sup>6</sup> Joint Responses to our Staff's First Data Request, Question 1 and Attachment A. Document No. 04147-2025.

additional information provided in response to the data request, we find that FCG's has reasonably demonstrated that Miami-Dade County has verifiable and documented bypass alternatives to the FCG gas transportation facilities at the Orr and Hialeah plants.

# Cost Recovery under the Proposed 2025 TSA

Under the terms of the LES tariff, FCG must demonstrate to us that service under the proposed contract will not impose any additional costs on FCG's other rate classes, including at the minimum, that the rate shall not be set lower that the incremental cost of service plus some additional amount as a reasonable return on investment. We have reviewed the cost support data for the 2025 TSA provided in the petition and in response to our staff's data request.<sup>7</sup>

The cost support provided by the Company indicates that FCG's operations and maintenance expense estimates account for inflation for all years. As the previous inflationary rate was not sufficient in order for contract rates to be set at a level to allow recovery of incremental costs, the FCG and Miami-Dade County's negotiated inflationary adjustments to the 2025 TSA rates for beginning the year after the first year of the contract term. In the 2014 TSA, from January 1, 2018 till December 31, 2023, the annual price increase relied on the Bureau of Labor Statistics Consumer Price Index for All Urban Consumer (CPI-U). If the CPI-U did not increase or even decreased in that calendar year, then the transportation rates did not increase. In this TSA, there is an inflation provision that will allow for the annual price to increase by a minimum of no less than 0.75 percent or by the result of the increase to the CPI-U, which ever number is higher for that calendar year.<sup>8</sup>

We compared the incremental cost of service to the Orr and Hialeah plants to each plant's proposed 2025 TSA rates. We note that the proposed 2025 TSA rates are set higher than incremental costs for all tier levels (1-3) and all years in the contract term (2024-2033) for both the Orr and the Hialeah plants. The total marginal revenue for the contract term (total revenue less inflation-adjusted costs for the 10-year term) is relatively small, especially for volumes based on proposed Tier 3 volumes and rates. In order to help assess whether rates under the 2025 TSA provide sufficient headroom to cover specified cost risks, we evaluated the cost impact of volumetric shortfalls.

The risk of volumetric shortfalls has been addressed, at least in part, by the take or pay provision of the 2025 TSA. Under the take or pay provision, if actual volumes are less than the take or pay volumes, the 2025 TSA rates are set sufficiently high to recover the incremental costs of service and provide some level of contribution.

<sup>&</sup>lt;sup>7</sup> Joint Responses to our Staff's First Data Request, Attachment B. Document No. 04147-2025

<sup>&</sup>lt;sup>8</sup> See Attachment B, page 16 of the petition.

<sup>&</sup>lt;sup>9</sup> A take or pay clause in a contract requires the buyer to either purchase a specified quantity of goods or services, or pay for them even if they are not taken. This type of clause is typically used in long-term supply agreements, especially in industries like energy and manufacturing, to reduce risk for both the seller and the buyer.

# Conclusion

Based upon our review of the petition and the additional information provided in response to our staff's data request, we approve the proposed transportation service agreement dated January 1, 2024, between FCG and Miami-Dade County. The 2025 TSA is based on the LES tariff which provides clear specifications for contractual rates, terms, and conditions such as those negotiated by the join petitioners. Based on the petition and responses provided by FCG to data requests, we find that the 2025 TSA complies with the LES tariff.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the Natural Gas Transportation Service Agreement dated January 1, 2024, between FCG and Miami-Dade County, 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 this Order, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 20th day of August, 2025.

ADAM TEITZMAN

Commission Clark

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.

**RPS** 

# 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 September 10, 2025.

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.

## OFFICIAL FILE COPY CLERK OF THE BOARD OF COUNTY COMMISSIONERS WHAMI-DADE COUNTY, FLORIDA

# LOAD ENHANCEMENT SERVICE AGREEMENT (CONFIDENTIAL) EXEMPT FROM PUBLIC RECORDS LAW

This Load Enhancement Service Agreement ("Agreement") is made and entered into as of [DATE], by and between Pivotal Utility Holdings, Inc. d/b/a Florida City Gas ("Company") and Miami-Dade County ("Customer"). Company and Customer are sometimes referred to herein individually as a "Party" or collectively as the "Parties."

#### WITNESSETH

WHEREAS, Company is a natural gas utility operating under Chapter 366, Florida Statutes, subject to the jurisdiction of the Florida Public Service Commission or any successor agency thereto (hereinafter called the "Commission"); and

WHEREAS, Customer is a political subdivision of the State of Florida that operates the Miami-Dade Water and Sewer Department ("MDWSD"); and

WHEREAS, Customer receives natural gas service from the Company at the MDWSD Alexander Orr Water Treatment Plant ("Orr Plant") and Hialeah Lime Recalcination Facility ("Hialeah Plant") (collectively, the Orr Plant and Hialeah Plant are herein referred to as "Service Locations"); and

WHEREAS, Company provides natural gas service to Customer at the Service Locations pursuant to the rates and terms of the Parties' Natural Gas Transportation Service Agreement dated December 4, 2013, which expired December 31, 2023; and

WHEREAS, Customer has requested to continue to receive natural gas service from the Company at the Service Locations in accordance with the terms and conditions of this Agreement; and

