



## Legislation Text

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**File #:** ID#16-2714, **Version:** 1

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### **SUBJECT/RECOMMENDATION:**

Approve a Service Agreement with Florida Gas Transmission for the transportation of natural gas supply under Rate Schedule FTS-1 and authorize the appropriate officials to execute same. (consent)

### **SUMMARY:**

The City of Clearwater has two separate agreements with Florida Gas Transmission (FGT) to reserve space within their pipeline to transport natural gas supply to our four gate station delivery points. Both agreements provide the same service, however, at different rate schedules. The Agreement to be renewed is for the Firm Transportation Service #1 (FTS-1) Service Agreement. Currently, the Federal Energy Regulatory Commission (FERC) approved FTS-1 transportation rate is \$0.5518 per Dekatherm (Dth) of natural gas supply. The new FTS-1 Service agreement will have a 10-year contract term (February 1, 2017 - January 31, 2027).

The City's maximum gas supply entitlements are listed below:

May - September:	711,756 Dth (4,652 per day)
October:	170,438 Dth (5,498 per day)
November - March:	1,543,069 Dth (10,219 per day)
April:	216,570 Dth (7,219 per day)
Total capacity:	2,641,833 Dth

Rate per Dth: \$0.5518 (FERC approved FTS-1 rate)

Total annual cost: \$1,457,763

### **APPROPRIATION CODE AND AMOUNT:**

CGS has budgeted funds available in account code 423-02078-531400-532-000-0000 Gas System Supply (PGA Recovery).

**USE OF RESERVE FUNDS:** N/A