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July 28, 2026

VIA: ELECTRONIC FILING

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

Re: Docket No. 20260088 Petition for Approval of a Firm Service Agreement with Peoples Gas System, Inc. by SeaCoast Gas Transmission, LLC.

Dear Mr. Teitzman:

Attached for filing in the above-styled matter is SeaCoast Gas Transmission, LLC's response to Staff's Second Data Request (Nos. 1-3), propounded via electronic mail on July 8, 2026.

Thank you for your assistance in connection with this matter.

Sincerely,

Virginia L. Ponder

VLP/dk
Attachment
cc: Suzanne Brownless

1. Refer to paragraph 7 of the Petition.

a. What specific pressure thresholds define the measurable pressure degradation currently experienced in the southern segments of the Lee and Collier County distribution systems during peak high-demand periods?

b. Define or describe the capacity constraints on the system.

c. What is the current operating pressure at the existing Florida Gas Transmission (FGT) single gate station?

d. Provide the current and projected peak day demand models over the next 5 years that demonstrate why a capacity increase of nearly 50 percent is required for the current customer base.

ANSWER:

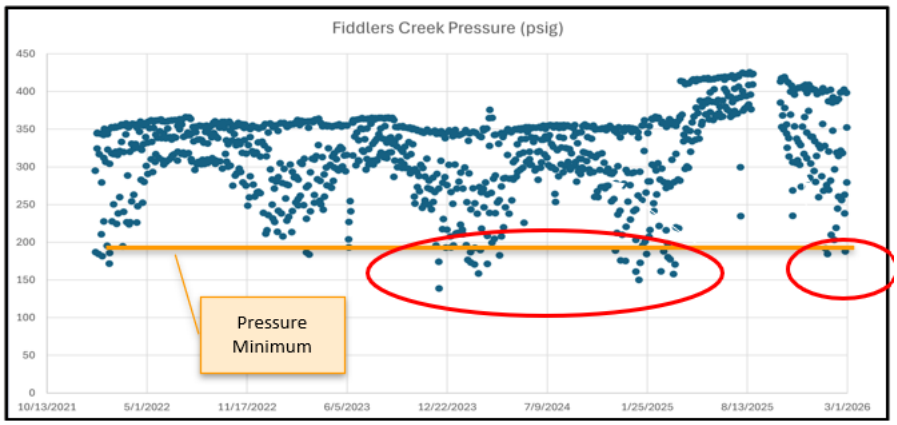
a. The SW Florida system normally operates at approximately 410 pounds per square inch gauge ("psig"). During periods of peak demand, system pressure declines below 205 psig or to approximately 50 percent of normal operating pressure ("NOP"). The resulting loss of capacity becomes a material operational and engineering concern. PGS has begun to experience these conditions during peak-demand periods, which increases operational challenges, accelerates capacity loss, and elevates the risk of service interruptions to existing and future customers. The proposed high-pressure intrastate pipeline extension into the southern portion of the system is designed to alleviate these constraints by maintaining higher system pressures, improving deliverability, and enhancing overall system reliability.

b. The capacity constraints currently affecting the SW Florida system are attributable to substantial customer growth, increasing peak-day demand, and the requirements of backup generator customers served by the system. The SW Florida region has experienced unprecedented growth in both customer count and natural gas consumption in recent years, resulting in increasing utilization of existing infrastructure.

Furthermore, the system is presently supplied through a single gate station and a single transmission pipeline. This configuration presents inherent operational, reliability, and safety risks due to the lack of supply redundancy.

The addition of a new gate station and associated infrastructure will improve system resiliency, provide a redundant source of supply, reduce the potential impacts of a supply interruption, and support the continued reliable delivery of natural gas service to customers in Southwest Florida.

The chart below demonstrates that at times demand exceeds the system's designed maximum capacity, while system pressure declines below minimum operating thresholds during peak-demand conditions.



c. The current operating pressure at the existing FGT single gate station is 1,100 psig, and PGS regulates it to 410 psig. However, this number has no bearing on the PGS system, as we must still regulate the Maximum Allowable Operating Pressure ("MAOP").

d. PGS does not maintain five-day detailed peak demand models. However, PGS evaluated system performance using observed peak-demand conditions, pressure degradation, customer growth forecasts, backup generator load requirements, and engineering analysis of system deliverability. That analysis shows the existing configuration is already experiencing material pressure degradation during peak periods and lacks sufficient capacity and supply redundancy to reliably serve the current customer base under peak-day conditions. The proposed capacity increase is therefore driven not solely by forecasted customer growth, but by the need to restore operating margin, maintain adequate pressure at the southern end of the system, and provide a redundant high-pressure supply source.