WHEREAS, Company has sufficient capacity to continue to serve Customer at the Service Locations for the foreseeable future and for at least the following ten (10)-year period; and

WHEREAS, Customer's existing MDWSD Account No. 1000030 for the Orr Plant is currently cligible to receive natural gas service under Rate Schedule GS-120K of the Company's Tariff on file with the Commission, and Customer's existing MDWSD Account No. 1000031 for the Orr Plant and existing MDWSD Account No. 1000022 for the Hialeah Plant are each currently eligible to receive natural gas service under Rate Schedule GS-1,250K of the Company's Tariff on file with the Commission (collectively, Account Nos. 1000030, 1000031, and 1000022 are herein referred to a "MDWSD Accounts"); and

WHEREAS, the present pricing available for the MDWSD Accounts under Company's Rate Schedules GS-120k and GS-1,250K is sufficient economic justification for Customer to decide not to take natural gas service from Company for all or a part of Customer's needs at the Service Locations; and

WHEREAS, Customer has provided Company with verifiable documentation of either a viable alternative fuel at the Service Locations or Customer's opportunity to economically bypass the Company's system for the Service Locations; and

WHEREAS, Company is authorized under its Load Enhancement Service ("LES") Tariff on file with the Commission, which is provided in Attachment A, to negotiate individual service agreements and rates with customers taking into account competitive and economic market conditions and overall system benefits; and

WHEREAS, Customer has represented its intention to not take natural gas service from the Company at the Service Locations unless a pricing adjustment is made under the Company's LES Tariff, and

WHEREAS, based on Company's evaluation of competitive and economic market conditions and overall system benefits, the Company is willing to enter into an individual service agreement with Customer and make a pricing adjustment under the Company's LES Tariff in exchange for a commitment by Customer to continue to take delivery of, or pay for if not taken, minimum annual volumes of gas at each Service Location for an initial term of ten (10) years subject to the terms and conditions set forth in this Agreement,

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, such consideration to be provided specifically in support of the rights set forth herein, the receipt and sufficiency of all of which are hereby acknowledged by both Parties, and intending to be legally bound, Company and Customer agree to the following:

## AGREEMENT

- Effective Date and Term. Subject to all other provisions, conditions, and limitations hereof, this Agreement shall become effective for all bills rendered on or after the date the Commission approves this Agreement to become effective ("Effective Date") and shall remain in force from the Effective Date until December 31, 2033 ("Term").
  - a. The Parties agree that, within fifteen (15) days after the Effective Date, Customer will pay Company an amount equal to the difference between the rates agreed upon

herein and the rates actually paid by Customer for all consumption on all MDWSD Accounts from January 1, 2024 until the Effective Date ("Make Whole Payment").

- b. The Parties agree that no later than one-hundred and eighty (180) days prior to the expiration of this Agreement, Customer may request a new contract or rate under the Company's Tariff in effect at that time, which Tariff may be amended from time-to-time. If the Parties are unable to reach an agreement by the end of the Term, this Agreement will terminate and natural gas service provided to Customer at the Service Locations will be provided at the applicable Rate Schedules in the Company's Tariff in effect at that time unless and until a subsequent contract has been approved by the Commission and executed by the Parties.
- c. For purposes of this Agreement, the term "Contract Year" shall mean each consecutive twelve (12) month period starting as of January 1, 2024.
- Commission Approval. The Parties acknowledge and agree that a condition precedent to this Agreement is the issuance of a final order by the Commission approving this Agreement.
  - a. Upon written authorization by Customer, Company shall promptly file this Agreement and any related documentation with the Commission in order to obtain the necessary Commission approvals.
  - Company shall include Customer in any Commission filings or communications associated with the Commission's review and approval of this Agreement.
  - c. The Parties agree Company shall request that the Commission approve this Agreement and the rates and terms set forth herein to become effective for all hills rendered on or after the Effective Date; however, in the event the Commission, for purposes of the calculation of the Competitive Rate Adjustment (Rider C), imputes revenues from Customer to Company as if Customer paid the rates set forth in the applicable Rate Schedules of the Company's Tariff for the time period hetween January 1, 2024 and the Effective Date (less the Make Whole Payment), the Parties agree and acknowledge that Customer will pay Company the imputed amounts within thirty (30) days after the Commission decision imputing such amounts.
- 3. Gas Facilities. The Parties agree that no additional or incremental gas facilities or equipment are necessary to provide natural gas service to Customer at the Service Locations. Any changes to the existing facilities or their configuration requested by Customer will be provided by Company and paid for by Customer at the Company's current material and labor rates and other costs.

