



## Florida Gas Transmission Company

An Energy Transfer/Kinder Morgan Affiliate

May 16, 2022

Ms. Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

Re: Florida Gas Transmission Company, LLC  
Docket Nos. RP21-441-000, et al.  
Partial Settlement – RNG Matters

Dear Ms. Bose:

In accordance with the provisions of Rule 602 of the Commission’s Rules of Practice and Procedure, 18 C.F.R. § 385.602 (2022), and the procedures set forth in the Stipulation and Agreement of Settlement (“Settlement”) filed on January 18, 2022, and certified to the Commission by the Presiding Judge on February 18, 2022,<sup>1</sup> Florida Gas Transmission Company, LLC (“Florida Gas”) submits an offer of settlement in connection with the renewable natural gas (“RNG”) issues in the above-referenced proceeding (“Offer of Settlement”). As provided by Rule 602, Florida Gas requests that the Office of the Secretary transmit this filing to presiding Administrative Law Judge Andrew Satten, before whom the above-referenced proceeding is pending.<sup>2</sup>

On November 1, 2021, Florida Gas filed an Unopposed Motion to Suspend Procedural Schedule for a Limited Time and Waive Answer Period. On November 2, 2021 and January 6, 2022, the Chief Administrative Law Judge issued orders suspending the procedural schedule for a limited time and waiving the answer periods. On January 18, 2022, Florida Gas filed the Settlement in the captioned docket on behalf of itself and the parties listed in Appendix A thereto, which resolved all issues except RNG matters and provided procedures for the resolution of RNG matters and the filing of this Offer of Settlement on RNG matters. On February 18, 2022, the Presiding Judge certified the Settlement to the Commission.<sup>3</sup>

Florida Gas was informed by several intervenors in this proceeding that they intend to contest the Offer of Settlement.

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<sup>1</sup> *Florida Gas Trans. Co., LLC*, 178 FERC ¶ 63,013 (2022).

<sup>2</sup> On March 5, 2021, the Chief Administrative Law Judge designated the Honorable Suzanne Krolikowski as the Settlement Judge to conduct settlement negotiations in this proceeding.

<sup>3</sup> *Florida Gas Trans. Co., LLC*, 178 FERC ¶ 63,013 (2022).

### CONTENTS OF SUBMISSION

This submission includes:

- (i) a Stipulation and Agreement of Partial Settlement, including copies of *Pro Forma* tariff records and other appendices; and
- (ii) a separate Explanatory Statement, including responses as required by the Chief Administrative Law Judge's December 15, 2016 Notice.

### SERVICE OF SUBMISSION

A copy of this submission is being served on all participants in the captioned proceeding, Florida Gas' customers and all other persons required to be served by operation of Rule 602(d) of the Commission's Rules of Practice and Procedure.

### NOTICE RESPECTING COMMENTS REGARDING OFFER OF SETTLEMENT

In accordance with the provisions of Rule 602(d)(2), Florida Gas hereby notifies all participants in this proceeding as well as all other persons required by Rule 602(d)(1) that comments on the Offer of Settlement are due to be filed by June 6, 2022, and reply comments are due to be filed by June 15, 2022, unless other dates are provided by the Commission.

Florida Gas specifically directs the attention of persons served with this Offer of Settlement to Section 602(f)(3) of the Commission's Rules of Practice and Procedure which provides that, "Any failure to file a comment constitutes a waiver of all objections to the offer of settlement."

### SERVICE OF COMMENTS AND OTHER MATERIALS

Florida Gas requests that copies of initial comments, reply comments and any other related correspondence or communications be sent to:

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Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
May 16, 2022  
Page 3

Very truly yours,

FLORIDA GAS TRANSMISSION  
COMPANY, LLC

/s/ Michael T. Langston

Michael T. Langston  
Vice President, Chief Regulatory Officer

Enclosures

**FLORIDA GAS TRANSMISSION COMPANY, LLC  
DOCKET NOS. RP21-441-000, et al.  
STIPULATION AND AGREEMENT OF  
PARTIAL SETTLEMENT**

**STIPULATION AND AGREEMENT  
OF PARTIAL SETTLEMENT**

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**Florida Gas Transmission Company, LLC**                    )  
  )   **Docket Nos. RP21-441-000, et al.**  
  )

**STIPULATION AND AGREEMENT OF PARTIAL SETTLEMENT**

Pursuant to Rule 602 of the Federal Energy Regulatory Commission’s (“Commission”) Rules of Practice and Procedure,<sup>1</sup> and the procedures set forth in the Stipulation and Agreement of Settlement (“Settlement”) filed on January 18, 2022, and certified to the Commission by the Presiding Judge on February 18, 2022,<sup>2</sup> Florida Gas Transmission Company, LLC (“Florida Gas”) submits this Stipulation and Agreement of Partial Settlement that resolves all renewable natural gas (“RNG”) matters in the captioned proceeding (“RNG Settlement”).

Florida Gas hereby seeks any and all authorizations under the Natural Gas Act (“NGA”) and the Natural Gas Policy Act of 1978, and any necessary waivers of the Commission’s regulations, prior Commission orders, and the provisions of Florida Gas’ FERC NGA Gas Tariff (“Tariff”), that are required to implement in full all of the provisions of the RNG Settlement.

Florida Gas and the active participants to this proceeding have engaged in settlement negotiations in an effort to resolve all RNG matters in the captioned proceeding. As a result of such negotiations, the RNG Settlement has been reached and is supported or not opposed by Florida Gas and the parties to this proceeding listed in Appendix A. Florida Gas and the parties listed in Appendix A are referred to herein, individually, as a “RNG Settling Party,” and, collectively, as “RNG Settling Parties.”

<sup>1</sup> 18 C.F.R. § 385.602 (2022).

<sup>2</sup> *Florida Gas Trans. Co., LLC*, 178 FERC ¶ 63,013 (2022).

The RNG Settlement produces an overall result that is fair and reasonable and in the public interest, and it represents a consensus among the RNG Settling Parties. The RNG Settlement reflects a carefully crafted and delicate compromise among multiple parties with diverse and often conflicting interests. The RNG Settlement is an integrated package that must be considered and approved in its entirety, as provided for herein, in order to become effective.

Florida Gas was informed by several intervenors in this proceeding that they intend to contest the RNG Settlement.

The RNG Settling Parties stipulate and agree to the following:

### **ARTICLE I: BACKGROUND**

In accordance with the Stipulation and Agreement of Settlement filed September 11, 2015 in Docket Nos. RP15-101-000, *et al.* (“RP15-101 Settlement”),<sup>3</sup> on February 1, 2021 (“February 1 Filing”), Florida Gas filed revised tariff records pursuant to section 4 of the NGA proposing changes to its rates and modifications to certain provisions of its Tariff. Certain Settling Parties to the Settlement protested various aspects of Florida Gas’ February 1 Filing. On March 3, 2021, the Commission issued its *Order Accepting and Suspending Tariff Records, Subject to Refund, Conditions, and Hearing Procedures* in this proceeding.<sup>4</sup> As set out in the Suspension Order, the Commission accepted, effective March 1, 2021, subject to hearing those tariff records reflecting a rate decrease, and accepted and suspended those tariff records reflecting a rate increase to be effective upon motion on August 1, 2021, subject to refund and the outcome of a hearing. On March 4, 2021, Florida Gas made a compliance filing pursuant to

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<sup>3</sup> On December 4, 2015, the Commission approved the RP15-101 Settlement. *Florida Gas Trans. Co., LLC*, 153 FERC ¶ 61,279 (2015).

<sup>4</sup> *Florida Gas Trans. Co., LLC*, 174 FERC ¶ 61,170 (2021) (“Suspension Order”).

the Suspension Order and submitted a tariff record to reflect the reduced rate for Rate Schedule FTS-3 effective on March 1, 2021, which the Commission accepted on March 23, 2021.<sup>5</sup>

On March 5, 2021, the Chief Administrative Law Judge (“Chief Judge”) designated the Honorable Andrew Satten as the Presiding Judge<sup>6</sup> and designated the Honorable Suzanne Krolkowski as the Settlement Judge to conduct settlement negotiations in this proceeding.<sup>7</sup> Following a prehearing conference held on March 24, 2021, the Chief Judge adopted a procedural schedule that, among other things, established deadlines for the submission of direct, answering, cross-answering, and rebuttal testimony.<sup>8</sup> During the discovery process, Florida Gas responded to hundreds of data requests, many with numerous subparts, and provided extensive amounts of information.

On July 29, 2021, Florida Gas filed a Motion to Place Suspended Revised Tariff Records into effect as of August 1, 2021, which the Commission accepted on August 25, 2021.<sup>9</sup> In addition, on August 16, 2021, Florida Gas made its forty-five (45) day update filing pursuant to Section 154.311.<sup>10</sup>

At the October 28, 2021 settlement conference, Florida Gas and the active parties in this proceeding reached a comprehensive settlement in principle that addressed all issues in this

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<sup>5</sup> Letter Order, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-002 (issued Mar. 23, 2021).

<sup>6</sup> Order of Chief Judge Designating Presiding Administrative Law Judge and Establishing Track III Schedule, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 (issued Mar. 5, 2021).

<sup>7</sup> Order of Chief Judge Designating Settlement Judge and Directing Status Reports, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 (issued Mar. 5, 2021).

<sup>8</sup> Order of Chief Judge Waiving Answer Period, Granting Extension of Track III Schedule and Adopting Procedural Schedule, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 (issued Mar. 25, 2021); *see also* Order Granting Motion for Supplemental Hearing Rules, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 (issued Mar. 29, 2021). On August 25, 2021, the Chief Judge adopted a revised procedural schedule. Order of Chief Judge Extending Procedural Time Standards and Waiving Answer Period, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 (issued Aug. 25, 2021).

<sup>9</sup> Letter Order, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-003 (issued Aug. 25, 2021).

<sup>10</sup> 18 C.F.R. § 154.311 (2022).

proceeding.<sup>11</sup> On November 1, 2021, Florida Gas filed an Unopposed Motion to Suspend Procedural Schedule for a Limited Time and Waive Answer Period. On November 2, 2021 and January 6, 2022, the Chief Judge issued orders suspending the procedural schedule for a limited period and waiving the answer periods.<sup>12</sup> On January 18, 2022, Florida Gas filed the Settlement in the captioned docket on behalf of itself and the parties listed in Appendix A thereto, which resolved all issues except RNG matters and provided procedures for the resolution of RNG matters and the filing of the RNG Settlement. On February 18, 2022, the Presiding Judge certified the Settlement to the Commission.<sup>13</sup> The Presiding Judge stated that “[r]egarding the specific issue of determining tariff language ‘designed to facilitate the introduction of renewable natural gas (RNG) into the Florida Gas system,’ the Settlement establishes subsequent procedures for resolving that matter and provides for the filing of a subsequent settlement in this proceeding.”<sup>14</sup>

Florida Gas and the active parties have devoted substantial time and effort to addressing the RNG matters in this proceeding. As part of those efforts, they exchanged numerous detailed settlement offers, participated in several settlement conferences, provided information on various issues, and engaged in individual settlement discussions. At the May 10, 2022 settlement conference, Florida Gas and certain of the active parties in this proceeding reached a comprehensive settlement in principle that addressed the RNG matters in this proceeding.

## **ARTICLE II: SCOPE OF RNG SETTLEMENT**

The RNG Settlement resolves all RNG matters in the captioned proceeding.

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<sup>11</sup> See Fourth Report of Settlement Judge, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 at P 4 (issued Nov. 1, 2021).

<sup>12</sup> Order of Chief Judge Holding Hearing Proceeding in Abeyance, *Florida Gas Trans. Co., LLC*, Docket Nos. RP21-441-000, et al. (issued Nov. 2, 2021); Order of Chief Judge Holding the Hearing Proceeding in Abeyance, *Florida Gas Trans. Co., LLC*, Docket Nos. RP21-441-000, et al. (issued Jan. 6, 2022).

<sup>13</sup> *Florida Gas Trans. Co., LLC*, 178 FERC ¶ 63,013 (2022).

<sup>14</sup> *Id.* at P 2 (footnotes omitted).



**ARTICLE III: SETTLEMENT PROCEDURES FOR RESOLUTION OF  
RNG MATTERS AND FILING RNG SETTLEMENT**

Section 1      The Settlement provided that for a period not to exceed sixty (60) days following the due date for reply comments on the Settlement (“Negotiation Period”), the Settling Parties to the Settlement shall conduct negotiations in an attempt to reach consensus on the acceptability of the RNG-related tariff language set out in Appendix D-4 attached to the Settlement, which is designed to facilitate the introduction of RNG into the Florida Gas system.

(a)      The Settlement stated that if the Settling Parties to the Settlement reach consensus, then no later than thirty (30) days following the expiration of the Negotiation Period, Florida Gas shall file and support the agreed-upon pro forma tariff provisions as an uncontested settlement in this docket.

(b)      The Settlement provided that if the Settling Parties to the Settlement do not reach a consensus, then no later than thirty (30) days following the expiration of the Negotiation Period, Florida Gas shall file and support pro forma tariff provisions consistent with the tariff provisions set out in Appendix D-4 to the Settlement as a contested settlement in this docket of such carved out RNG tariff matters. Further, the Settlement stated that all Settling Parties to the Settlement shall retain all rights with respect to the RNG Settlement filing, including full rights to protest, support or comment on such contested settlement on any grounds (other than procedural if the filing is made in compliance with the provisions of the Settlement).<sup>15</sup>

(c)      The Settlement also stated that it is the intention of the Settling Parties to the Settlement that any filing made by Florida Gas in compliance with Article VIII, Section 6 of the Settlement will be administered as part of this proceeding in Docket Nos. RP21-441-000, et al.

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<sup>15</sup> For purposes of clarity, a Settling Party to the Settlement that contests the RNG Settlement shall still be considered a Settling Party with respect to the Settlement.