Both Residential and Small Commercial customer forecasts are developed using regression-based customer models. The models relate historical customer counts to Woods & Poole regional household (Residential) and

employment (Small Commercial) projections and are used in providing guidance on expected customer trend forecasts. These analyses indicate Residential customers are projected to grow at an annual rate of nearly 7 percent, while Small Commercial customers are projected to grow at an annual rate exceeding 3 percent over the next five years.

The SW Florida Project will provide PGS with alternative access to FGT's system. This additional access point and pipeline will allow high-pressure natural gas to be delivered to parts of PGS' distribution system farther from the FGT transmission line, thereby improving system resiliency. Load growth has, in some instances, led to measurable pressure degradation and capacity constraints, particularly in the southern segments of the system. During high-demand periods, pressure declines rapidly and nonlinearly, which further reduces system capacity. These conditions create operational challenges, accelerating capacity loss and increasing the risk of service interruptions. Construction of a high-pressure intrastate pipeline farther south within the system will address these issues.

2. Refer to paragraphs 8 and 9 of the Petition.

a. What are the technical specifications and design pressure ratings for each of the three proposed interconnections, including the FGT/SeaCoast interconnect south of the Caloosahatchee River and the two SeaCoast/People Gas System, Inc. (PGS) interconnects?

b. How will the system be monitored to prevent operational imbalances between the FGT interstate system and the SeaCoast/PGS intrastate systems?

ANSWER:

a. The technical specifications and design pressure ratings for each of the three proposed interconnections are currently unknown as final design is still underway. The proposed SW Florida Project consists of three interconnections that function as elements of a single, integrated solution. While engineering and design activities are ongoing, each component is being developed with consideration for the operational requirements, expected growth on the system and interactions with other project components. As part of the design, the Seacoast facilities will be required to accommodate the pressure supplied by FGT at the interconnection point and reduce it as necessary to meet the MAOP of the PGS system.

b. PGS and SeaCoast will manage operational balancing through established gas control practices and applicable interconnection and operating agreements. Both companies maintain staffed gas control functions responsible for monitoring system pressures and flows on a continuous basis. The PGS gas supply team monitors imbalances on FGT at the interconnection point and nominates gas to help ensure that interstate deliveries from FGT and intrastate deliveries within the SeaCoast and PGS systems remain operationally balanced and reliable.

3. Refer to paragraph 12 of the Petition. Identify each competitive option evaluated by PGS, including the name of the entity or pipeline provider that submitted the option, proposal, or bid.

a. For each option identified, state the specific proposed transportation rates, reservation charges, usage charges, and fuel retainage percentages offered to PGS.

b. State the explicit economic, geographic, or operational metrics used by PGS to determine that the SeaCoast Southwest (SW) Florida Project was more cost-effective or reliable than the alternative options evaluated.

c. Provide details of the routing evaluation utilized to choose the alignment from the Caloosahatchee River to Corkscrew Road and State Road 41. As part of your response, state whether it utilizes or parallels existing public rights-of-way or utility corridors.

d. Are there any known geographical engineering challenges regarding the crossing of the Caloosahatchee River or surrounding protected wetlands along the pipeline corridor?

e. What specific engineering alternative solutions were evaluated by PGS to resolve the pressure challenges before selecting the SW Florida Project?

f. Why was an expansion of the existing single gate station or looping existing lines deemed technically unfeasible compared to building the SW Florida Project?

g. Please provide all documents, communications, spreadsheets, memos, and internal evaluations concerning the other competitive options referenced in paragraph 12 of the petition, including but not limited to:

i. Copies of all requests for proposals, bids, alternative rate sheets, tariffs, and contract offers received by PGS from third-party natural gas transmission companies or alternative service providers for the SW Florida region.

ii. All financial modeling, cost-benefit analyses, and price-comparison spreadsheets generated by or for PGS comparing third-party alternative rates against the proposed SeaCoast negotiated rate.

ANSWER:

PGS used a two-step process to address its pressure and capacity issues in SW Florida. First, it evaluated possible engineering solutions and identified building the proposed pipeline addition as the best option to achieve timely, long-term improvements in system supply, reliability, and cost-effectiveness. The proposed new access point and pipeline will allow high-pressure natural gas to be delivered to parts of PGS' distribution system farther from the FGT transmission line, thereby improving system resiliency.