- a. The Parties agree that Automatic Meter Reading (AMR) equipment capable of providing daily readings is required to provide natural gas service to Customer at the Service Locations. The Parties agree that any changes in the location of the existing AMR meters must be approved by Company and paid for by Customer at Company's current cost at that time. Customer shall provide and maintain, without charge to Company, a suitable space for the AMR metering and associated equipment. Such space shall be as near as practicable to the point of entrance of the service pipe and readily accessible to authorized employees or agents of Company. Where feasible, Company will make data from the AMR device or other equipment available to Customer.
- b. The Parties agree that legal and equitable title to all mains, service lines, and appurtenances currently installed to serve the Service Locations shall be and remain in Company, and the Company shall have the right, without the consent of, or any refund to the Applicant, to: (i) to extend the gas main or connect additional gas mains to any part of it, except those parts of such facilities on the County's Plant sites; and (ii) serve new additional regular customers at any time through service connections attached to such main or to extended or connected gas mains.
- 4. <u>Doposit.</u> The Parties agree that, pursuant to Rule 2 of Company's Tariff, Customer shall pay to Company a cash deposit of \$ within thirty-days from the date this Agreement is executed. Company has no obligation to provide natural gas service under this Agreement until receipt of said deposit from Customer. Consistent with Rule 2 of the Company's Tariff, the Company will refund the deposit once the Customer has established a satisfactory payment record for a period of 23 months.
- 5. <u>Delivery Locations</u>, Customer shall arrange and has the sole responsibility for the delivery of all gas to be transported by Company hereunder to take place at those interconnections between Company and Florida Gas Transmission Company heretofore determined Points of Receipt described as the FCG Supply Pool South. Company shall transport and deliver gas from the Points of Receipt to Customer at the following MDWSD Service Locations;

Alexander Orr Water Treatment Plant 6800 S.W. 87th Avenue Miami, FL 33173 MDWSD Account Nos. 1000030 and 1000031

Hialeah Lime Recalcination Facility 700 W. 2nd Avenue Hialeah, FL 33010 MDWSD Account No. 1000022

# 6. Rate Schedule(s).

- a. Transportation and Delivery Service. During the Term of this Agreement, the Parties agree that Customer will take all natural gas transportation and delivery services at the Service Locations from Company at the rates set forth in Attachment B.
- b. Gas Supply/Commodity. The Parties agree that Company shall have no obligation to provide gas supplies to Customer under this Agreement, and that Customer may elect to obtain and purchase their gas supply requirements from third-party marketers or suppliers that are authorized and approved to deliver natural gas supplies to Company's city gates, the terms and pricing of such commodity shall be solely between Customer and their third-party supplier or marketer. If Customer elects to purchase and take their natural gas supply from Company, the rate to be paid by Customer for gas commodity delivered to the Service Locations shall be in accordance with Rider A Purchase Gas Adjustment of Company's Tariff, as may be updated and modified from time-to-time upon approval by the Commission.
- c. Rider and Surcharges. Except as expressly provided herein, Customer shall pay all Commission approved riders and surcharges that are or become applicable to Rate Schedules GS-120K and GS-1,250K, as may be adopted and amended from time-to-time. The Parties agree that Rider C Competitive Rate Adjustment and the Rider B Energy Conservation Cost Recovery surcharge of the Company's Tariff shall not be applicable to Customer at the Service Location for the Term of this Agreement.

# Volumes of Gas to be Delivered.

- a. Minimum Volumes of Gas,
  - i. During the Term of this Agreement, Customer agrees to take delivery of, or pay for if not taken, the minimum annual volumes for each of the Service Locations set forth in Attachment C. If, at the end of any Contract Year, the volume of gas taken by Customer at the Service Locations during such year is less than the minimum annual volumes specified in Attachment C (the "Shortfall Quantity"), then Company shall invoice for, and Customer shall pay for, the Shortfall Quantity at the rates set forth in Attachment B.
  - ii. Company will perform an annual true-up of Customer's monthly billings for the MDWSD Accounts within forty-five (45) days following the

conclusion of a Contract Year so that Customer's final rate per therm matches the corresponding rate per therm at each Service Location respectively, based upon the total annual volumes delivered for each MDWSD Account, and which may require a refund to or a supplemental payment from Customer based upon actual volumes taken by Customer at each Service Location and the take or pay minimum annual volumes agreed to herein.

iii. The take or pay minimum volumes for the Service Locations shall be the lowest volume in the Tier I range as set forth in Attachment B.

#### b. Maximum Volumes of Gas.

- During the Term of this Agreement, Company and Customer agree that the maximum annual contract quantities of gas ("MACQ") that the Company is obligated to deliver to the Service Locations per year shall be the volumes set forth in Attachment C.
- ii. Company may, from time to time, make deliveries to Customer in excess of the MACQs at the rates set forth in Attachment B. However, if Customer desires to increase the MACQ for any facility, Customer will provide Company with a written request. Within ninety (90) days from receipt of such request, Company shall provide Customer with proposed terms and conditions under which Company will be willing to increase MACQ. Such terms shall include, but not be limited to, Customer's willingness to pay, if necessary, an appropriate contribution to the cost of construction of additional facilities necessary.
- iii. The maximum daily contract quantity of gas ("MDCQ") Customer may have delivered to Company at the Points of Receipt, in the aggregate, for transportation by Company hereunder shall be the volumes set forth in Attachment C. During the Term of this Agreement, Customer may increase the MDCQ and/or the maximum deliveries designated herein for each Point of Receipt only with the prior consent of Company, and only upon such prior notice as Company may require under the circumstances.
- c. Full Requirements. It is understood and agreed that Company's rendering of gas transportation service under the terms and conditions of this Agreement is in consideration of Customer's agreement to utilize exclusively such services for natural gas consumed at Customer's Orr Plant and Hialeah Plant, from the Effective Date hereof and during the Term of this Agreement and any renewals thereof. Accordingly, Customer agrees that Customer will not, for the Term of this

Agreement, and any renewals thereof, displace any service provided under this Agreement with service from any third party or any alternative fuel source unless the Company is unable to meet Customer's full requirements.

- 8. Measurement. Company agrees to install and maintain facilities necessary to deliver and accurately measure the gas delivered to Customer at the Service Locations. All charges billed to Customer's MDWSD Accounts hereunder shall be based on the measurements made at the Service Locations. Measurement shall include temperature-correcting devices installed and maintained by Company to ensure proper billing of gas, corrected to 60 degrees Fahrenheit, at no cost to Customer. Customer may, with the prior written consent of Company, which shall not be unreasonably withheld, and at no cost to Company, install check-measuring devices at the Service Locations.
- 9. Interruption and Curtailment. In addition to the interruption and curtailment terms in the Rules and Regulations of the Company's Tariff, as may be amended from time-to-time, or the Company's Curtailment Plan, as provided in Attachment D, the Company shall have the right to reduce or to completely curtail deliveries to Customer under this Agreement for any of the following reasons:
  - a. If in the Company's opinion, Customer will overrun the volume of gas to which it
    is entitled from its supplier (or overrun the volume of gas being delivered to
    Company for Customer's account);
  - b. In the event Company is notified by its supplier or pipeline transporter to interrupt or curtail deliveries to Customer, or deliveries of gas for uses of the same type or category as Customer's use of gas hereunder; or
  - When necessary to maintain the operational reliability or safety of Company's system.

In the event service to Customer is interrupted or curtailed by Company for any of the foregoing reasons, the Company shall (1) notify Customer of such interruption or curtailment as soon as operationally practical and (2) modify the minimum annual volumes required to be taken by Customer under this Agreement for the applicable Contract Year to reflect such interruption or curtailment.

- 10. <u>Termination.</u> This Agreement shall remain in effect for the period defined in the Term above. This Agreement may be terminated in the following manners:
  - a. Modification of Rate Schedule. In the event that any provision of any applicable rate schedule(s) is amended or modified by the Commission in a manner that is

material and adverse to one of the Parties, that Party shall be entitled to terminate this Agreement, by written notice to the other Party tendered no later than sixty (60) days after such amendment or modification becomes final and non-appealable.

- b. Regulatory Review. In the event of a determination by the Commission that entering into this Agreement was not prudent, this Agreement shall be considered terminated immediately upon such finding.
- c. Inaccurate or Misleading Information. For the purposes of this Agreement, in the event that it is determined that Customer has provided inaccurate or misleading information to Company, which Company relied upon in entering into this Agreement, this Agreement shall be considered terminated immediately upon such a determination by Company, and within thirty (30) days Customer shall remit to the Company the full amount of any discount already provided to the Customer below what the Customer would have otherwise paid under the applicable rate schedule of Company's Tariff on file with the Commission.
- d. Effect of Termination. In the event this Agreement is terminated for any of the reasons provided above, Customer shall have the option to (i) discontinue service subject to the terms and conditions of this Agreement or (ii) continue to receive natural gas service from Company at the Service Locations at the rates and terms set forth in the applicable Rate Schedules of the Company's Tariff in effect at that time for all natural gas service provided to Customer after the date of termination unless and until a subsequent contract has been approved by the Commission and executed by the Parties.
- 11. Incorporation of Tariff. Except to the extent modified herein, the Parties expressly agree that services to be provided under this Agreement shall be subject to all the Rules and Regulations set forth in the Company's Tariff on file with the Commission, as may be amended from time-to-time. References herein to certain portions of such Tariff, as they now exist, shall not be construed as exclusive, and all other portions in effect or modified from time-to-time shall apply as fully as though they had been incorporated herein. In the event of any conflict between this Agreement and such Tariff or Rules and Regulations (other than as set out in the LES Tariff), the terms and conditions of this Agreement shall control.
- 12. Entire Agreement. This Agreement, together with any attachments hereto and the Company's Tariff, constitutes the entire agreement between the Parties concerning the subject matter hereof and supersedes all prior and contemporaneous agreements, representations, warranties, and understandings of the Parties with respect thereto, whether oral, written, or implied. This Agreement, when duly executed, constitutes the only agreement between the Parties relative to the matter herein described.

- Modifications. No amendment or modification to this Agreement shall be effective unless
  mutually agreed to in writing, which agreement shall not be unreasonably withheld.
- 14. <u>Assignment.</u> This Agreement has been entered into for the sole benefit of the Parties. It is not intended to benefit, or create any rights whatsoever in favor of, any persons other than the Parties hereto. No assignment of this Agreement by Customer shall be effective unless prior written approval shall have been granted by Company.
- 15. <u>Notice.</u> All notices required under this Agreement shall be deemed given when sent by overnight courier or registered or certified mail, or when sent by telecopy, telegraph or other graphic, electronic means and confirmed by overnight courier or registered or certified mail addressed as follows:

If to Company: Florida City Gas

561 NW Mercantile Pl Port Saint Lucie, FL 34986 Email: FSmalley@chpk.com Attention: Forrest Smalley, Director

With Copy to: Florida City Gas

500 Energy Lane

Suite 100 Dover, DE 19904

Email: SBreakie@chpk.com

Attention: Shane Breakie, Vice President

If to Customer: Mianti-Dade County, Water and Sewer Department

6800 SW 87 Ave Miami, FL 33173

Email: Samuel.carballo@miamidadc.gov Attention: Samuel Carballo, Division Director

With Copy to: Miami-Dade County, Water and Sewer Department

6800 SW 87 Ave Miami, FL 33173

Email: Yuksenin alba@miamidade.gov Attention: Yuksenin Alba, Accountant 2

Either party shall have the right to change the address or name of the person to whom such notices are to be delivered by notice to the other party.

- 16. <u>Law and Venue.</u> This Agreement shall be governed in all respects by and construed in accordance with the laws of the State of Florida without regard to conflicts of law provisions. Any litigation between the Parties shall be conducted in the state or federal courts of Miami-Dade County, Florida.
- Headings. The headings in this Agreement are provided for convenience of reference only and shall not affect the construction of the text of this Agreement.
- 18. Non-Waiver. No waiver of any provision of this Agreement shall be deemed to be nor shall constitute a waiver of any other provision whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.
- Severability. If any provision of this Agreement shall be held or deemed to be invalid, inoperative, or unenforceable, such circumstances shall not affect the validity of any other provision of this Agreement.
- Survival. The obligations of the Parties hereunder which by their nature survive the termination of this Agreement shall survive and inure to the benefit of the Parties.
- 21. <u>Counterparts.</u> This Agreement may be signed in counterparts, each of which may be deemed an original and all of which together constitute one and the same agreement.
- 22. <u>Authorization and Binding Obligations</u>. Each Party hereto represents to the other Party that the execution, delivery, and performance of this Agreement have been duly authorized, and this Agreement has been duly executed and delivered by the signatory so authorized, and the obligations contained herein constitute the valid and binding obligations of such Party.
- 23. Public Records and Contracts for Services Performed on Behalf of Mjami-Dade County. The Company shall comply with the Public Records Laws of the State of Florida, including by not limited to, (1) keeping and maintaining all public records that ordinarily and necessarily would be required by the County in order to perform the service; (2) providing the public with access to public records on the same terms and conditions that the County would provide the records and at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law; (3) ensuring that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law; and (4) meeting all requirements for retaining public records and transferring, at no cost, to the County all public records in possession of the Company upon termination of the contract and destroying any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements upon such transfer. In addition, all records stored electronically must be provided to the County in a format that

is compatible with the information technology systems of the County. Failure to meet any of these provisions or to comply with Florida's public records laws as applicable shall be a material breach of this Agreement and shall be enforced in accordance with the terms and conditions of the Agreement.

a. Identification of Confidential Information. Notwithstanding the foregoing, Company acknowledges that Customer is a governmental entity subject to the Public Records Laws of the State of Florida and any record or written communication received by Customer, as such receipt is defined by Florida law, is subject to the Public Records Laws and shall be disclosed if requested unless the record or document meets an exception of the Public Records Law, Chapter 119, Florida Statutes. Therefore, when submitting Confidential Information to the County, Company shall identify and conspicuously mark any information that Company deems to be exempt from the Public Records Law. Company's failure to mark such information as provided in this paragraph shall constitute a waiver of Company's right to later claim such unmarked information as exempt from the Public Records Laws and shall void any Customer obligations under this Agreement regarding disclosure of such unmarked information in response to a public records request. If Customer receives a public records request sceking in any way information that Company has labeled exempt under this Agreement, Customer shall promptly provide written notice to Company of the public records request, and Company shall provide a written response confirming the exempt nature of such information or records within 5 business days of notice from the Customer of the public records request. Upon receipt of such assertion of exemption, Customer shall assert the trade secret exemption on Company's behalf and will not produce the information and/or records that are covered by that assertion. If Company fails to provide written confirmation of the assertion of exemption within the timeframes provided herein. Customer may respond to the public records request as if no exemption has been asserted. For the avoidance of doubt, Customer acknowledges and agrees that it will keep confidential information communicated verbally.

IF THE COMPANY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE COMPANY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (305) 375-5773, ISD-VSS@MIAMIDADE.GOV, 111 NW 1st STREET, SUITE 1300, MIAMI, FLORIDA 33128.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement by their duly authorized officers on the date first written above.

4					
ATTEST:	·				
Juan Fernandez-Barquin, Clerk of the Court and Comptroller	MIAMI-DADE COUNTY, a political subdivision of the State of Florida				
By: Olga Kalvende  Lipputy Clerk	County Mayor				
Olga Valverde - e18183 03/20/2025	200				
Print Name Date					
Pivotal Utility Holdings, Inc. d/b/a F	lorida Gas Company (Corporate Scal)				
By:	Ву:				
By: Signature	By:Signature				
Sec	retary President				
Print Name	rctary, President Print Name				
or! online notarization, this President, and	acknowledged before me by means of it physical presence day of, 20, by, a s Secretary,, a, on behalf of the cnown to me or has produced (type of identification) as				
[Notary Seal]	[Notary Seal] (Signature of person taking acknowledgment)				
	(Name typed, printed or stamped)				
	(Serial number, if any)				
Approved for Legal Sufficiency:					
Short Equipment Flower Filmia Assistant County Attorney	รั				

# LOAD ENHANCEMENT SERVICE AGREEMENT <u>ATTACHMENT A</u>

## LES Tariff Pages

Florida City Gas FPSC Natural Gas Tariff Volume No. 10

First Revised Sheet No. 67 Cancels Original Sheet No. 57

# LOAD ENHANCEMENT SERVICE (LES)

#### **QBJECTIVE**

The objective of this Rate Schedule is to enable the Company to retain or obtain significant load on its system by providing the Company with the flexibility to negotiate individual service agreements with non-Residential Customers taking into account competitive and economic market conditions and overall system benefits.

## APPLICABILITY

This sales or transportation service is available at the Company's sole discretion to Customer's which meet the applicability standards, including (1) an existing commercial customer receiving service under contract or any new or existing customer that would otherwise qualify for service under Rate Schedules KOS, TSS, OSS, GS-120K, GS-1,250K, GS-11M or GS-25M; (2) the Customer must provide the Company verifiable documentation of either a viable alternative fuel or of a Customer's opportunity to economically bypass the Company's system; (3) the Company must demonstrate that the Customer served under this Rate Schedule will not couse any additional cost to the Company's other rate classes, including, at a minimum, that the rate shall not be set lower than the incremental cost plus same additional amount as reasonable ratum on investment and; (4) the Customer and the Company must enter into a service agreement under this Rate Schedule, As used herein incremental cost shall include operations and maintenance, the depreciation expense for facilities used to provide service to the Customer, the ratum on the facilities computed at the rate of ratum approved in the Company's must recent rate cease, and associated taxes.

# SERVICE AGREEMENT OBLIGATIONS

Terms of service including operating conditions and, if applicable, a capital repayment mechanism acceptable to Company, which may include, but shall not be limited to, a minimum monthly or annual bill, will be set forth in individual service agreements between the Company and the Customer. Absent a service agreement with Company under this Rate Schedule, Company has no obligation to provide, and the Customer shall have no right to receive, service under this Rate Schedule, and Customer may request service under other applicable Rate

Any service agreement under LES shall be subject to approval by the Florida Public Service Commission (FPSC) before any contract rate is implemented and the agreement can be executed by the parties.

# GAS SUPPLY OBLIGATION

The Company shall have no obligation to provide gas supplies to Transportation Customers under this Rate Schedule.

# LOAD ENFIANCEMENT SERVICE (LES) (Continued)

#### MONTHLY RATE

- 1. The Distribution Charge shall be an amount negotiated between Company and Customer, but the rate shall not be set lower than the incremental cost plus some additional amount as a reasonable return on investment the Company incurs to serve the Customer. The distribution charge also shall include any capitel recovery mechanism. The distribution charge shall be determined by the Company based on Company's evaluation of competitive and overall economic merket conditions and the apportunity for the Company to expand its system into areas not served with gas as applicable. Such evaluation may include, but is not necessarily limited to: the cost of gas which is available to serve Customer, the delivered price and availability of Customer's alternate fuel or energy source; the nature of the Customer's operations (such as load factor, fuel efficiency, alternate fuel capacity, etc.); and the opportunity to extend gas service to areas not supplied with gas. As used herein incremental cost shall include operations and maintenance, the depreciation expense for facilities used to provide service to the Customer, the return on the locitities computed at the rate of return approved in the Company's most recent rate case, and associated taxos.
- The Commodity Charge shall be the rate per therm for gas used computed to be the incremental cost of purchasing or producing gas, if taking supply from the Company.
- The Company may permit the Customer to combine the accounting for the gas load delivered to multiple meters serving the same premise for this service.

#### INTERRUPTION AND CURTAILMENT

In addition to the interruption and curtailment terms in the Rules and Regulations or the Company's Curtailment Ptan, the Company shall have the right to curtail delivertes to Customer pursuant to this Rate Schedule:

- If in the Company's opinion, Customer will overrun the volume of gas to which it is entitled from its aupplier (or overrun the volume of gas being delivered to Company for Customer's account); or
- In the event Company is notified by its supplier or pipeline transporter to interrupt or curtail deliveries to Customer, or deliveries of gas for uses of the same type or category as Customer's use of gas hereunder; or
  - 3. When necessary to maintain the operational reliability of Company's system.

## CONFIDENTIALITY

The Company and Customer each regard the terms and conditions of the negotiated service agreement as confidential, proprietary business information.

The Company and Customer will utilize all reasonable and available measures to guard the confidentiality of said information, subject to the requirements of courts and agencies having lurisdiction hereof.

#### LOAD ENHANCEMENT SERVICE (LES) (Confinued)

#### SPECIAL CONDITIONS

- 1. Service under this Rate Schedule shall be subject to the Rules and Regulations set forth in the tariff, except to the extent modified under this Rate Schedule and I or in a service agreement but such modification or exemption shall not apply to the minimum perquisite requirements set forth in the Applicability section of this Rate Schedule.
- 2. Term of Agreement: If the provision of service hereunder requires the installation of gas equipment at Customer's facility, Company and Customer may enter into an agreement as to the terms and conditions reparding the reimbursement of costs relating to such equipment. The initial term of the service agreement shall, at a minimum, be equal to the period of cost reimbursement. The rates established in the Monthly Rates section may be adjusted to provide for such cost reimbursement to the Company including carrying costs.
- 3. No later than 180 days prior to the expiration of this special contract, a Customer served under an LES contract may request a new contract under the terms and conditions of this tariff provision. If an agreement is not reached by the end of the term, the agreement will convert to the applicable General Services tariff (based on volume) until a new contract has been approved by the FPSC and executed by the parties.
- Automatic Meter Reading (AMR) equipment capable of providing daily readings is required for Customers served under this Rate Schedule. See the Rules and Regulations for Metering for terms and conditions retailed to AMR's.
- 5. When entering into a service agreement with a Customer under this Rate Schedule, Company will take reasonable steps to mitigate the potential of any revenue shortfalls between the revenues received under a service agreement and the total cost and expenses retailing to the associated capital investment made by the Company, including minimum annual requirement.
- The difference includes the otherwise applicable tariff rate and the approved contract rate under this Rate Schedule may be subject to recovery through Rider "C", Competitive Rate Adjustment ("CRA").

# LOAD ENHANCEMENT SERVICE AGREEMENT ATTACHMENT B

#### Tiered Rates

Plant	Orr (combined)		Hialeah	
Volume / Rate	Volume	Rate	Volume	Rate
Tier 1	million* to less than million therms	(2/10/10)	less than million to million therms	(255)
Tier 2	therms to million million therms	(23322)	million therms to	(RASSA)
Tier 3	million therms and higher		million therms and higher	(tusa)

## Notes:

- 1. \*Minimum annual contract volume.
- 2. Annual CPI Adjustment: The rates by location and tier shall be increased by a minimum of 0.75% or by the result of the increase, if any, to the United States Bureau of Labor Statistics Consumer Price Index for All Urban Consumers ("CPI-U"), whichever is greater. The tier rates will be re-calculated annually, to be effective for the period of January through December of each year beginning the year after the first year of the agreement term. The Company shall endeavor to provide Miami Dade Water and Sewer written documentation 30 days in advance of any Consumer Price Index (CPI-U) increase over the annual minimum increase applied to the tiered rates.
- 3. Deposits:
  - a. Alexander Orr -
  - b. Alexander Orr Jr -
  - c. Hialeah -



# LOAD ENHANCEMENT SERVICE AGREEMENT ATTACHMENT C

# Minimum Annual Volume

Alexander Orr Water Treatment Plant (Combined) minimum annual volume	therms
Hialeah Lime Recalcination Facility minimum annual volume	therms
Maximum Annual Contract Quantity (MACO)	
Alexander Orr Water Treatment Plant (Combined) MACQ	therms
Hialeah Lime Recalcination Facility MACQ	therms
Maximum Daily Contract Quantity (MDCQ)	
Alexander Orr Water Treatment Plant (Combined) MDCQ	therms
Hialeah Lime Recalcination Facility MDCQ	therms

I

# ATTACHMENT D

Florida City Gas FPSC Natural Gas Tariff Volume No. 10

Original Sheet No. 25

## RULES AND REGULATIONS (Continued)

## 17. GAS CURTAILMENT PLAN

During periods of supply shortages, operational constraints or Force Majeure events the Company may implement the terms of its Gas Curtailment Plan. The purpose of this plan is to preserve the ability to continue to provide essential gas services to the broadest base of Customers given limited gas supply and/or delivery capacity. Any Unauthorized Gas Use will be governed by the terms stated in the Unauthorized Gas Use section of this tariff. If a Customer notifies the Company that they have a medical necessity requiring gas use the Company will endeavor to provide adequate notice of any curtailments.

#### 18. UNAUTHORIZED GAS USE

Unauthorized Gas Use includes, but is not limited to, any volume of gas taken by Customer in excess of its Demand Charge Quantity requirement as set forth in its Service Agreement with Company or the quantity of gas allowed by the Company on any day as a result of a curtailment or interruption notice issued by the Company in accordance with its tariff and/or by the Florida Public Service Commission of the State of Florida or any other governmental agency having jurisdiction. A "day" shall be a period of twenty-four (24) consecutive hours, beginning as near as practical to 8 a.m., or as otherwise agreed upon by Customer and Company.

The Company reserves the right to physically curtail the gas service to any Customer if, in the Company's sole judgement, such action is necessary to protect the operation of its system.

If a Customer uses gas after having been notified that gas is not available or, if applicable, uses gas in excess of the Demand Charge Quantity or requirements as established in the Service Agreement, then Unauthorized Gas Use charges shall apply to those amounts. Furthermore, if a Third Party Supplier (TPS) fails to deliver gas in the quantities and or imbalance ranges specified in the TPS Rate Schedule, then Unauthorized Gas Use charges shall apply to the TPS.

All Unauthorized Gas Use charges shall be bitled at the higher of \$2.50 per therm or a rate equal to ten times the highest price, for each day, for gas delivered to Florida Gas Transmission at St. Helena Parish, as reported in Platts Gas Daily plus Florida Gas Transmission Company's transportation cost and fuel, if applicable. However, this rate shall not be lower than the maximum penalty charge for unauthorized daily overruns as provided for in the Federal Energy Regulatory Commission approved gas tariffs of the interstate pipelines which deliver gas into Florida. This charge is in addition to all applicable taxes, charges and assessments of the applicable Rate Schedule.

Nothing herein shalf be construed to prevent the Company from taking all lawful steps to stop the unauthorized use of gas by Customer, including disconnecting Customers service. Such payment for unauthorized use of gas shall not be deemed as giving Customer or TPS any rights to use such gas.