The Settlement also provided that it is the intention of the Settling Parties to the Settlement that only parties that already have intervened in this proceeding in Docket Nos. RP21-441-000, et al. may participate as to the adjudication of any filing made by Florida Gas in compliance with Article VIII, Section 6 of the Settlement. The Settlement stated that the Settling Parties to the Settlement agree that they will file to oppose, or will not support, any motions to intervene out-of-time filed in Docket No. RP21-441. In addition, the Settlement provided that the Settling Parties to the Settlement agree that they will file to oppose, or will not support, any efforts to move a filing made by Florida Gas in compliance with Article VIII, Section 6 of the Settlement to another docket that is not Docket No. RP21-441.

#### **ARTICLE IV: RNG-RELATED TARIFF LANGUAGE**

As provided by the RNG procedures set forth in the Settlement, the Settling Parties to the Settlement conducted negotiations in an attempt to reach consensus on the acceptability of the RNG-related tariff language set out in Appendix D-4 attached to the Settlement. As a result of such negotiations, the issues addressed by the tariff language set out in Appendix D-4 to the Settlement were narrowed and the RNG Settling Parties agreed to revise the tariff language set out in Appendix D-4 to the Settlement based, in part, on the Commission's holdings in *Great Basin Gas Transmission Company*.<sup>16</sup> The RNG Settling Parties agree to the tariff language set out in Appendix B attached hereto and Florida Gas shall implement these tariff provisions.<sup>17</sup>

#### **ARTICLE V: TECHNICAL WORKING GROUP**

Subject to Tariff provisions that implement gas quality specifications applicable to RNG being in effect, Florida Gas and a group of technical company personnel and outside consultants

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<sup>16</sup> *Great Basin Gas Trans. Co.*, 178 FERC ¶ 61,071 (2022).

<sup>17</sup> Note that the Appendix B pro forma tariff records attached hereto show changes as if the Commission has approved the tariff records attached to the Settlement as Appendix D-2. Approval of the Settlement by the Commission is pending.

from the Shippers (“Technical Working Group”) will conduct informal meetings to review the actual operating experience regarding the receipt of RNG into the Florida Gas system. The Technical Working Group also will seek to identify any issues related to the receipt of RNG into the Florida Gas system and discuss any proposed modifications to Florida Gas’ Tariff related to the receipt of RNG into the Florida Gas system. Any Shipper shall have the right to designate company personnel and outside consultants to participate in the Technical Working Group by sending a notice to the service list in this proceeding. The first meeting of the Technical Working Group will be held on the earlier of (i) a date that is within 120 days after the three-year anniversary of the effective date of the Tariff records in Appendix B or (ii) a date that is within 120 days after the three-year anniversary of the first receipt of RNG into the Florida Gas system. The Technical Working Group will meet for such period as mutually agreed by Florida Gas and the other participants of the Technical Working Group, but for not more than a six-month period. The Technical Working Group will meet via WedEx or in person, as determined by Florida Gas and the other participants of the Technical Working Group. At the conclusion of the Technical Working Group, Florida Gas shall not be obligated to make any changes to its operations or to file any changes to the gas quality Tariff provisions applicable to RNG unless agreed to by Florida Gas in its sole discretion. All aspects of the Technical Working Group will be governed by and subject to the settlement privilege of Rule 602 of the Commission’s Rules of Practice and Procedure.<sup>18</sup>

## **ARTICLE VI: RNG SETTLING PARTIES AND RNG CONTESTING PARTIES**

Section 1 A “RNG Settling Party” is: (a) any party listed on Appendix A, including Florida Gas; (b) any party not listed on Appendix A that files any document with the

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<sup>18</sup> 18 C.F.R. § 385.602 (2022).

Commission in this proceeding stating that it (i) expressly supports the RNG Settlement as a whole and each of its underlying provisions, or (ii) does not oppose the RNG Settlement as a whole and each of its underlying provisions; (c) any party not listed on Appendix A that does not file any document at the Commission concerning the RNG Settlement; or (d) any party that becomes a RNG Settling Party pursuant to Section 4 of this Article VI.

## Section 2

(a) A RNG Settling Party shall be bound by a Commission order approving the RNG Settlement unconditionally.

(b) In the event that a Commission order approving the RNG Settlement imposes any modification or condition that a RNG Settling Party other than Florida Gas determines in its reasonable discretion will materially and adversely affect that RNG Settling Party, then within ten (10) business days, the RNG Settling Party shall provide written notice to the Commission and all participants if it elects not to continue to be bound by the RNG Settlement. If a RNG Settling Party elects to continue to be bound by the RNG Settlement, then the RNG Settlement will remain in effect with the modification(s) or condition(s) required by the Commission, subject to the outcome of any request for rehearing filed by such RNG Settling Party consistent with Section 2(d) of this Article VI. A RNG Settling Party providing notice that it elects not to continue to be bound by the RNG Settlement will cease to be a RNG Settling Party and will be deemed to be a RNG Contesting Party as of the date of such notice.

(c) In the event that a Commission order approving the RNG Settlement imposes any modification or condition that materially and adversely affects Florida Gas, as determined by Florida Gas in its reasonable discretion, then within ten (10) business days, Florida Gas shall provide notice to the Commission and all participants if it elects to withdraw the RNG

Settlement. If Florida Gas does not elect to withdraw the RNG Settlement, then the RNG Settlement will remain in effect with the modification(s) or condition(s) required by the Commission, subject to the outcome of any request for rehearing filed by Florida Gas. If Florida Gas elects to withdraw the RNG Settlement, the RNG Settlement will be null and void and of no further force and effect.

(d) If a RNG Settling Party determines in its reasonable discretion that the Commission order materially and adversely affects it, such RNG Settling Party may seek rehearing and judicial review to remove a condition or restore a provision of the RNG Settlement that the Commission modified. Nothing in this Section 2(d) shall preclude any RNG Settling Party from protecting its interest with respect to any position that another party takes on rehearing or judicial review.

### Section 3

(a) A “RNG Contesting Party” is any party that is not a RNG Settling Party.

(b) Upon the effectiveness of the RNG Settlement, RNG Contesting Parties shall be subject to the RNG Settlement pending further Commission order or further litigation, unless otherwise provided by the Commission. Issues raised by RNG Contesting Parties will be resolved by the Commission and may include further litigation, settlement or other proceedings.

Section 4 To the extent a RNG Contesting Party desires to become a RNG Settling Party, any change in status will be effective upon the filing of any necessary pleading with the Commission withdrawing any opposition to the RNG Settlement and stating that the party now is a RNG Settling Party.

## **ARTICLE VII: EFFECTIVE DATE OF THE RNG SETTLEMENT**

The RNG Settlement will become effective upon the first day of the first month following the date on which a Commission order approving the RNG Settlement, subject to the rights of the RNG Settling Parties pursuant to Article VI, becomes final (“Effective Date”). For purposes of the RNG Settlement, a Commission order approving the RNG Settlement will be deemed final as of (i) the date on which the right to request rehearing expires, if no party has filed a request for rehearing, (ii) the date on which the Commission issues an order on rehearing or all requests for rehearing are deemed denied by operation of law, or (iii) the date on which the order approving the RNG Settlement is no longer subject to further action by the Commission consistent with 15 U.S.C. § 717r(a).

## **ARTICLE VIII: EFFECTIVENESS OF THE RNG SETTLEMENT**

Section 1 A final Commission order approving the RNG Settlement will constitute final approval of all necessary authorizations to effectuate the provisions of the RNG Settlement.

Section 2 A final Commission order approving the RNG Settlement will constitute a waiver of compliance with all Commission policies, rules, and regulations, prior Commission orders, and a waiver of Florida Gas’ Tariff, if, and to the extent, necessary to effectuate all provisions of the RNG Settlement.

Section 3 Upon approval by the Commission in accordance with the procedures set forth in Article VII, the RNG Settlement and the terms set forth in the RNG Settlement will become effective.

Section 4 Tariff provisions implemented by the RNG Settlement and the RNG Settlement will terminate upon the effective date of new tariff provisions that revise such RNG Settlement tariff provisions.

## **ARTICLE IX: PRIVILEGED DOCUMENT**

The RNG Settlement is made pursuant to Rule 602 of the Commission's Rules of Practice and Procedure,<sup>19</sup> and, until it is approved and becomes effective, it will be privileged and of no effect, and it will not be admissible in evidence in any proceeding.

## **ARTICLE X: RESERVATIONS**

Section 1 The provisions of the RNG Settlement are not severable and may become effective only in accordance with Articles VII and VIII of the RNG Settlement.

Section 2 It is specifically understood and agreed by and among the RNG Settling Parties that the RNG Settlement represents a negotiated settlement only with respect to the RNG matters in the captioned proceeding as set forth herein. Except to the extent explicitly set forth in the RNG Settlement, neither Florida Gas, the Commission, its staff, nor any other RNG Settling Party will be deemed to have approved, accepted, agreed to, or consented to any policy, methodology, or other principle underlying or supposed to underlie any of the matters provided for in the RNG Settlement. Nothing in the RNG Settlement will be deemed a "settled practice," as defined in *Public Service Commission of New York v. FERC*, 642 F.2d 1335 (D.C. Cir. 1980), and may not be the basis for any decision with regard to the burden of proof in any proceeding or litigation with regard to any such matter.

Section 3 It is understood and agreed that: (a) the provisions of the RNG Settlement relate only to the matters specifically referred to in the RNG Settlement and (b) no RNG Settling Party or person waives any claim or right that it may otherwise have with respect to any matter not expressly provided for in the RNG Settlement.

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<sup>19</sup> 18 C.F.R. § 385.602 (2022).

Section 4 Commission approval of the RNG Settlement will constitute the requisite approval necessary to permit the implementation of the provisions of the RNG Settlement and the RNG Settling Parties agree that the approval of the RNG Settlement constitutes a determination that all terms and provisions of the RNG Settlement are fair, reasonable, and in the public interest. Upon Commission approval of the RNG Settlement, the *Pro Forma* tariff provisions appended hereto in Appendix B will be deemed effective as of the Effective Date, subject only to a compliance filing by Florida Gas to include the conforming tariff sections in its Tariff.

Section 5 No RNG Settling Party may:

(a) seek rehearing of an order that approves the RNG Settlement without condition or modification; or

(b) appeal a final Commission order that approves the RNG Settlement without condition or modification.

#### **ARTICLE XI: MISCELLANEOUS PROVISIONS**

Section 1 Except as otherwise set forth herein, Florida Gas shall file the tariff provisions in Appendix B not later than fifteen (15) days following the Effective Date.

Section 2 Appendices A and B are incorporated herein by reference and made a part of the RNG Settlement for all purposes, as if fully set forth in the RNG Settlement.

Section 3 In the event a statement in the attached Explanatory Statement conflicts with the RNG Settlement or a *Pro Forma* tariff provision attached to the RNG Settlement (or an approved tariff provision, once the RNG Settlement is approved), the RNG Settlement or *Pro Forma* tariff or approved tariff provision shall control. In the event a statement in the RNG Settlement conflicts with a *Pro Forma* tariff provision attached to the RNG Settlement (or an



approved tariff provision once the RNG Settlement is approved), the *Pro Forma* tariff or approved tariff provision will control.

Section 4 The RNG Settlement will be binding on and inure to the benefit of the successors, assigns, or purchasers for value of the stock or assets, of all RNG Settling Parties.

Section 5 Once the RNG Settlement becomes effective in accordance with Article VII, the standard of review for any proposed modifications to the provisions of the RNG Settlement by the Commission acting sua sponte, the RNG Settling Parties acting unanimously or individually, or third parties will be the just and reasonable standard.

### **CONCLUSION**

WHEREFORE, Florida Gas Transmission Company, LLC respectfully requests approval of the RNG Settlement without modification.

Respectfully submitted,

FLORIDA GAS TRANSMISSION COMPANY, LLC

By: /s/ Michael T. Langston  
Michael T. Langston  
Vice President  
Chief Regulatory Officer  
Florida Gas Transmission Company, LLC  
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(713) 989-7610  
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Dated: May 16, 2022

**LIST OF APPENDICES**

<b>Appendix A</b>	<b>RNG Settling Parties</b>
<b>Appendix B</b>	<b><i>Pro Forma</i> Tariff Revisions</b>

**FLORIDA GAS TRANSMISSION COMPANY, LLC  
DOCKET NOS. RP21-441-000, et al.**

**SETTLING PARTIES**

Anchor Glass Container Corporation  
Anheuser-Busch Companies, LLC  
Bay Gas Storage Company, LLC  
Centerpoint Energy Resources Corp.  
Chesapeake Utilities Corporation, owner and operator of Florida Public Utilities Corporation  
Chevron U.S.A. Inc.  
ConocoPhillips Company  
Duke Energy Florida, Inc.  
Entergy Arkansas, LLC  
Entergy Louisiana, LLC  
Entergy Mississippi, LLC  
Entergy New Orleans, LLC  
Entergy Services, LLC  
Entery Texas, Inc.  
Florida Cities  
    JEA  
    Lakeland Electric  
    Orlando Utilities Commission  
    City of Tallahassee  
    City of Gainesville d/b/a Gainesville Regional Utilities  
    Florida Gas Utility, a Florida inter-local agency  
        City of Blountstown  
        City of Chipley  
        City of Crescent City  
        City of Defuniak Springs  
        Florida Municipal Power Agency  
        Fort Pierce Utilities Authority  
        City of Homestead  
        City of Jacksonville Beach  
        Town of Jay  
        Kissimmee Utility Authority  
        City of Lake City  
        City of Lake Worth Beach  
        City of Leesburg  
        City of Live Oak  
        City of Marianna  
        Palatka Gas Authority  
        City of Perry  
        City of Starke  
        City of Williston

**FLORIDA GAS TRANSMISSION COMPANY, LLC  
DOCKET NOS. RP21-441-000, et al.**

**SETTLING PARTIES**

Florida Gas Transmission Company, LLC  
Florida Municipal Natural Gas Association  
City of Chattahoochee  
City of Clearwater Gas System  
Clarke-Mobile Counties Gas District, Alabama  
City of Florala  
Geneva County Gas District  
Lake Apopka Natural Gas District  
City of Madison  
Okaloosa Gas District  
City of Pensacola dba Pensacola Energy  
Southeast Alabama Gas District  
City of Sunrise  
Florida Power & Light Company  
Gas South, LLC  
Gulf Stream Natural Gas System, LLC  
J.P. Morgan Ventures Energy Corporation  
Koch Energy Services, LLC  
Louisiana Municipal Natural Gas Purchasing and Distribution Authority  
Macquarie Energy, LLC  
Mosaic Fertilizer, LLC  
Pivotal Utility Holdings, Inc. d/b/a Florida City Gas  
PowerSouth Energy Cooperative, Inc.  
Reedy Creek Improvement District  
Southern Company Services, Inc., as agent for Alabama Power Company, Georgia Power Company,  
Mississippi Power Company and Southern Power Company.  
Southern Natural Gas Company, L.L.C.  
Tenaska Marketing Ventures  
Tropicana Manufacturing Company Inc.

## GENERAL TERMS AND CONDITIONS

### 1. DEFINITIONS

The following terms shall have the meanings defined below:

**"Affected Area"** shall mean a physical, geographic area, locale or region of Transporter's pipeline system which is affected by an overpressure or underpressure situation such that Transporter's ability to meet firm service obligations or to provide scheduled service to Shippers in or utilizing that area is impaired.

**"Alternate Delivery Point(s)"** shall mean Delivery Point(s) other than those listed in Exhibit B of Shipper's FTS-1, FTS-3, SFTS, FTS-WD or FTS-WD-2 Service Agreement or a Historic Rate Schedule FTS-2 Service Agreement and nominations in excess of the MDQ at a Primary Delivery Point.

**"Alternate Receipt Point(s)"** shall mean Point(s) of Receipt other than those listed in Exhibit A of Shipper's FTS-1, FTS-3, SFTS, FTS-WD or FTS-WD-2 Service Agreement or a Historic Rate Schedule FTS-2 Service Agreement and nominations in excess of the MDQ at a Primary Receipt Point.

**"ASTM"** shall mean American Society for Testing Materials.

**"Backhaul"** shall mean transportation nominated, confirmed and scheduled by Transporter for Shipper which entails the receipt of gas at a point(s) resulting in the transportation of gas in a direction opposite of the physical flow of gas for the entire transportation path.

**"Biogas"** shall mean a mixture of gases substantially composed of methane that is produced by the breakdown of organic matter in the absence of oxygen.

**"British Thermal Unit (Btu)"** shall mean the amount of heat required to raise the temperature of one pound (avoirdupois) of pure water from 58.5 degrees Fahrenheit to 59.5 degrees Fahrenheit at a constant pressure of 14.73 pounds per square inch absolute. The Btu shall be reported to 3 or more decimal places.

**"Central Clock Time"** shall be the Central Time, as adjusted for Daylight Savings Time and Standard Time. Unless otherwise stated, as used herein "Central Time" shall mean Central Clock Time.

**"Commission" or "FERC"** shall mean the Federal Energy Regulatory Commission or any successor regulatory agency or body, including the Congress, which has the authority to regulate the rates and services of Transporter.

**"Contact Person"** shall mean the person(s) specified by Shipper that is available by telephone or paging device to receive communication from Transporter at any and all times and upon whose written, oral, or electronic communications Transporter may exclusively rely. Every Shipper must

have a contact person and Shipper must provide Transporter with sufficient information to conclusively contact and communicate with such contact person.

**"Cubic Foot of Gas"** shall be the amount of gas necessary to fill a cubic foot of space when the gas is at a temperature of sixty (60) degrees Fahrenheit and under an absolute pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia).

**"Dekatherm (Dt. Or dth)"** shall be the standard unit for purposes of nominations, scheduling, invoicing and balancing.

**"Delivery Gas Day"** shall mean a period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time.

**"Delivery Month"** shall mean a period beginning at 9:00 A.M. Central Clock Time on the first day of any calendar month and ending at 9:00 A.M. Central Clock Time on the first day of the next succeeding calendar month.

**"Delivery Point Operating Account"** shall be as described in Sections 13.B and 13.1.A of the General Terms and Conditions.

**"Designee" or "Agent"** shall mean a contractually authorized agent of Shipper or Transporter under Section 10E of these General Terms and Conditions.

**"Division"** shall mean one or more Primary Delivery Points under a single service agreement which are (i) included in a divisional or separately stated MDTQ within the total MDTQ of the service agreement, and (ii) interconnected downstream of the Primary Delivery Point(s) on Transporter's system by Shipper's operationally integrated distribution system capable of serving end-users from deliveries at any such Primary Delivery Points forming the Division. The term Division shall include (but not be limited to) all Divisions existing under service agreements in effect on November 2, 1992.

**"ECM"** shall mean Transporter's Electronic Communications Mechanism pursuant to Section 9 of the General Terms and Conditions.

**"EPA"** shall mean United States Environmental Protection Agency.

**"Execution" or "executed"** or any other form of the root word "execute" when used with respect to any service agreement, amendment to service agreement, or any other contract shall include electronic execution pursuant to the procedures established by Transporter.

**"Firm Capacity or Firm Capacity Right"** shall mean the right of Shipper to receive and obligation of Transporter to make available for delivery quantities at Shipper's Primary Delivery Points up to the stated MDQ within the Shipper's MDTQ (for the division or for the Service Agreement, as applicable) and within the specified maximum hourly quantity at a specified temperature and pressure, provided Shipper has nominated such quantity pursuant to Section 10 and Transporter

has been able to confirm said quantity also pursuant to Section 10; and subject to the force majeure provisions of Section 8 and the curtailment provisions of Section 17A and further provided that Shipper's deliveries of gas into Transporter's system by or for the account of Shipper pursuant to Section 12C are equal to scheduled receipt point quantities on a uniform hourly basis, unless Shipper and Transporter have agreed to a different flow rate for deliveries of gas into Transporter's system.

**"Forwardhaul"** shall mean transportation nominated, confirmed and scheduled by Transporter for Shipper which entails the receipt of gas at a point(s) resulting in the transportation of gas in the same direction as the aggregate physical flow of gas in any part of the mainline transportation path.

**"Historic Rate Schedule FTS-2 Service Agreement"** shall mean a service agreement executed prior to March 1, 2021 under Rate Schedule FTS-2, which terms were absorbed into Rate Schedule FTS-1, the General Terms and Conditions and the form of service agreement for Rate Schedule FTS-1, that remains in effect until it expires by its terms.

**"Hydrocarbon Dew point"** shall mean cricondenthem, the highest temperature at which the vapor-liquid equilibrium may be present. The Hydrocarbon Dew point (cricondenthem) calculations are performed using the Peng-Robinson equation of state.

**"In-Line Transfer Point(s)"** shall mean points designated by Transporter other than point of physical ingress or egress from Transporter's system which may be used in nominating, confirming, scheduling and determining receipts and deliveries of transportation on Transporter's system. Transporter's In-Line Transfer Points are Compressor Stations 7, 8, and 11.

**"Internet website"** shall mean the Uniform Resource Locator (URL) of Transporter's Electronic Communication Mechanism on the Internet at <http://fgttransfer.energytransfer.com>.

**"Joint Action Agency"** shall mean a Shipper whose capacity entitlement consists of Public Agencies' aggregated capacity pursuant to Section 11 of Rate Schedule FTS-1 and/or FTS-3.

**"Market Area"** shall mean the area east of Transporter's Mile Post 238.6 located at the Alabama-Florida border.

**"MCF"** shall mean one thousand (1,000) cubic feet of gas.

**"MMBtu"** shall mean a million Btu and shall be deemed equivalent to one Dekatherm.

**"Month"** shall mean a period beginning on the first day and ending on the last day of the calendar month.

**"NAESB"** shall mean the North American Energy Standards Board.

**"NAESB Standards"** shall mean the standards issued by NAESB and adopted by the Federal Energy Regulatory Commission.

**"Negotiated Rate"** shall mean the rate agreed to by Shipper and Transporter which may be less than, equal to or greater than the Maximum Rate as set forth on the Currently Effective Rates for the applicable Rate Schedule but shall not be less than the Minimum Rate as set forth on the Currently Effective Rates for the applicable Rate Schedule. The Negotiated Rate may be based on a rate design other than straight fixed variable and may include a minimum quantity.

**"NGA"** shall mean the Natural Gas Act of 1938, as amended.

**"NIOSH"** shall mean National Institute for Occupational Safety and Health.

**"Parties"** shall include Transporter and Shipper, and Shipper's Designee(s) or Agent(s), if applicable.

**"Point of Delivery"** or **"Delivery Point"** shall mean the point at the connection of the facilities of Transporter and of a downstream third party facility at which the gas leaves the outlet side of the measuring equipment of Transporter and enters Shipper's distribution system or Shipper's transmission lateral connected to such system. Unless otherwise specified, this term shall also include In-Line Transfer Points.

**"Point of Interest (POI) number"** shall mean the identifying number for a specific Point of Delivery or Point of Receipt on Transporter's system.

**"Point of Receipt"** or **"Receipt Point"** shall mean the point at which gas is received by Transporter into Transporter's system from an upstream source or facility. Unless otherwise specified, this term shall also include In-Line Transfer Points. A listing of existing receipt points is set forth on Transporter's Internet website.

**"Primary Capacity Path(s)"** shall mean the path(s) between the Primary Receipt Point(s) and the Primary Delivery Point(s), as set forth in a Shipper's base firm transportation contract, including mainline and lateral portions of the pipeline, regardless of direction of flow, as amended by capacity release transactions. Transporter shall post on its Internet website a pipeline map that can assist a Shipper in determining whether its Primary Capacity Path(s) is (are) located on the east leg mainline, on the west leg mainline, or both, within Transporter's Market Area. Transporter's Internet website shall promptly post all filings and notices of filings that may result in changes to the Primary Capacity Path of any Shipper. Transporter shall promptly notify Shippers of any material change in the east leg mainline and west leg mainline in a tariff filing.

**"Primary Delivery Point(s)"** shall mean those Delivery Point(s) listed on Exhibit B of Shipper's FTS-1, FTS-3, SFTS, FTS-WD or FTS-WD-2 Service Agreement or a Historic Rate Schedule FTS-2 Service Agreement which are assigned an MDQ.



**"Primary Receipt Point(s)"** shall mean those Point(s) of Receipt listed in Exhibit A of Shipper's FTS-1, FTS-3, SFTS, FTS-WD or FTS-WD-2 Service Agreement or a Historic Rate Schedule FTS-2 Service Agreement which are assigned an MDQ. Primary Receipt Point(s) are also deemed to include In-Line Transfer Points to the extent set forth in Section 8 of the FTS-1, FTS-3, SFTS, FTS-WD and FTS-WD-2 Rate Schedules.

**"Public Agency"** shall mean an entity which is a Shipper and which is also a political subdivision or agency of the State of Florida, including, but not limited to, state government, county, city, school district, single and multipurpose special district, single and multipurpose public authority, and metropolitan or consolidated government.

**"Receipt Gas Day"** shall mean a period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time.

**"Receipt Month"** shall mean a period beginning at 9:00 A.M. Central Clock Time on the first day of any calendar month and ending at 9:00 A.M. Central Clock Time on the first day of the next succeeding calendar month.

**"Release"** shall mean a relinquishment of firm capacity right(s) by a Shipper pursuant to Section 18 of these General Terms and Conditions.

**"Renewable Natural Gas" or "RNG"** shall mean a portion of Biogas that has been processed in order to be deliverable into Transporter's system to meet Transporter's gas quality standards and specifications. Sources may include landfill gas, dairies or feedlots, publicly-owned treatment works, sewage treatment plants, or waste water plants.

**"Reticulated Areas"** shall mean the areas on or served from a portion of Transporter's system in which the direction of gas flow changes from time to time. Such point(s) are shown in Section 31 of the General Terms and Conditions, and Transporter shall post a map on its Internet website identifying the points located within each Reticulated Area. Any changes in Reticulated Areas shall be described by Transporter in a tariff filing and promptly posted on a map on its Internet website.

**"RNG Receipt Point"** shall mean a Point of Receipt installed by Transporter for the express purpose of receiving RNG directly into Transporter's system.

**"ROFR"** shall mean the Right of First Refusal pursuant to Section 20 of the General Terms and Conditions.

**"Sales Division"** shall mean the division of Florida Gas Transmission Company, LLC making sales under the blanket sales certificate issued to Florida Gas Transmission Company under Order No. 636.

**"Service Year"** shall mean a period of time beginning on October 1 of each year and ending at the next succeeding September 30.

**"Segmented Transaction"** shall mean segmentation either by capacity release or through the nomination process.

**"Supply Area"** shall mean Transporter's facilities outside of the State of Florida.

**"Tax" or "Taxes"** shall mean any tax, fee, charge or assessment and shall include, but not be limited to, occupation, production, severance, gathering transportation, pipeline, footage, sales or other excise tax or tax of similar nature now or hereafter imposed by any lawful authority upon Transporter whether under direct imposition by Federal, State or local authorities or pursuant to the terms of any present or future contract.

**"TECM"** shall mean Transporter's Transactional Electronic Communications Mechanism pursuant to Section 9 of the General Terms and Conditions.

**"Transporter" or "Transportation Service Provider (TSP)"** shall mean Florida Gas Transmission Company, LLC, the party receiving gas at the Receipt Points and transporting quantities to the Points of Delivery.

**"Transporting Pipeline"** shall mean any third party pipeline system on which Transporter holds firm transportation rights and which it has authorization to treat as an extension of Transporter's system for the purpose of providing transportation service. (The only pipeline that currently meets this definition is Southern Natural Gas Company.)

**"Western Division"** shall mean the area west of Transporter's Mile Post 238.6 located at the Alabama-Florida border and all facilities of Transporter not located in the state of Florida. Western Division shall also include noncontiguous supply laterals.

**"Working day"** shall mean "Business Days" as such term is defined in the NAESB Standards and shall include the days Monday through Friday, exclusive of Federal Banking Holidays, unless notified otherwise. A listing of such holidays shall be posted on Transporter's Internet website each December 15 for the following calendar year.

**"Written" or "in writing"** or any other combination of words indicating a requirement that a document be in a physically written form shall include any service agreement, amendment to a service agreement, or any other contract or document which has been electronically executed pursuant to the procedures established by Transporter.

**"Year"** shall mean a period of a calendar year commencing on January 1st and ending on December 31st.

## GENERAL TERMS AND CONDITIONS

### 2. QUALITY

- A. Natural gas is a naturally occurring hydrocarbon gas mixture consisting primarily of methane, but commonly including varying amounts of other higher alkanes.

Gas delivered by Shipper or for its account into Transporter's pipeline system at receipt points shall conform to the following quality standards:

1. shall be free from objectionable odors, solid matter, dust, gums, and gum forming constituents, or any other substance which might interfere with the merchantability of the gas stream, or cause interference with proper operation of the lines, meters, regulators, or other appliances through which it may flow;
2. shall contain not more than seven (7) pounds of water vapor per one thousand (1,000) MCF;
3. shall contain not more than one quarter (1/4) grain of hydrogen sulphide per one hundred (100) cubic feet of gas;
4. shall contain not more than ten (10) grains of total sulphur per one hundred (100) cubic feet of gas, unless otherwise provided in Section 2.B.7;
5. shall contain not more than two percent (2%) by volume of carbon dioxide or a combined total three percent (3%) by volume of carbon dioxide and/or nitrogen;
6. shall contain not more than one quarter percent (1/4%) by volume of oxygen;
7. shall have a temperature of not more than one hundred twenty (120) degrees Fahrenheit;
8. shall have a Btu content of not less than one thousand (1000) Btu per cubic foot, unless otherwise provided in Section 2.C.1;
9. shall have no carbon dioxide, oxygen or nitrogen injected as a dilutant;
10. shall not contain any toxic or hazardous substance in concentrations which, in the normal use of gas, may be hazardous to health, injurious to pipeline facilities, or be a limit to merchantability or be contrary to applicable government standards; and,
11. shall not contain any microbiological organism, active bacteria or bacterial agent capable of causing or contributing to: (i) injury to Transporter's pipelines, meters, regulators, or other facilities and appliances through which gas flows or (ii)

interference with the proper operation of Transporter's facilities. Microbiological organisms include, but are not limited to, sulfate reducing bacteria (SRB), iron oxidizing bacteria (IOB) and acid producing bacteria (APB). When bacteria or microbiological organisms are considered to be possibly present in gas, upon Transporter's request, Shippers desiring to nominate such gas shall test, or request the point operator or applicable upstream party to test, such gas for bacteria or bacterial agents utilizing the American Petroleum Institute test method API-RP38, Environmental Protection Agency Method 5 or other acceptable test method as determined by Transporter and the applicable party. Transporter will not be obligated to receive gas from such points if such testing is not complete and/or the test results are not acceptable to Transporter.

- B. Gas delivered into Transporter's pipeline system at point(s) of receipt in Transporter's Market Area shall, in addition to the provisions contained in Section 2.A.1 through 2.A.11, conform to the following quality standards:
1. shall have a methane composition of not less than eighty-five (85) mole percent;
  2. shall have an ethane composition of not more than ten (10) mole percent;
  3. shall have a combined composition of not more than one and two tenths (1.2) mole percent of isobutane and normal butane and pentanes and heavier hydrocarbons; and a Hydrocarbon Dew point not to exceed 25 degrees Fahrenheit;
  4. shall have a minimum temperature, and a physical means to maintain such minimum temperature; such minimum temperature to be determined on a case-by-case basis, considering the pipeline operating conditions at, and downstream of, the receipt location, such as: (i) gas flow and the ability to blend gas streams, (ii) the magnitude of the pressure drop at the point of the interconnection, and (iii) any potentially adverse impact to, or unsafe condition on, Transporter's or customers' facilities downstream of the interconnection, such as those occurring from the receipt of excessively cold gas or liquid hydrocarbon fallout;
  5. shall have a Btu content of not more than eleven hundred and ten (1110) Btu per cubic foot;
  6. shall have a Wobbe Index absolute limit from 1280 to 1396 (calculated using Higher Heating Value (HHV), dry, under standard conditions at 14.73 psia at 60 degrees Fahrenheit) based on the following mathematical definition and in accordance with Section 4 of these GT&C;

HHV/SQRT SGgas

Where:

HHV = Higher Heating Value (Btu/scf)

SG<sub>gas</sub> = Specific Gravity  
Sqrt = Square Root of

and shall be subject to a limitation on the rate of change of two percent (2%) of Wobbe per six-minute interval; and,

7. shall contain not more than two (2) grains of total sulphur per one hundred (100) cubic feet of gas.

C. Renewable Natural Gas (RNG), which may come from a variety of sources, including but not limited to: (1) landfills, excluding Hazardous Waste Landfills as defined in Section 2.C.3, (2) dairies and feedlots (Organic Biomass), and (3) publicly-owned treatment works, sewage treatment plants, or waste water plants (POTW). RNG delivered into Transporter's pipeline system at Point(s) of Receipt shall, in addition to the provisions contained in Sections 2.A and 2.B, conform to the following quality standards:

1. shall have a Btu content of not less than nine hundred fifty (950) Btu per cubic foot;
2. shall be evaluated on a case by case basis, considering the pipeline operating conditions at and downstream of the receipt location, such as, but not limited to (i) the ability to sufficiently blend the RNG gas streams in order to meet the minimum Btu per cubic foot requirement contained in Section 2.A.8, (ii) the prevention of any potentially adverse impact to, or unsafe operating conditions on, Transporter or any Shipper's facilities downstream of the RNG Receipt Point, and (iii) the avoidance of any requirement to modify any existing environmental or other permits such as, without limitation, those required to operate Transporter's compression facilities;
3. Transporter prohibits the delivery of RNG to Transporter from any landfill permitted under the Resource Conservation and Recovery Act Subtitle C (42 U.S.C. § 6921 – 6932), whether by the United States Environmental Protection Agency or a state under a program authorized by the United States Environmental Protection Agency (Hazardous Waste Landfills). The RNG producer and/or operator (RNG Operator) of a receipt point into Transporter's system shall not knowingly supply or cause to be supplied RNG from a Hazardous Waste Landfill. It is the responsibility of RNG Operator of the RNG Receipt Point to disclose whether the landfill providing RNG is a Hazardous Waste Landfill, has ever been a Hazardous Waste Landfill, or has ever accepted material that would require permitting as a Hazardous Waste Landfill. A Hazardous Waste Landfill includes all continuous land and structures, and other appurtenances and improvements, on the land used for the treatment, transfer, storage, resource recovery, and disposal or recycling of hazardous waste. RNG Operator of a RNG Receipt Point delivering RNG into Transporter's system shall certify in writing to Transporter that the RNG is not being produced from landfill gas collected from a Hazardous Waste Landfill before delivering the RNG into Transporter's pipeline system; and

4. shall contain not more than the permissible limits specified in the RNG Quality Specifications Table below:

Constituent	Permissible Limits	Landfill/ POTW	Organic Biomass	Testing Methods <sup>‡</sup>
Alkyl Thiols (Mercaptans)	610 PPMv	X	X	ASTM D6228
Ammonia	0.0005% (50 PPMv)	X	X	NIOSH 3800
Antimony	30 mg / m <sup>3</sup> (6.1 PPMv)	X		NIOSH 7303
Arsenic	10 µg / m <sup>3</sup> (3 PPBv)	X		NIOSH 7303
Copper	1 mg / m <sup>3</sup> (0.4 PPMv)	X		NIOSH 7303
Ethyl benzene	430 mg / m <sup>3</sup> (100 PPMv)	X	X	EPA TO-14A, TO-15
Hydrogen	0.1% (1000 PPMv)	X	X	ASTM D1945
Lead	50 µg / m <sup>3</sup> (6 PPBv)	X		NIOSH 7303
Mercury	0.1 mg / m <sup>3</sup> (12 PPMv)	X		NIOSH 6009
Methacrolein	53 mg / m <sup>3</sup> (18 PPMv)	X		EPA TO-15
n-Nitroso-di-n-propylamine	0.81 mg / m <sup>3</sup> (0.15 PPMv)	X	X	EPA 3542, 8270
p-Dichlorobenzene	325 mg / m <sup>3</sup> (75 PPMv)	X		EPA TO-14A, TO-15
Radioactive Isotopes	Not Permissible	X	X	EPA 904.0
Siloxanes	0.1 mg Si / m <sup>3</sup>	X	X	ASTM D8230
Toluene	1,125 mg / m <sup>3</sup> (300 PPMv)	X	X	EPA TO-14A, TO-15
Vinyl Chloride	2.5 mg / m <sup>3</sup> (1 PPMv)	X		EPA TO-14A, TO-15

<sup>‡</sup> Alternate Testing Methods may be used if deemed by Transporter to be equivalent to the above listed methods.

5. Transporter’s interconnection agreement with respect to receipts of RNG will provide that the interconnecting party shall indemnify Transporter of any loss, cost, damage, expense, claim, suit, action or proceeding incurred by Transporter as a direct or indirect result of a failure of the interconnecting party to comply with the quality standards in Sections 2.A, 2.B and 2.C for gas delivered into Transporter’s system at Points of Receipt covered by such interconnection agreement, except to the extent such loss, cost, damage, expense, claim, suit, action or proceeding is the result of Transporter’s negligence, bad faith or willful misconduct or is the direct result of Transporter’s deliberate decision to take such nonconforming gas provided that Transporter had full knowledge of the extent and nature of such nonconformity.

- D. RNG to be delivered to and transported on Transporter's pipeline system by an RNG Operator shall be subject to periodic testing and continuous monitoring based on the source of the RNG. The testing procedures outlined below may be revised as necessary, and as determined by Transporter in its sole discretion, to meet the requirements of applicable laws, regulation or legal authority, and public health and safety obligations as promulgated by governmental authorities, including, without limitation, the Pipeline Hazardous Materials Safety Administration and the Occupational Safety and Health Administration.

RNG Operator and Transporter shall undertake the testing procedures set forth in this section to ensure that RNG to be received by Transporter meets the applicable gas quality standards contained in Sections 2.A, 2.B and 2.C.

Transporter may, in its sole discretion, immediately shut-in all RNG supply if any test results do not comply with the gas quality standards contained in Sections 2.A, 2.B and 2.C.

1. **Testing Procedures**

Testing by RNG Operator shall be performed to assess whether the RNG conforms to gas quality limits and the Transporter's RNG Quality Specifications Table in Section 2.C.4 using two methods, lab testing or onsite analysis. Both methods shall be utilized during Pre-Injection Testing and Periodic Testing. Onsite analysis shall be utilized during Continuous Sampling.

RNG Operator and Transporter shall reasonably agree upon one or more independent, certified third-party lab(s) (approved laboratory) and testing protocols that the RNG Operator shall employ for sampling and lab testing. The costs associated with Pre-Injection Testing, Periodic Testing, and if applicable, Continuous Sampling by RNG Operator, and any required retesting or expedited testing, are the sole responsibility of RNG Operator.

Transporter shall be notified three (3) business days in advance of the RNG sampling for lab testing and have the option to observe the samples being taken. Test results shall be shared with Transporter within five (5) calendar days of the test results being received by RNG Operator. RNG shall not enter Transporter's pipeline system until results have been verified and accepted by Transporter, provided that Transporter shall not unreasonably withhold, delay or condition such verification and acceptance.

Transporter, in its sole judgement, may request additional testing at any time with reasonable advance notice if Transporter has a concern with the RNG quality or sampling results within thirty (30) days after receipt of the initial test results. The cost of such testing shall be borne by RNG Operator if such testing demonstrates that any contaminant exists in concentrations above acceptable limits. If, after such testing, the contaminants are determined to exist in concentrations below acceptable limits, then the cost of the testing shall be borne by Transporter.

RNG Operator shall notify Transporter within ten (10) business days if there is a change in the source or size of the facility generating the RNG. When such changes occur, the RNG shall be treated as a new source and all constituents must be reconfirmed.

Transporter shall have the right to share all test results of the RNG to third parties.

a. **Pre-Injection Testing**

RNG Operator shall conduct two (2) separate comprehensive analyses over a period not to exceed thirty (30) consecutive calendar days with a minimum of seven (7) calendar days between tests, to confirm compliance with the gas quality limits in the RNG Quality Specifications Table in Section 2.C.4, for that RNG source prior to the receipt of RNG into Transporter's pipeline system.

If during Pre-Injection Testing, there are any results exceeding the applicable gas quality limits, the RNG will not be received into Transporter's pipeline system. RNG Operator shall make necessary modifications and, after review of such modifications by Transporter, may request a restart of Pre-Injection Testing.

If all test results are within Transporter's gas quality limits for two (2) consecutive tests, RNG may be received into Transporter's pipeline system.

b. **Periodic Testing**

Once the RNG is allowed to be received into Transporter's pipeline system, RNG Operator shall be required to perform the required periodic testing outlined below (i.e., Monthly Testing, Quarterly Testing and Annual Testing) in order for the RNG to continue to be received into Transporter's pipeline system. RNG Operator shall procure and furnish all materials, equipment, supplies, services and labor required for Periodic Testing extraction and analysis. RNG samples shall be extracted for laboratory analysis at a sample point that is located (i) downstream of the RNG processing facilities and (ii) upstream of the RNG Receipt Point. The sample point shall be an inline probe and shall be separate from the sample point used for Continuous Sampling. Samples shall be collected by RNG Operator using Transporter approved industry standard testing methods. With regards to sampling, the methods, apparatus, collection devices, expiration times and chain of custody procedures shall conform to the applicable industry standards and laboratory requirements. Samples shall be sent by RNG Operator to the approved laboratory for analysis. As stated above in Section 2.D.1, all test results will be shared with Transporter within five (5) calendar days of the test results being received by RNG Operator. RNG Operator shall be responsible for all costs associated with such testing.



i. **Monthly Testing**

Following successful Pre-Injection Testing, RNG Operator shall conduct Monthly Testing, one (1) lab test every calendar month, not to exceed forty-five (45) calendar days between tests, to confirm compliance with the gas quality limits applicable to the RNG source, as stated in the RNG Quality Specifications Table in Section 2.C.4. The first Monthly Test shall be completed no later than thirty (30) calendar days after the successful completion date of the Pre-Injection Testing.

If all the test results are within Transporter's gas quality limits during Monthly Testing for three (3) consecutive tests, RNG Operator may transition to Quarterly Testing.

Transporter may, in its sole discretion, waive some or all of the requirements in the Monthly Testing procedure.

ii. **Quarterly Testing**

Following successful Monthly Testing as outlined above, RNG Operator shall conduct Quarterly Testing, one (1) lab test in every third calendar month, not to exceed one hundred five (105) calendar days between tests, to confirm compliance with the gas quality limits identified for the RNG source, as stated in the RNG Quality Specifications Table in Section 2.C.4. The first Quarterly Test shall be completed no later than ninety (90) calendar days after the date of the last successful Monthly Test.

If Transporter and RNG Operator mutually agree to transition from Quarterly Testing to Annual Testing, RNG Operator may transition to Annual Testing if all test results are within Transporter's gas quality limits during Quarterly Testing for three (3) consecutive tests. Otherwise, Transporter and RNG Operator shall mutually agree to remain on a Quarterly Testing timeline, with one (1) lab test in every third calendar month, not to exceed one hundred five (105) calendar days between tests.

Transporter may, in its sole discretion, waive some or all of the requirements in the Quarterly Testing procedure.

iii. **Annual Testing**

If Transporter and RNG Operator mutually agree to transition to Annual Testing after successful Quarterly Testing, RNG Operator shall conduct one (1) lab test per calendar year, not to exceed

thirteen (13) months between tests, to confirm compliance with the gas quality limits identified for the RNG source, as stated in the RNG Quality Specifications Table in Section 2.C.4. The first Annual Test shall be completed no later than three hundred sixty-five (365) calendar days after the date of the last successful Quarterly Test.

Transporter may, in its sole discretion, waive some or all of the requirements in the Annual Testing procedure.

c. **Continuous Sampling**

Unless otherwise agreed upon, Transporter shall own, operate and provide maintenance of the gas quality equipment required for custody transfer measurement, and RNG Operator shall own, operate and provide maintenance for all additional required analyzers for Continuous Sampling. Selection of which constituents and the method/equipment types used for Continuous Sampling shall be made on a case by case basis primarily depending on the constituent concentrations encountered. Periodic Testing shall be required for constituents shown in the RNG Quality Specifications Table in Section 2.C.4 even if the constituents are continuously monitored.

If, during Continuous Sampling, results are found to not comply with the gas quality limits set forth in Sections 2.A, 2.B and 2.C during successive tests, Transporter shall notify RNG Operator to conform with such operating parameters or to submit to Transporter a plan of action to conform with such operating parameters that is acceptable to Transporter in its sole discretion. Transporter retains the right to refuse to accept any deliveries of natural gas not meeting any of the said requirements or operating procedures. In the event a station shut-in is required, the RNG supply will remain shut-in until RNG Operator has made necessary modifications and/or Transporter has conducted a threat assessment of the impacted pipe segment to determine the appropriate response.

Transporter may, in its sole discretion, waive some or all of the requirements in the Continuous Sampling procedure.

- E. Transporter may refuse to accept any gas which fails to conform with the quality standards itemized in Sections 2.A, 2.B and 2.C above. Transporter, in its reasonable discretion exercised on a not unduly discriminatory basis, may waive the quality standards for gas delivered into its pipeline system at receipt points, provided that such waiver will not affect Transporter's ability to maintain an acceptable gas quality in its pipeline and adequate service to its customers consistent with the applicable Rate Schedule and these General Terms, including (without limitation) Section 2.F below. Such waiver will not be effective unless in writing and signed by an authorized representative of Transporter.

- F. The gas delivered by Transporter to Shipper shall conform to the following standards:
1. The gas shall be natural gas, or its equivalent as provided for in Section 2.F.3 below, from the sources of supply attached or delivered to Transporter's pipeline system; provided however, that moisture, impurities, helium, natural gasoline, butane, propane, and other hydrocarbons or other substances, may be removed prior to delivery to Shipper. Nothing herein shall restrict Shipper's right to remove any merchantable products prior to delivery into Transporter's system by or for the account of Shipper. Further, nothing herein shall prevent Shipper from making arrangements for the processing of Shipper's gas on Transporter's system (nor, in the event such arrangements are made, from designating a processing plant as the Delivery Point for the MMBtu attributable to processed liquefiables). Transporter may subject or permit the subjection of the gas to compression, heating, cooling, cleaning or other processes, which are not substantially detrimental to the merchantability of the gas stream.
  2. To the extent Shippers conform with requirements hereof, the gas shall have a total heating value of not less than one thousand (1000) Btu per cubic foot of dry gas, and be reasonably free of moisture, objectionable liquids and solids so as to be merchantable upon delivery to Shipper, and shall contain not more than two hundred (200) grains of total sulphur, nor more than fifteen (15) grains of hydrogen sulphide, per MCF. The gas may contain an odorant at the point of delivery, but it is the responsibility of the customer to monitor and maintain any required odorant levels after the point of delivery.
  3. Transporter may utilize gas from any standby equipment to effectuate deliveries provided the gas shall be reasonably equivalent to the gas delivered to Transporter by or for the account of Shipper hereunder, and adopted for use by Shipper's consumers without the necessity of making adjustments to fuel-burning equipment.

## GENERAL TERMS AND CONDITIONS

### 1. DEFINITIONS

The following terms shall have the meanings defined below:

**"Affected Area"** shall mean a physical, geographic area, locale or region of Transporter's pipeline system which is affected by an overpressure or underpressure situation such that Transporter's ability to meet firm service obligations or to provide scheduled service to Shippers in or utilizing that area is impaired.

**"Alternate Delivery Point(s)"** shall mean Delivery Point(s) other than those listed in Exhibit B of Shipper's FTS-1, FTS-3, SFTS, FTS-WD or FTS-WD-2 Service Agreement or a Historic Rate Schedule FTS-2 Service Agreement and nominations in excess of the MDQ at a Primary Delivery Point.

**"Alternate Receipt Point(s)"** shall mean Point(s) of Receipt other than those listed in Exhibit A of Shipper's FTS-1, FTS-3, SFTS, FTS-WD or FTS-WD-2 Service Agreement or a Historic Rate Schedule FTS-2 Service Agreement and nominations in excess of the MDQ at a Primary Receipt Point.

**"ASTM" shall mean American Society for Testing Materials.**

**"Backhaul"** shall mean transportation nominated, confirmed and scheduled by Transporter for Shipper which entails the receipt of gas at a point(s) resulting in the transportation of gas in a direction opposite of the physical flow of gas for the entire transportation path.

**"Biogas" shall mean a mixture of gases substantially composed of methane that is produced by the breakdown of organic matter in the absence of oxygen.**

**"British Thermal Unit (Btu)"** shall mean the amount of heat required to raise the temperature of one pound (avoirdupois) of pure water from 58.5 degrees Fahrenheit to 59.5 degrees Fahrenheit at a constant pressure of 14.73 pounds per square inch absolute. The Btu shall be reported to 3 or more decimal places.

**"Central Clock Time"** shall be the Central Time, as adjusted for Daylight Savings Time and Standard Time. Unless otherwise stated, as used herein "Central Time" shall mean Central Clock Time.

**"Commission" or "FERC"** shall mean the Federal Energy Regulatory Commission or any successor regulatory agency or body, including the Congress, which has the authority to regulate the rates and services of Transporter.

**"Contact Person"** shall mean the person(s) specified by Shipper that is available by telephone or paging device to receive communication from Transporter at any and all times and upon whose written, oral, or electronic communications Transporter may exclusively rely. Every Shipper must

have a contact person and Shipper must provide Transporter with sufficient information to conclusively contact and communicate with such contact person.

**"Cubic Foot of Gas"** shall be the amount of gas necessary to fill a cubic foot of space when the gas is at a temperature of sixty (60) degrees Fahrenheit and under an absolute pressure of fourteen and seventy-three hundredths pounds per square inch absolute (14.73 psia).

**"Dekatherm (Dt. Or dth)"** shall be the standard unit for purposes of nominations, scheduling, invoicing and balancing.

**"Delivery Gas Day"** shall mean a period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time.

**"Delivery Month"** shall mean a period beginning at 9:00 A.M. Central Clock Time on the first day of any calendar month and ending at 9:00 A.M. Central Clock Time on the first day of the next succeeding calendar month.

**"Delivery Point Operating Account"** shall be as described in Sections 13.B and 13.1.A of the General Terms and Conditions.

**"Designee" or "Agent"** shall mean a contractually authorized agent of Shipper or Transporter under Section 10E of these General Terms and Conditions.

**"Division"** shall mean one or more Primary Delivery Points under a single service agreement which are (i) included in a divisional or separately stated MDTQ within the total MDTQ of the service agreement, and (ii) interconnected downstream of the Primary Delivery Point(s) on Transporter's system by Shipper's operationally integrated distribution system capable of serving end-users from deliveries at any such Primary Delivery Points forming the Division. The term Division shall include (but not be limited to) all Divisions existing under service agreements in effect on November 2, 1992.

**"ECM"** shall mean Transporter's Electronic Communications Mechanism pursuant to Section 9 of the General Terms and Conditions.

**"EPA" shall mean United States Environmental Protection Agency.**

**"Execution" or "executed"** or any other form of the root word "execute" when used with respect to any service agreement, amendment to service agreement, or any other contract shall include electronic execution pursuant to the procedures established by Transporter.

**"Firm Capacity or Firm Capacity Right"** shall mean the right of Shipper to receive and obligation of Transporter to make available for delivery quantities at Shipper's Primary Delivery Points up to the stated MDQ within the Shipper's MDTQ (for the division or for the Service Agreement, as applicable) and within the specified maximum hourly quantity at a specified temperature and pressure, provided Shipper has nominated such quantity pursuant to Section 10 and Transporter

has been able to confirm said quantity also pursuant to Section 10; and subject to the force majeure provisions of Section 8 and the curtailment provisions of Section 17A and further provided that Shipper's deliveries of gas into Transporter's system by or for the account of Shipper pursuant to Section 12C are equal to scheduled receipt point quantities on a uniform hourly basis, unless Shipper and Transporter have agreed to a different flow rate for deliveries of gas into Transporter's system.

**"Forwardhaul"** shall mean transportation nominated, confirmed and scheduled by Transporter for Shipper which entails the receipt of gas at a point(s) resulting in the transportation of gas in the same direction as the aggregate physical flow of gas in any part of the mainline transportation path.

**"Historic Rate Schedule FTS-2 Service Agreement"** shall mean a service agreement executed prior to March 1, 2021 under Rate Schedule FTS-2, which terms were absorbed into Rate Schedule FTS-1, the General Terms and Conditions and the form of service agreement for Rate Schedule FTS-1, that remains in effect until it expires by its terms.

**"Hydrocarbon Dew point"** shall mean cricondenthem, the highest temperature at which the vapor-liquid equilibrium may be present. The Hydrocarbon Dew point (cricondenthem) calculations are performed using the Peng-Robinson equation of state.

**"In-Line Transfer Point(s)"** shall mean points designated by Transporter other than point of physical ingress or egress from Transporter's system which may be used in nominating, confirming, scheduling and determining receipts and deliveries of transportation on Transporter's system. Transporter's In-Line Transfer Points are Compressor Stations 7, 8, and 11.

**"Internet website"** shall mean the Uniform Resource Locator (URL) of Transporter's Electronic Communication Mechanism on the Internet at <http://fgttransfer.energytransfer.com>.

**"Joint Action Agency"** shall mean a Shipper whose capacity entitlement consists of Public Agencies' aggregated capacity pursuant to Section 11 of Rate Schedule FTS-1 and/or FTS-3.

**"Market Area"** shall mean the area east of Transporter's Mile Post 238.6 located at the Alabama-Florida border.

**"MCF"** shall mean one thousand (1,000) cubic feet of gas.

**"MMBtu"** shall mean a million Btu and shall be deemed equivalent to one Dekatherm.

**"Month"** shall mean a period beginning on the first day and ending on the last day of the calendar month.

**"NAESB"** shall mean the North American Energy Standards Board.

**"NAESB Standards"** shall mean the standards issued by NAESB and adopted by the Federal Energy Regulatory Commission.

**"Negotiated Rate"** shall mean the rate agreed to by Shipper and Transporter which may be less than, equal to or greater than the Maximum Rate as set forth on the Currently Effective Rates for the applicable Rate Schedule but shall not be less than the Minimum Rate as set forth on the Currently Effective Rates for the applicable Rate Schedule. The Negotiated Rate may be based on a rate design other than straight fixed variable and may include a minimum quantity.

**"NGA"** shall mean the Natural Gas Act of 1938, as amended.

**"NIOSH"** shall mean National Institute for Occupational Safety and Health.

**"Parties"** shall include Transporter and Shipper, and Shipper's Designee(s) or Agent(s), if applicable.

**"Point of Delivery"** or **"Delivery Point"** shall mean the point at the connection of the facilities of Transporter and of a downstream third party facility at which the gas leaves the outlet side of the measuring equipment of Transporter and enters Shipper's distribution system or Shipper's transmission lateral connected to such system. Unless otherwise specified, this term shall also include In-Line Transfer Points.

**"Point of Interest (POI) number"** shall mean the identifying number for a specific Point of Delivery or Point of Receipt on Transporter's system.

**"Point of Receipt"** or **"Receipt Point"** shall mean the point at which gas is received by Transporter into Transporter's system from an upstream source or facility. Unless otherwise specified, this term shall also include In-Line Transfer Points. A listing of existing receipt points is set forth on Transporter's Internet website.

**"Primary Capacity Path(s)"** shall mean the path(s) between the Primary Receipt Point(s) and the Primary Delivery Point(s), as set forth in a Shipper's base firm transportation contract, including mainline and lateral portions of the pipeline, regardless of direction of flow, as amended by capacity release transactions. Transporter shall post on its Internet website a pipeline map that can assist a Shipper in determining whether its Primary Capacity Path(s) is (are) located on the east leg mainline, on the west leg mainline, or both, within Transporter's Market Area. Transporter's Internet website shall promptly post all filings and notices of filings that may result in changes to the Primary Capacity Path of any Shipper. Transporter shall promptly notify Shippers of any material change in the east leg mainline and west leg mainline in a tariff filing.

**"Primary Delivery Point(s)"** shall mean those Delivery Point(s) listed on Exhibit B of Shipper's FTS-1, FTS-3, SFTS, FTS-WD or FTS-WD-2 Service Agreement or a Historic Rate Schedule FTS-2 Service Agreement which are assigned an MDQ.

**"Primary Receipt Point(s)"** shall mean those Point(s) of Receipt listed in Exhibit A of Shipper's FTS-1, FTS-3, SFTS, FTS-WD or FTS-WD-2 Service Agreement or a Historic Rate Schedule FTS-2 Service Agreement which are assigned an MDQ. Primary Receipt Point(s) are also deemed to include In-Line Transfer Points to the extent set forth in Section 8 of the FTS-1, FTS-3, SFTS, FTS-WD and FTS-WD-2 Rate Schedules.

**"Public Agency"** shall mean an entity which is a Shipper and which is also a political subdivision or agency of the State of Florida, including, but not limited to, state government, county, city, school district, single and multipurpose special district, single and multipurpose public authority, and metropolitan or consolidated government.

**"Receipt Gas Day"** shall mean a period of 24 consecutive hours beginning and ending at 9:00 a.m. Central Clock Time.

**"Receipt Month"** shall mean a period beginning at 9:00 A.M. Central Clock Time on the first day of any calendar month and ending at 9:00 A.M. Central Clock Time on the first day of the next succeeding calendar month.

**"Release"** shall mean a relinquishment of firm capacity right(s) by a Shipper pursuant to Section 18 of these General Terms and Conditions.

**"Renewable Natural Gas" or "RNG" shall mean a portion of Biogas that has been processed in order to be deliverable into Transporter's system to meet Transporter's gas quality standards and specifications. Sources may include landfill gas, dairies or feedlots, publicly-owned treatment works, sewage treatment plants, or waste water plants.**

**"Reticulated Areas"** shall mean the areas on or served from a portion of Transporter's system in which the direction of gas flow changes from time to time. Such point(s) are shown in Section 31 of the General Terms and Conditions, and Transporter shall post a map on its Internet website identifying the points located within each Reticulated Area. Any changes in Reticulated Areas shall be described by Transporter in a tariff filing and promptly posted on a map on its Internet website.

**"RNG Receipt Point" shall mean a Point of Receipt installed by Transporter for the express purpose of receiving RNG directly into Transporter's system.**

**"ROFR"** shall mean the Right of First Refusal pursuant to Section 20 of the General Terms and Conditions.

**"Sales Division"** shall mean the division of Florida Gas Transmission Company, LLC making sales under the blanket sales certificate issued to Florida Gas Transmission Company under Order No. 636.

**"Service Year"** shall mean a period of time beginning on October 1 of each year and ending at the next succeeding September 30.



**"Segmented Transaction"** shall mean segmentation either by capacity release or through the nomination process.

**"Supply Area"** shall mean Transporter's facilities outside of the State of Florida.

**"Tax" or "Taxes"** shall mean any tax, fee, charge or assessment and shall include, but not be limited to, occupation, production, severance, gathering transportation, pipeline, footage, sales or other excise tax or tax of similar nature now or hereafter imposed by any lawful authority upon Transporter whether under direct imposition by Federal, State or local authorities or pursuant to the terms of any present or future contract.

**"TECM"** shall mean Transporter's Transactional Electronic Communications Mechanism pursuant to Section 9 of the General Terms and Conditions.

**"Transporter" or "Transportation Service Provider (TSP)"** shall mean Florida Gas Transmission Company, LLC, the party receiving gas at the Receipt Points and transporting quantities to the Points of Delivery.

**"Transporting Pipeline"** shall mean any third party pipeline system on which Transporter holds firm transportation rights and which it has authorization to treat as an extension of Transporter's system for the purpose of providing transportation service. (The only pipeline that currently meets this definition is Southern Natural Gas Company.)

**"Western Division"** shall mean the area west of Transporter's Mile Post 238.6 located at the Alabama-Florida border and all facilities of Transporter not located in the state of Florida. Western Division shall also include noncontiguous supply laterals.

**"Working day"** shall mean "Business Days" as such term is defined in the NAESB Standards and shall include the days Monday through Friday, exclusive of Federal Banking Holidays, unless notified otherwise. A listing of such holidays shall be posted on Transporter's Internet website each December 15 for the following calendar year.

**"Written" or "in writing"** or any other combination of words indicating a requirement that a document be in a physically written form shall include any service agreement, amendment to a service agreement, or any other contract or document which has been electronically executed pursuant to the procedures established by Transporter.

**"Year"** shall mean a period of a calendar year commencing on January 1st and ending on December 31st.

## GENERAL TERMS AND CONDITIONS

### 2. QUALITY

- A. Natural gas is a naturally occurring hydrocarbon gas mixture consisting primarily of methane, but commonly including varying amounts of other higher alkanes.

Gas delivered by Shipper or for its account into Transporter's pipeline system at receipt points shall conform to the following quality standards:

1. shall be free from objectionable odors, solid matter, dust, gums, and gum forming constituents, or any other substance which might interfere with the merchantability of the gas stream, or cause interference with proper operation of the lines, meters, regulators, or other appliances through which it may flow;
2. shall contain not more than seven (7) pounds of water vapor per one thousand (1,000) MCF;
3. shall contain not more than one quarter (1/4) grain of hydrogen sulphide per one hundred (100) cubic feet of gas;
4. shall contain not more than ten (10) grains of total sulphur per one hundred (100) cubic feet of gas, unless otherwise provided in Section 2.B.7;
5. shall contain not more than two percent (2%) by volume of carbon dioxide or a combined total three percent (3%) by volume of carbon dioxide and/or nitrogen;
6. shall contain not more than one quarter percent (1/4%) by volume of oxygen;
7. shall have a temperature of not more than one hundred twenty (120) degrees Fahrenheit;
8. shall have a Btu content of not less than one thousand (1000) Btu per cubic foot, unless otherwise provided in Section 2.C.1; ~~and,~~
9. shall have no carbon dioxide, oxygen or nitrogen injected as a dilutant;
10. shall not contain any toxic or hazardous substance in concentrations which, in the normal use of gas, may be hazardous to health, injurious to pipeline facilities, or be a limit to merchantability or be contrary to applicable government standards; and,
11. shall not contain any microbiological organism, active bacteria or bacterial agent capable of causing or contributing to: (i) injury to Transporter's pipelines, meters, regulators, or other facilities and appliances through which gas flows or (ii)

interference with the proper operation of Transporter’s facilities. Microbiological organisms include, but are not limited to, sulfate reducing bacteria (SRB), iron oxidizing bacteria (IOB) and acid producing bacteria (APB). When bacteria or microbiological organisms are considered to be possibly present in gas, upon Transporter’s request, Shippers desiring to nominate such gas shall test, or request the point operator or applicable upstream party to test, such gas for bacteria or bacterial agents utilizing the American Petroleum Institute test method API-RP38, Environmental Protection Agency Method 5 or other acceptable test method as determined by Transporter and the applicable party. Transporter will not be obligated to receive gas from such points if such testing is not complete and/or the test results are not acceptable to Transporter.

B. Gas delivered into Transporter's pipeline system at point(s) of receipt in Transporter's Market Area shall, in addition to the provisions contained in Section 2.A.1 through 2.A.11, conform to the following quality standards:

1. shall have a methane composition of not less than eighty-five (85) mole percent;
2. shall have an ethane composition of not more than ten (10) mole percent;
3. shall have a combined composition of not more than one and two tenths (1.2) mole percent of isobutane and normal butane and pentanes and heavier hydrocarbons; and a Hydrocarbon Dew point not to exceed 25 degrees Fahrenheit;
4. shall have a minimum temperature, and a physical means to maintain such minimum temperature; such minimum temperature to be determined on a case-by-case basis, considering the pipeline operating conditions at, and downstream of, the receipt location, such as: (i) gas flow and the ability to blend gas streams, (ii) the magnitude of the pressure drop at the point of the interconnection, and (iii) any potentially adverse impact to, or unsafe condition on, Transporter's or customers' facilities downstream of the interconnection, such as those occurring from the receipt of excessively cold gas or liquid hydrocarbon fallout;
5. shall have a Btu content of not more than eleven hundred and ten (1110) Btu per cubic foot;
6. shall have a Wobbe Index absolute limit from ~~1320-1280~~ to 1396 (calculated using Higher Heating Value (HHV), dry, under standard conditions at 14.73 psia at 60 degrees Fahrenheit) based on the following mathematical definition and in accordance with Section 4 of these GT&C;

HHV/SQRT SGgas

Where:

HHV = Higher Heating Value (Btu/scf)

SG<sub>gas</sub> = Specific Gravity  
Sqrt = Square Root of

and shall be subject to a limitation on the rate of change of two percent (2%) of Wobbe per six-minute interval; and,

7. shall contain not more than two (2) grains of total sulphur per one hundred (100) cubic feet of gas.

C. Renewable Natural Gas (RNG), which may come from a variety of sources, including but not limited to: (1) landfills, excluding Hazardous Waste Landfills as defined in Section 2.C.3, (2) dairies and feedlots (Organic Biomass), and (3) publicly-owned treatment works, sewage treatment plants, or waste water plants (POTW). RNG delivered into Transporter's pipeline system at Point(s) of Receipt shall, in addition to the provisions contained in Sections 2.A and 2.B, conform to the following quality standards:

1. shall have a Btu content of not less than nine hundred fifty (950) Btu per cubic foot;
2. shall be evaluated on a case by case basis, considering the pipeline operating conditions at and downstream of the receipt location, such as, but not limited to (i) the ability to sufficiently blend the RNG gas streams in order to meet the minimum Btu per cubic foot requirement contained in Section 2.A.8, (ii) the prevention of any potentially adverse impact to, or unsafe operating conditions on, Transporter or any Shipper's facilities downstream of the RNG Receipt Point, and (iii) the avoidance of any requirement to modify any existing environmental or other permits such as, without limitation, those required to operate Transporter's compression facilities;
3. Transporter prohibits the delivery of RNG to Transporter from any landfill permitted under the Resource Conservation and Recovery Act Subtitle C (42 U.S.C. § 6921 – 6932), whether by the United States Environmental Protection Agency or a state under a program authorized by the United States Environmental Protection Agency (Hazardous Waste Landfills). The RNG producer and/or operator (RNG Operator) of a receipt point into Transporter's system shall not knowingly supply or cause to be supplied RNG from a Hazardous Waste Landfill. It is the responsibility of RNG Operator of the RNG Receipt Point to disclose whether the landfill providing RNG is a Hazardous Waste Landfill, has ever been a Hazardous Waste Landfill, or has ever accepted material that would require permitting as a Hazardous Waste Landfill. A Hazardous Waste Landfill includes all continuous land and structures, and other appurtenances and improvements, on the land used for the treatment, transfer, storage, resource recovery, and disposal or recycling of hazardous waste. RNG Operator of a RNG Receipt Point delivering RNG into Transporter's system shall certify in writing to Transporter that the RNG is not being produced from landfill gas collected from a Hazardous Waste Landfill before delivering the RNG into Transporter's pipeline system; and

4. shall contain not more than the permissible limits specified in the RNG Quality Specifications Table below:

<u>Constituent</u>	<u>Permissible Limits</u>	<u>Landfill/ POTW</u>	<u>Organic Biomass</u>	<u>Testing Methods<sup>†</sup></u>
<u>Alkyl Thiols (Mercaptans)</u>	<u>610 PPMv</u>	<u>X</u>	<u>X</u>	<u>ASTM D6228</u>
<u>Ammonia</u>	<u>0.0005% (50 PPMv)</u>	<u>X</u>	<u>X</u>	<u>NIOSH 3800</u>
<u>Antimony</u>	<u>30 mg / m<sup>3</sup> (6.1 PPMv)</u>	<u>X</u>		<u>NIOSH 7303</u>
<u>Arsenic</u>	<u>10 µg / m<sup>3</sup> (3 PPBv)</u>	<u>X</u>		<u>NIOSH 7303</u>
<u>Copper</u>	<u>1 mg / m<sup>3</sup> (0.4 PPMv)</u>	<u>X</u>		<u>NIOSH 7303</u>
<u>Ethyl benzene</u>	<u>430 mg / m<sup>3</sup> (100 PPMv)</u>	<u>X</u>	<u>X</u>	<u>EPA TO-14A, TO-15</u>
<u>Hydrogen</u>	<u>0.1% (1000 PPMv)</u>	<u>X</u>	<u>X</u>	<u>ASTM D1945</u>
<u>Lead</u>	<u>50 µg / m<sup>3</sup> (6 PPBv)</u>	<u>X</u>		<u>NIOSH 7303</u>
<u>Mercury</u>	<u>0.1 mg / m<sup>3</sup> (12 PPMv)</u>	<u>X</u>		<u>NIOSH 6009</u>
<u>Methacrolein</u>	<u>53 mg / m<sup>3</sup> (18 PPMv)</u>	<u>X</u>		<u>EPA TO-15</u>
<u>n-Nitroso-di-n-propylamine</u>	<u>0.81 mg / m<sup>3</sup> (0.15 PPMv)</u>	<u>X</u>	<u>X</u>	<u>EPA 3542, 8270</u>
<u>p-Dichlorobenzene</u>	<u>325 mg / m<sup>3</sup> (75 PPMv)</u>	<u>X</u>		<u>EPA TO-14A, TO-15</u>
<u>Radioactive Isotopes</u>	<u>Not Permissible</u>	<u>X</u>	<u>X</u>	<u>EPA 904.0</u>
<u>Siloxanes</u>	<u>0.1 mg Si / m<sup>3</sup></u>	<u>X</u>	<u>X</u>	<u>ASTM D8230</u>
<u>Toluene</u>	<u>1,125 mg / m<sup>3</sup> (300 PPMv)</u>	<u>X</u>	<u>X</u>	<u>EPA TO-14A, TO-15</u>
<u>Vinyl Chloride</u>	<u>2.5 mg / m<sup>3</sup> (1 PPMv)</u>	<u>X</u>		<u>EPA TO-14A, TO-15</u>

<sup>†</sup> Alternate Testing Methods may be used if deemed by Transporter to be equivalent to the above listed methods.

5. Transporter’s interconnection agreement with respect to receipts of RNG will provide that the interconnecting party shall indemnify Transporter of any loss, cost, damage, expense, claim, suit, action or proceeding incurred by Transporter as a direct or indirect result of a failure of the interconnecting party to comply with the quality standards in Sections 2.A, 2.B and 2.C for gas delivered into Transporter’s system at Points of Receipt covered by such interconnection agreement, except to the extent such loss, cost, damage, expense, claim, suit, action or proceeding is the result of Transporter’s negligence, bad faith or willful misconduct or is the direct result of Transporter’s deliberate decision to take such nonconforming gas provided that Transporter had full knowledge of the extent and nature of such nonconformity.

D. RNG to be delivered to and transported on Transporter's pipeline system by an RNG Operator shall be subject to periodic testing and continuous monitoring based on the source of the RNG. The testing procedures outlined below may be revised as necessary, and as determined by Transporter in its sole discretion, to meet the requirements of applicable laws, regulation or legal authority, and public health and safety obligations as promulgated by governmental authorities, including, without limitation, the Pipeline Hazardous Materials Safety Administration and the Occupational Safety and Health Administration.

RNG Operator and Transporter shall undertake the testing procedures set forth in this section to ensure that RNG to be received by Transporter meets the applicable gas quality standards contained in Sections 2.A, 2.B and 2.C.

Transporter may, in its sole discretion, immediately shut-in all RNG supply if any test results do not comply with the gas quality standards contained in Sections 2.A, 2.B and 2.C.

**1. Testing Procedures**

Testing by RNG Operator shall be performed to assess whether the RNG conforms to gas quality limits and the Transporter's RNG Quality Specifications Table in Section 2.C.4 using two methods, lab testing or onsite analysis. Both methods shall be utilized during Pre-Injection Testing and Periodic Testing. Onsite analysis shall be utilized during Continuous Sampling.

RNG Operator and Transporter shall reasonably agree upon one or more independent, certified third-party lab(s) (approved laboratory) and testing protocols that the RNG Operator shall employ for sampling and lab testing. The costs associated with Pre-Injection Testing, Periodic Testing, and if applicable, Continuous Sampling by RNG Operator, and any required retesting or expedited testing, are the sole responsibility of RNG Operator.

Transporter shall be notified three (3) business days in advance of the RNG sampling for lab testing and have the option to observe the samples being taken. Test results shall be shared with Transporter within five (5) calendar days of the test results being received by RNG Operator. RNG shall not enter Transporter's pipeline system until results have been verified and accepted by Transporter, provided that Transporter shall not unreasonably withhold, delay or condition such verification and acceptance.

Transporter, in its sole judgement, may request additional testing at any time with reasonable advance notice if Transporter has a concern with the RNG quality or sampling results within thirty (30) days after receipt of the initial test results. The cost of such testing shall be borne by RNG Operator if such testing demonstrates that any contaminant exists in concentrations above acceptable limits. If, after such testing, the contaminants are determined to exist in concentrations below acceptable limits, then the cost of the testing shall be borne by Transporter.

RNG Operator shall notify Transporter within ten (10) business days if there is a change in the source or size of the facility generating the RNG. When such changes occur, the RNG shall be treated as a new source and all constituents must be reconfirmed.

Transporter shall have the right to share all test results of the RNG to third parties.

**a. Pre-Injection Testing**

RNG Operator shall conduct two (2) separate comprehensive analyses over a period not to exceed thirty (30) consecutive calendar days with a minimum of seven (7) calendar days between tests, to confirm compliance with the gas quality limits in the RNG Quality Specifications Table in Section 2.C.4, for that RNG source prior to the receipt of RNG into Transporter's pipeline system.

If during Pre-Injection Testing, there are any results exceeding the applicable gas quality limits, the RNG will not be received into Transporter's pipeline system. RNG Operator shall make necessary modifications and, after review of such modifications by Transporter, may request a restart of Pre-Injection Testing.

If all test results are within Transporter's gas quality limits for two (2) consecutive tests, RNG may be received into Transporter's pipeline system.

**b. Periodic Testing**

Once the RNG is allowed to be received into Transporter's pipeline system, RNG Operator shall be required to perform the required periodic testing outlined below (i.e., Monthly Testing, Quarterly Testing and Annual Testing) in order for the RNG to continue to be received into Transporter's pipeline system. RNG Operator shall procure and furnish all materials, equipment, supplies, services and labor required for Periodic Testing extraction and analysis. RNG samples shall be extracted for laboratory analysis at a sample point that is located (i) downstream of the RNG processing facilities and (ii) upstream of the RNG Receipt Point. The sample point shall be an inline probe and shall be separate from the sample point used for Continuous Sampling. Samples shall be collected by RNG Operator using Transporter approved industry standard testing methods. With regards to sampling, the methods, apparatus, collection devices, expiration times and chain of custody procedures shall conform to the applicable industry standards and laboratory requirements. Samples shall be sent by RNG Operator to the approved laboratory for analysis. As stated above in Section 2.D.1, all test results will be shared with Transporter within five (5) calendar days of the test results being received by RNG Operator. RNG Operator shall be responsible for all costs associated with such testing.

i. **Monthly Testing**

Following successful Pre-Injection Testing, RNG Operator shall conduct Monthly Testing, one (1) lab test every calendar month, not to exceed forty-five (45) calendar days between tests, to confirm compliance with the gas quality limits applicable to the RNG source, as stated in the RNG Quality Specifications Table in Section 2.C.4. The first Monthly Test shall be completed no later than thirty (30) calendar days after the successful completion date of the Pre-Injection Testing.

If all the test results are within Transporter's gas quality limits during Monthly Testing for three (3) consecutive tests, RNG Operator may transition to Quarterly Testing.

Transporter may, in its sole discretion, waive some or all of the requirements in the Monthly Testing procedure.

ii. **Quarterly Testing**

Following successful Monthly Testing as outlined above, RNG Operator shall conduct Quarterly Testing, one (1) lab test in every third calendar month, not to exceed one hundred five (105) calendar days between tests, to confirm compliance with the gas quality limits identified for the RNG source, as stated in the RNG Quality Specifications Table in Section 2.C.4. The first Quarterly Test shall be completed no later than ninety (90) calendar days after the date of the last successful Monthly Test.

If Transporter and RNG Operator mutually agree to transition from Quarterly Testing to Annual Testing, RNG Operator may transition to Annual Testing if all test results are within Transporter's gas quality limits during Quarterly Testing for three (3) consecutive tests. Otherwise, Transporter and RNG Operator shall mutually agree to remain on a Quarterly Testing timeline, with one (1) lab test in every third calendar month, not to exceed one hundred five (105) calendar days between tests.

Transporter may, in its sole discretion, waive some or all of the requirements in the Quarterly Testing procedure.

iii. **Annual Testing**

If Transporter and RNG Operator mutually agree to transition to Annual Testing after successful Quarterly Testing, RNG Operator shall conduct one (1) lab test per calendar year, not to exceed



thirteen (13) months between tests, to confirm compliance with the gas quality limits identified for the RNG source, as stated in the RNG Quality Specifications Table in Section 2.C.4. The first Annual Test shall be completed no later than three hundred sixty-five (365) calendar days after the date of the last successful Quarterly Test.

Transporter may, in its sole discretion, waive some or all of the requirements in the Annual Testing procedure.

c. **Continuous Sampling**

Unless otherwise agreed upon, Transporter shall own, operate and provide maintenance of the gas quality equipment required for custody transfer measurement, and RNG Operator shall own, operate and provide maintenance for all additional required analyzers for Continuous Sampling. Selection of which constituents and the method/equipment types used for Continuous Sampling shall be made on a case by case basis primarily depending on the constituent concentrations encountered. Periodic Testing shall be required for constituents shown in the RNG Quality Specifications Table in Section 2.C.4 even if the constituents are continuously monitored.

If, during Continuous Sampling, results are found to not comply with the gas quality limits set forth in Sections 2.A, 2.B and 2.C during successive tests, Transporter shall notify RNG Operator to conform with such operating parameters or to submit to Transporter a plan of action to conform with such operating parameters that is acceptable to Transporter in its sole discretion. Transporter retains the right to refuse to accept any deliveries of natural gas not meeting any of the said requirements or operating procedures. In the event a station shut-in is required, the RNG supply will remain shut-in until RNG Operator has made necessary modifications and/or Transporter has conducted a threat assessment of the impacted pipe segment to determine the appropriate response.

Transporter may, in its sole discretion, waive some or all of the requirements in the Continuous Sampling procedure.

- ~~CE.~~ Transporter may refuse to accept any gas which fails to conform with the quality standards itemized in Sections 2.A, ~~and 2.B~~ and 2.C above. Transporter, in its reasonable discretion exercised on a not unduly discriminatory basis, may waive the quality standards for gas delivered into its pipeline system at receipt points, provided that such waiver will not affect Transporter's ability to maintain an acceptable gas quality in its pipeline and adequate service to its customers consistent with the applicable Rate Schedule and these General

Terms, including (without limitation) Section 2.~~D~~~~F~~ below. Such waiver will not be effective unless in writing and signed by an authorized representative of Transporter.

~~D~~~~F~~. The gas delivered by Transporter to Shipper shall conform to the following standards:

1. The gas shall be natural gas, or its equivalent as provided for in Section 2.~~D~~~~F~~.3 below, from the sources of supply attached or delivered to Transporter's pipeline system; provided however, that moisture, impurities, helium, natural gasoline, butane, propane, and other hydrocarbons or other substances, may be removed prior to delivery to Shipper. Nothing herein shall restrict Shipper's right to remove any merchantable products prior to delivery into Transporter's system by or for the account of Shipper. Further, nothing herein shall prevent Shipper from making arrangements for the processing of Shipper's gas on Transporter's system (nor, in the event such arrangements are made, from designating a processing plant as the Delivery Point for the MMBtu attributable to processed liquefiables). Transporter may subject or permit the subjection of the gas to compression, heating, cooling, cleaning or other processes, which are not substantially detrimental to the merchantability of the gas stream.
2. To the extent Shippers conform with requirements hereof, the gas shall have a total heating value of not less than one thousand (1000) Btu per cubic foot of dry gas, and be reasonably free of moisture, objectionable liquids and solids so as to be merchantable upon delivery to Shipper, and shall contain not more than two hundred (200) grains of total sulphur, nor more than fifteen (15) grains of hydrogen sulphide, per MCF. The gas may contain an odorant at the point of delivery, but it is the responsibility of the customer to monitor and maintain any required odorant levels after the point of delivery.
3. Transporter may utilize gas from any standby equipment to effectuate deliveries provided the gas shall be reasonably equivalent to the gas delivered to Transporter by or for the account of Shipper hereunder, and adopted for use by Shipper's consumers without the necessity of making adjustments to fuel-burning equipment.

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**Florida Gas Transmission Company, LLC**            )  
  )  
  )     **Docket Nos. RP21-441-000, et al.**

**EXPLANATORY STATEMENT**

Pursuant to Rule 602 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. § 385.602 (2022), and the procedures set forth in the Stipulation and Agreement of Settlement (“Settlement”) filed on January 18, 2022, and certified to the Commission by the Presiding Judge on February 18, 2022,<sup>1</sup> Florida Gas Transmission Company, LLC (“Florida Gas”) provides this Explanatory Statement accompanying the Stipulation and Agreement of Partial Settlement that resolves all renewable natural gas (“RNG”) matters in the captioned proceeding (“RNG Settlement”) filed contemporaneously herewith. The Explanatory Statement is not intended to alter any provisions of the RNG Settlement or the *Pro Forma* tariff sections attached thereto (“RNG Settlement Tariff Sections”). In the event a statement in the Explanatory Statement conflicts with the RNG Settlement or the RNG Settlement Tariff Sections, the RNG Settlement or RNG Settlement Tariff Sections will control. In the event a statement in the RNG Settlement conflicts with the RNG Settlement Tariff Sections, the RNG Settlement Tariff Sections will control.

Florida Gas and the active participants to this proceeding have engaged in settlement negotiations in an effort to resolve all RNG issues in the captioned proceeding. As a result of such negotiations, the RNG Settlement has been reached and is supported or not opposed by

<sup>1</sup> *Florida Gas Trans. Co., LLC*, 178 FERC ¶ 63,013 (2022).

Florida Gas and the parties to this proceeding listed in Appendix A to the RNG Settlement.

Florida Gas and the parties listed in Appendix A are referred to herein, individually, as a “RNG Settling Party,” and, collectively, as “RNG Settling Parties.” The RNG Settlement produces an overall result that is fair and reasonable and in the public interest, and it represents a consensus among the RNG Settling Parties. The RNG Settlement reflects a carefully crafted and delicate compromise among multiple parties with diverse and often conflicting interests. The RNG Settlement is an integrated package that must be considered and approved in its entirety, as provided for herein, in order to become effective.

Florida Gas was informed by several intervenors in this proceeding that they intend to contest the RNG Settlement.

## **I.** **CONTEXT OF RNG SETTLEMENT**

In accordance with the Stipulation and Agreement of Settlement filed September 11, 2015 in Docket Nos. RP15-101-000, et al. (“RP15-101 Settlement”),<sup>2</sup> on February 1, 2021 (“February 1 Filing”), Florida Gas filed revised tariff sheets pursuant to section 4 of the Natural Gas Act (“NGA”) proposing changes to its rates and modifications to certain provisions of its FERC NGA Gas Tariff (“Tariff”). Certain Settling Parties protested various aspects of Florida Gas’ February 1 Filing. On March 3, 2021, the Commission issued its *Order Accepting and Suspending Tariff Records, Subject to Refund, Conditions, and Hearing Procedures* in this proceeding.<sup>3</sup> As set out in the Suspension Order, the Commission accepted, effective March 1, 2021, subject to hearing those tariff records reflecting a rate decrease, and accepted and suspended those tariff records reflecting a rate increase to be effective upon motion on August 1,

<sup>2</sup> On December 4, 2015, the Commission approved the RP15-101 Settlement. *Florida Gas Trans. Co., LLC*, 153 FERC ¶ 61,279 (2015).

<sup>3</sup> *Florida Gas Trans. Co., LLC*, 174 FERC ¶ 61,170 (2021) (“Suspension Order”).

2021, subject to refund and the outcome of a hearing. On March 4, 2021, Florida Gas made a compliance filing pursuant to the Suspension Order and submitted a tariff record to reflect the reduced rate for Rate Schedule FTS-3 effective on March 1, 2021, which the Commission accepted on March 23, 2021.<sup>4</sup>

On March 5, 2021, the Chief Administrative Law Judge (“Chief Judge”) designated the Honorable Andrew Satten as the Presiding Judge<sup>5</sup> and designated the Honorable Suzanne Krolkowski as the Settlement Judge to conduct settlement negotiations in this proceeding.<sup>6</sup> Following a prehearing conference held on March 24, 2021, the Chief Judge adopted a procedural schedule that, among other things, established deadlines for the submission of direct, answering, cross-answering, and rebuttal testimony.<sup>7</sup> During the discovery process, Florida Gas responded to hundreds of data requests, many with numerous subparts, and provided extensive amounts of information.

On July 29, 2021, Florida Gas filed a Motion to Place Suspended Revised Tariff Records into effect as of August 1, 2021, which the Commission accepted on August 25, 2021.<sup>8</sup> In addition, on August 16, 2021, Florida Gas made its forty-five (45) day update filing pursuant to Section 154.311.<sup>9</sup>

<sup>4</sup> Letter Order, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-002 (issued Mar. 23, 2021).

<sup>5</sup> Order of Chief Judge Designating Presiding Administrative Law Judge and Establishing Track III Schedule, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 (issued Mar. 5, 2021).

<sup>6</sup> Order of Chief Judge Designating Settlement Judge and Directing Status Reports, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 (issued Mar. 5, 2021).

<sup>7</sup> Order of Chief Judge Waiving Answer Period, Granting Extension of Track III Schedule and Adopting Procedural Schedule, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 (issued Mar. 25, 2021); *see also* Order Granting Motion for Supplemental Hearing Rules, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 (issued Mar. 29, 2021). On August 25, 2021, the Chief Judge adopted a revised procedural schedule. Order of Chief Judge Extending Procedural Time Standards and Waiving Answer Period, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 (issued Aug. 25, 2021).

<sup>8</sup> Letter Order, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-003 (issued Aug. 25, 2021).

<sup>9</sup> 18 C.F.R. § 154.311 (2022).

At the October 28, 2021 settlement conference, Florida Gas and the active parties in this proceeding reached a comprehensive settlement in principle that addressed all issues in this proceeding.<sup>10</sup> On November 1, 2021, Florida Gas filed an Unopposed Motion to Suspend Procedural Schedule for a Limited Time and Waive Answer Period. On November 2, 2021 and January 6, 2022, the Chief Judge issued orders suspending the procedural schedule for a limited period and waiving the answer periods.<sup>11</sup> On January 18, 2022, Florida Gas filed the Settlement in the captioned docket on behalf of itself and the parties listed in Appendix A thereto, which resolved all issues except RNG matters and provided procedures for the resolution of RNG matters and the filing of the RNG Settlement. On February 18, 2022, the Presiding Judge certified the Settlement to the Commission.<sup>12</sup> The Presiding Judge stated that “[r]egarding the specific issue of determining tariff language ‘designed to facilitate the introduction of renewable natural gas (RNG) into the Florida Gas system,’ the Settlement establishes subsequent procedures for resolving that matter and provides for the filing of a subsequent settlement in this proceeding.”<sup>13</sup>

Florida Gas and the active parties have devoted substantial time and effort to addressing the RNG matters in this proceeding. As part of those efforts, they exchanged numerous detailed settlement offers, participated in several settlement conferences, provided information on various issues, and engaged in individual settlement discussions. At the May 10, 2022 settlement conference, Florida Gas and certain of the active parties in this proceeding reached a comprehensive settlement in principle that addressed the RNG matters in this proceeding.

<sup>10</sup> See Fourth Report of Settlement Judge, *Florida Gas Trans. Co., LLC*, Docket No. RP21-441-000 at P 4 (issued Nov. 1, 2021).

<sup>11</sup> Order of Chief Judge Holding Hearing Proceeding in Abeyance, *Florida Gas Trans. Co., LLC*, Docket Nos. RP21-441-000, et al. (issued Nov. 2, 2021); Order of Chief Judge Holding the Hearing Proceeding in Abeyance, *Florida Gas Trans. Co., LLC*, Docket Nos. RP21-441-000, et al. (issued Jan. 6, 2022).

<sup>12</sup> *Florida Gas Trans. Co., LLC*, 178 FERC ¶ 63,013 (2022).

<sup>13</sup> *Id.* at P 2 (footnotes omitted).

**II.**  
**ARTICLE-BY-ARTICLE EXPLANATION OF THE RNG SETTLEMENT**

The various provisions of the RNG Settlement, and the articles included therein, offered in settlement of the RNG issues in the captioned proceeding, are summarized below.

**ARTICLE I: BACKGROUND**

This Article sets forth the pertinent procedural background of the RNG Settlement. The substance of this Article is reflected in Section I, *supra*, “Context of RNG Settlement.”

**ARTICLE II: SCOPE OF RNG SETTLEMENT**

This Article provides that the RNG Settlement resolves all RNG issues in the captioned proceeding.

**ARTICLE III: SETTLEMENT PROCEDURES FOR RESOLUTION OF  
RNG MATTERS AND FILING RNG SETTLEMENT**

This Article describes the procedures for negotiations to attempt to reach consensus on RNG-related tariff language designed to facilitate the introduction of RNG into the Florida Gas system.

**ARTICLE IV: RNG-RELATED TARIFF LANGUAGE**

This Article explains that, as provided by the RNG procedures set forth in the Settlement, the active parties conducted negotiations in an attempt to reach consensus on the acceptability of the RNG-related tariff language set out in Appendix D-4 attached to the Settlement. As a result of such negotiations, the issues addressed by the tariff language set out in Appendix D-4 to the Settlement were narrowed and the RNG Settling Parties agreed to revise the tariff language set out in Appendix D-4 to the Settlement based, in part, on the Commission’s holdings in *Great*

*Basin Gas Transmission Company*.<sup>14</sup> The agreed upon tariff language is set out in Appendix B attached to the RNG Settlement.

#### **ARTICLE V: TECHNICAL WORKING GROUP**

This Article provides that, subject to Tariff provisions that implement gas quality specifications applicable to RNG being in effect, Florida Gas and a group of company personnel and outside consultants from the Shippers (“Technical Working Group”) will conduct informal meetings to review the actual operating experience regarding the receipt of RNG into the Florida Gas system, identify any issues related to the receipt of RNG into the Florida Gas system and discuss any proposed modifications to Florida Gas’ Tariff related to the receipt of RNG into the Florida Gas system. The Technical Working Group will meet for such period as mutually agreed by Florida Gas and the other participants of the Technical Working Group, but for not more than a six-month period. At the conclusion of the Technical Working Group, Florida Gas shall not be obligated to make any changes to its operations or to file any changes to the gas quality Tariff provisions applicable to RNG unless agreed to by Florida Gas in its sole discretion.

#### **ARTICLE VI: RNG SETTLING PARTIES AND RNG CONTESTING PARTIES**

This Article defines RNG Settling Parties and RNG Contesting Parties for purposes of the RNG Settlement and the rights and obligations of each thereunder. Upon the effectiveness of the RNG Settlement, RNG Contesting Parties shall be subject to the RNG Settlement pending further Commission order or further litigation, unless otherwise provided by the Commission. Issues raised by RNG Contesting Parties will be resolved by the Commission and may include further litigation, settlement or other proceedings.

<sup>14</sup> *Great Basin Gas Trans. Co.*, 178 FERC ¶ 61,071 (2022).



## **ARTICLE VII: EFFECTIVE DATE OF THE RNG SETTLEMENT**

This Article provides that the RNG Settlement will become effective upon the first day of the first month following the date on which a Commission order approving the RNG Settlement, subject to the rights of the RNG Settling Parties pursuant to Article VI of the RNG Settlement, becomes final. This Article deems a Commission order approving the RNG Settlement as final as of (i) the date on which the right to request rehearing expires, if no party has filed a request for rehearing, (ii) the date on which the Commission issues an order on rehearing or all requests for rehearing are deemed denied by operation of law, or (iii) the date on which the order approving the RNG Settlement is no longer subject to further action by the Commission consistent with 15 U.S.C. § 717r(a).

## **ARTICLE VIII: EFFECTIVENESS OF THE RNG SETTLEMENT**

Section 1 provides that a final Commission order approving the RNG Settlement will constitute final approval of all necessary authorizations to effectuate the provisions of the RNG Settlement.

Section 2 states that a final Commission order approving the RNG Settlement will constitute a waiver of compliance with all Commission policies, rules, and regulations, prior Commission orders, and a waiver of Florida Gas' Tariff, if, and to the extent, necessary to effectuate all provisions of the RNG Settlement.

Section 3 provides that upon approval by the Commission in accordance with the procedures set forth in Article VII, the RNG Settlement and the terms therein will become effective.

Section 4 provides that Tariff provisions implemented by the RNG Settlement and the RNG Settlement will terminate upon the effective date of new tariff provisions that revise such RNG Settlement tariff provisions.

#### **ARTICLE IX: PRIVILEGED DOCUMENT**

This Article provides that the RNG Settlement is made pursuant to Rule 602 of the Commission's Rules of Practice and Procedure and, until it is approved and becomes effective, it will be privileged and of no effect, and it will not be admissible in evidence in any proceeding.

#### **ARTICLE X: RESERVATIONS**

Section 1 provides that the provisions of the RNG Settlement are not severable and may become effective only in accordance with Articles VII and VIII of the RNG Settlement.

Section 2 provides that the RNG Settlement represents a negotiated settlement only with respect to the RNG issues in the captioned proceeding as set forth therein and, unless otherwise explicitly provided for in the RNG Settlement, nothing therein will be deemed a "settled practice."

Section 3 provides that the provisions of the RNG Settlement relate only to the matters specifically referred to therein, and no RNG Settling Party or person waives any claim or right that it may otherwise have with respect to any matter not expressly provided for in the RNG Settlement.

Section 4 provides that Commission approval of the RNG Settlement will constitute: (i) the requisite approval necessary to permit the implementation of the provisions of the RNG Settlement; and (ii) a determination that all terms and provisions of the RNG Settlement, are fair, reasonable, and in the public interest. Upon Commission approval of the RNG Settlement, the

*Pro Forma* tariff provisions in Appendix B to the RNG Settlement will be deemed effective as of the Effective Date, subject only to a compliance filing by Florida Gas.

Section 5 provides that no RNG Settling Party may: (a) seek rehearing of an order that approves the RNG Settlement without condition or modification; (b) appeal a final Commission order that approves the RNG Settlement without condition or modification.

#### **ARTICLE XI: MISCELLANEOUS PROVISIONS**

Section 1 provides that, except as otherwise set forth in the RNG Settlement, Florida Gas shall file the tariff provisions in Appendix B not later than fifteen (15) days following the Effective Date.

Section 2 provides that Appendices A and B to the RNG Settlement are incorporated by reference and made a part of the RNG Settlement for all purposes.

Section 3 provides that in the event a statement in the Explanatory Statement conflicts with the RNG Settlement or a *Pro Forma* tariff provision attached to the RNG Settlement (or an approved tariff provision, once the RNG Settlement is approved), the RNG Settlement or *Pro Forma* tariff or approved tariff provision shall control. In the event a statement in the RNG Settlement conflicts with a *Pro Forma* tariff provision attached to the RNG Settlement (or an approved tariff provision once the RNG Settlement is approved), the *Pro Forma* tariff or approved tariff provision will control.

Section 4 provides that the RNG Settlement will be binding on and inure to the benefit of the successors, assigns, or purchasers for value of the stock or assets, of all RNG Settling Parties.

Section 5 provides that, once the RNG Settlement becomes effective in accordance with Article VII of the RNG Settlement, the standard of review for any proposed modifications to the provisions of the RNG Settlement by the Commission acting *sua sponte*, the RNG Settling

Parties acting unanimously or individually, or third parties will be the just and reasonable standard.

**III.**  
**INFORMATION TO BE PROVIDED WITH SETTLEMENT AGREEMENTS**

In accordance with the “Amended Notice to the Public on Information to be Provided with Settlement Agreements and Guidance on the Role of Settlement Judges” issued by the Chief Administrative Law Judge on December 15, 2016, Florida Gas provides the following responses to the four questions posed in the Notice.

1. **Does the settlement affect other pending cases?**

Florida Gas does not believe that the RNG Settlement will affect other pending cases.

2. **Does the settlement involve issues of first impression?**

The RNG Settlement does not involve any issues of first impression.

3. **Does the settlement depart from Commission precedent?**

The RNG Settlement does not depart from Commission precedent.

4. **Does the settlement seek to impose a standard of review other than the ordinary just and reasonable standard with respect to any changes to the settlement that might be sought by either a third party or the Commission acting *sua sponte*?**

No. As provided for in Section 5 of Article XI of the RNG Settlement, once the RNG Settlement becomes effective in accordance with Article VII of the RNG Settlement, the standard of review for any proposed modifications to the provisions of the RNG Settlement by the Commission acting *sua sponte*, the Settling Parties acting unanimously or individually, or third parties will be the just and reasonable standard.

May 16, 2022