Second, PGS received indicative pricing from FGT, determined that Seacoast could provide a more cost-effective solution, and selected Seacoast to design, build, and operate the pipeline addition. Seacoast is designing the project and will competitively procure the material and services needed to construct the new facility. Seacoast will provide the best option to achieve long-term system supply, reliability, pressure support, and cost-effectiveness for customers in Lee and Collier Counties.

a. The company only received indicative pricing from FGT, as explained above. Accordingly, the company does not have the specific information requested.

b. The determination that the SeaCoast Southwest (SW) Florida Project represented a more cost-effective and reliable solution was based on a combination of economic, geographic, and operational considerations rather than a single quantitative metric. Economic considerations included whether each alternative would meet the project's core objectives in a cost-effective and timely manner, including: providing a second, physically independent source of natural gas supply into the Fort Myers market area; improving reliability and resiliency by reducing reliance on the existing single delivery path; supporting existing and projected peak-day demand; maintaining adequate pressure at the southern end of the system; and achieving an in-service date that would address the identified reliability need. Operational considerations included evaluating additional compression, pipeline looping/expansion, and other system reinforcement options. Key factors included: (1) the ability to provide a physically independent second source of natural gas supply into the Fort Myers market area, thereby reducing reliance on a single delivery path; (2) improved system reliability and resiliency during maintenance activities, operational disruptions, or upstream outages; (3) enhanced operational flexibility to meet existing and projected

customer demand; and (4) the overall cost of achieving these reliability and diversification objectives when compared to the alternatives considered.

c. The routing evaluation used by SeaCoast to choose the alignment from FGT south of the Caloosahatchee River to Corkscrew Road and State Road 41 considered alternatives, a variety of engineering, environmental, constructability, land-use, community, safety, and cost factors. A primary objective of the evaluation was to identify a route that would minimize impacts on customers, property owners, and the communities in which the facilities will be constructed.

   As part of the evaluation process, SeaCoast prioritized the use of existing utility corridors and rights-of-way wherever practicable. Utilizing existing utility corridors reduces the need to acquire new right-of-way, limits impacts to private property owners, and minimizes disruption to surrounding communities. The routing evaluation also considered opportunities to co-locate facilities with existing infrastructure to reduce environmental disturbance and avoid creating new utility corridors.

   Additional factors considered during the routing evaluation included constructability, access for operations and maintenance, environmental and wetland impacts, permitting considerations, population density, existing and planned development, and overall system reliability. By following existing utility corridors to the greatest extent feasible, SeaCoast identified a route that minimizes impacts to residential and commercial areas while providing a safe, reliable, and cost-effective means of serving the growing natural gas demand in Southwest Florida.

   Accordingly, the proposed alignment generally utilizes and parallels existing utility corridors and rights-of-way, consistent with SeaCoast's objective of minimizing community impacts, reducing the need for additional land acquisition, and enhancing system reliability for customers in the region.

d. No, there are no known geographical engineering challenges related to the Caloosahatchee River as the proposed SeaCoast pipeline alignment does not cross the Caloosahatchee River. The location of the proposed Florida Gas Transmission (FGT) interconnection was selected, in part, to avoid the need for a Caloosahatchee River crossing and the engineering, environmental, permitting, and construction challenges that such a crossing would present.

There are known geographical engineering challenges related to crossing the Orange River. SeaCoast recognizes that river crossings require careful engineering and environmental considerations to protect water resources and the pipeline's long-term integrity. As a result, the Orange River crossing is currently being designed as a Horizontal Directional Drill (HDD) installation. The HDD method will allow the pipeline to be installed beneath the riverbed, minimizing impacts to surface waters, wetlands, and adjacent natural resources while providing a safe and reliable crossing for long-term operations.

SeaCoast will obtain all required federal, state, and local permits associated with the Orange River crossing prior to construction. Detailed engineering, geotechnical investigations, and environmental evaluations are being performed as part of the design process to support the permitting effort and to confirm the suitability of the HDD installation method.

In addition, the proposed route generally uses existing utility corridors where practicable, reducing potential impacts on environmentally sensitive areas and surrounding communities.

e. The company did consider adding compression by installing a compressor station to the systems as an alternative to the SW Florida Project to resolve the pressure challenges. This alternative was not selected due to cost constraints and capacity limitations related to the distribution system's maximum allowable operating pressure (“MAOP”). Additionally, this option would not resolve resiliency, as there is still a single gate station and pipeline serving this area. PGS cannot simply increase pressure in the distribution system to ensure adequate pressure throughout. Doing so would create safety issues and would not meet the pipeline design requirements.