Issued by: Carolyn Bermudez Vice President, Florida City Gas Fffective: August 14, 2014

## FLORIDA CITY GAS GAS CURTAILMENT PLAN AUGUST 2018

# A. Purpose

The purpose of this Gas Curtailment Plan is to maintain the Company's ability to provide Essential Gas Service, as defined below, to the broadest base of qualifying customers given limited gas supply and/or delivery capacity for as long as practicable. In the event of a conflict between this Gas Curtailment Plan and the Company's tariff, the tariff shall control.

#### B. Definition of Essential Gas Service

Essential Gas Service is defined as gas service to individual residential dwellings, multi-family dwellings, hotels, dormitories, schools, hospitals, day care centers, nursing homes, correctional facilities, where gas is predominantly used for residential purposes. Essential Gas Service shall also include service to public service facilities such as police, fire, emergency medical facilities, and sanitation and sewerage treatment plants. Essential Gas Service shall not include service to facilities, including those described in the previous sentence that have instalted alternate fuel equipment.

# C. Actions Required Before Implementation of this Gas Curtailment Plan

This Gas Curtailment Plan will be implemented only after the Company has:

- Interrupted Off-System Sales Service ("OSS") service that would assist the Company's ability to meet demand for gas on its distribution system,
- 2. Interrupted Transportation Supply Service ("TSS"),
- 3. Interrupted customers with Alternate Fuel Service ("AFD") discount,
- 4. Interrupted Contract Demand Service ("KDS")
- 5. Interrupted Flexible Gas Service ("FGS"),

Nothing in this Gas Curtallment Plan shall inhibit the Company from managing and scheduling interruptions in the services listed above in a manner that it determines is appropriate to meet the conditions on its system. However, the Gas Curtailment Plan Action Steps below will not go into effect until such time as all options available above have been exercised,

## FLORIDA CITY GAS GAS CURTAILMENT PLAN AUGUST 2018

## D. Curtailment Plan Action Steps

To the extent practicable in Company's sole judgment, the following steps will be implemented by the Company in the order of priority set forth below.

- 1. The Company shall seek supplies from pipelines, suppliers and other gas companies.
- 2. The Company may request all transportation customers and their Third Party Supplier ("TPS") to maximize deliveries of gas into the Company's system and request excess deliveries be made available to the Company at a compensation price and in quantities agreed to by the parties in accordance with the terms of the Excess Deliveries Agreement which is attached here to as Appendix A.
- The Company shall appeal to firm large industrial and commercial customers to voluntarily reduce gas consumption.
- 4. The Company shall appeal to its general population of customers to reduce gas consumption by reducing non-essential uses of gas, i.e., gas lights, clothes drying.
- 5. The Company shall declare the existence of a gas curtallment emergency on its system, which shall constitute a Force Majeure condition, and notify the Florida Public Service Commission and other appropriate state agencies and implement its Contingency Operating Plan.
- 6. The Company, having declared an event of Force Majeure and to the extent it is operationally feasible, shall begin curtailing individual customers in the following Service Class order, excluding those receiving Essential Gas Service, in order to protect the operational integrity of sections of its distribution system:

Gas Light Service ("GLS"), Natural Gas Vehicle ("NGV"), Followed by the General Service ("GS") classes: GS-25M, GS-11M, GS-1,250k, GS120k, GS-60k, GS-20k, GS-6k, GS-1.2k, GS-600, GS-220 and finally GS-1 customers.

## FLORIDA CITY GAS GAS CURTAILMENT PLAN AUGUST 2018

# D. Curtailment Plan Action Steps - continued

9. The Company shall systematically curtall customers receiving Essential Gas Service employing this Gas Curtailment Plan. However, in accordance with the terms of Section 15. E "Gas Supply Obligation" of the Company's tariff, in the event that a TPS fails to deliver gas on behalf of its customers, the Company may, in its sole discretion, provide replacement gas supplies. The Company shall have no obligation to provide natural gas supplies to customers that contract for gas supply from a TPS. In the event that a customer seeks to purchase natural gas supplies from the Company, such sales may be made by the Company in its sole discretion under such terms and conditions as the Company may require.

## E. Appropriation of Transportation Supplies

In the event of a natural gas supply and/or shortage, the TPS and/or transportation customers shall agree to make its natural gas supply available to the Company for Company's use during the period of such shortage. Following the period of such shortage, the Company shall replace customer's gas in kind with a like amount of gas which shall be redelivered to the Customer as follows:

- (1) as the first gas through the customer's meter(s) immediately following the period of shortage until all volumes have been redelivered, or,
- (2) at customer's election, as a portion of the total quantities delivered to the customer over a redelivery period beginning in the next billing month Immediately following the shortage period, and continuing in each successive billing month until all volumes have been redelivered by the Company to the customer. Such redelivery period shall not exceed three months unless requested by the customer and agreed to by the Company.

Company will endeavor to give as much notice as possible to customer in the event of interruption or curtailment. Any gas taken by customer in excess of the quantity affocated to the customer in an interruption or curtailment order shall be considered to be unauthorized overrun gas. Company may bill and customer shall pay for such unauthorized overrun gas at the Unauthorized Gas Use charge per the Company's tariff.

# F. Llability Exclusion

The Company shall not be liable for any damages, toss of product or other business losses suffered by customers as a result of curtailed gas service.