   Another alternative considered was constructing an East-West “tie” - a new section of pipeline - across Corkscrew Boulevard. However, this option did not significantly increase the required capacity because it lacks sufficient pressure to support the system.

   A third alternative considered by PGS was installing a larger-diameter pipeline; however, this also failed to provide a notable increase in capacity due to the backbone system's existing eight-inch pipeline diameter.

FGT provided a proposal to expand its system to meet the project requirements. However, it was not selected because it was not cost-effective relative to the SeaCoast proposal and could not be completed within PGS's required timeframe. Expansions of this size are not the focus of interstate pipeline operators' expansion activities, such as those of FGT. Additionally, for any interstate pipeline Company regulated by the Federal Energy Regulatory Commission (FERC) to build this pipeline, it would first have to obtain a certificate from FERC. This process can increase both the project's costs and the in-service timeline due to FERC review requirements. A project timeline may be significantly extended due to the time required for a project to be deliberated at FERC.

f. An expansion of the existing single gate station or looping existing lines was deemed technically unfeasible compared to building the SW Florida Project because expanding the single-gate system or looping existing lines does not resolve the single point of failure and does not provide the redundancy needed for the SW Florida system. PGS does not believe that solution will push enough gas to the farthest points of the system.

g.

i. Please see attached Bates Pages 19-23 for the confidential indicative pricing communication from FGT.

ii. Please see attached Bates Page 24 for the confidential analysis.

From: Bryant, Mike
To: Rutkin Jr, Lew; Berger, Ryan
Cc: Jackson, Steven A.
Subject: RE: Fort Myers Gate Station Location
Date: Tuesday, March 3, 2026 3:32:35 PM
Attachments: Ft. Myers Gate Station Aerial.pdf
Ft. Myers Gate Station Aerial Zoomed.pdf

Do you agree that the attached represents your proposed meter and route of lateral [redacted]

From: Rutkin Jr, Lew <LRutkin@tecoenergy.com>
Sent: Tuesday, March 3, 2026 1:19 PM
To: Bryant, Mike <Mike.Bryant@energytransfer.com>
Subject: Fort Myers Gate Station Location

Please see below recommended coordinates for Fort Myers Gate Station [redacted]

[redacted]

From: Berger, Ryan
To: Bramley, Karen L.
Subject: Fwd: Ft Myers pipe extension estimate
Date: Friday, July 10, 2026 8:27:07 AM

Ryan A. Berger

Director, Business Development - Intrastate Pipelines
TECO Energy | People's Gas Company, Inc.
Cell: 239.209.4772
Email: rberger@tecoenergy.com

Sent from my iPhone on the go. Please excuse any typos. Have a great day!

Begin forwarded message:

From: "Rutkin Jr, Lew" <LRutkin@tecoenergy.com>
Date: May 21, 2026 at 11:16:59 EDT
To: "Bramley, Karen L." <klbramley@tecoenergy.com>
Cc: "Berger, Ryan" <RBerger@tecoenergy.com>
Subject: FW: Ft Myers pipe extension estimate

From: Bryant, Mike <Mike.Bryant@energytransfer.com>
Sent: Friday, March 27, 2026 4:40 PM
To: Rutkin Jr, Lew <LRutkin@tecoenergy.com>; Berger, Ryan <RBerger@tecoenergy.com>
Cc: Jackson, Steven A. <Steven.Jackson@energytransfer.com>
Subject: Ft Myers pipe extension estimate

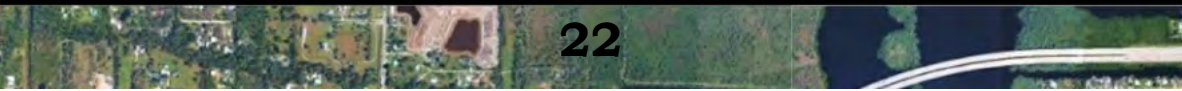
As requested concerning the 8" Ft Myers lateral that extends 25miles south from FPL plant:

1. [redacted]
2. [redacted]

[redacted].

Let us know if you have any questions.

Private and confidential as detailed here. If you cannot access hyperlink, please e-mail sender.



Alternative Analysis

FGT RATE [redacted] RATE [redacted] BEING OFFERED: