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February 22, 2021

Via Alternative Electronic Filing

Reece McAlister
Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, GA 30334

Re: **ATLANTA GAS LIGHT COMPANY'S PETITION TO APPROVE AN ECON-1
PROJECT IN GLYNN COUNTY**
Docket No. 41559

Dear Mr. McAlister:

Enclosed for filing please find Atlanta Gas Light Company's Petition to Approve Econ-1 Project for Glynn County. A hard copy of the enclosed filing will be provided to the Georgia Public Service Commission in compliance with the Alternative Electronic Filing Procedure. Thank you for your attention to this matter.

Sincerely yours,

Holland & Knight LLP



Lindsey Sciavicco Williamson

Enclosures

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF GEORGIA**

| | | |
|------------------------------------|---|-------------------------|
| IN RE: |) | |
| |) | |
| ATLANTA GAS LIGHT COMPANY'S |) | |
| ECON-1 PROJECT FOR GLYNN |) | DOCKET NO. 41559 |
| COUNTY |) | |

**ATLANTA GAS LIGHT COMPANY'S PETITION TO APPROVE
ECON-1 PROJECT FOR GLYNN COUNTY**

Atlanta Gas Light Company ("AGL" or "Company") hereby files this Petition to Approve Econ-1 Project for Glynn County with the Georgia Public Service Commission (the "Commission") under AGL's Econ-1 Tariff in Docket No. 41559.

BACKGROUND

On October 10, 2017, the Georgia Public Service Commission ("Commission" or "PSC") approved AGL's Econ-1 Tariff filed in Docket No. 40828, which replaced the Company's previous economic development program, known as the Integrated Customer Growth Program. The purpose of the Econ-1 Tariff is to offer funding to qualified Applicants who are new or existing Firm customers, or a third party that applies on behalf of a new or existing Firm customer, that seek line-extension projects or pressure improvement for natural gas service.

Prior to the acceptance of an Econ-1 Project, the Company must review each Applicant's line extension project under Rule 7, Rule 8, and the Georgia Sustainable Environmental and Economic Development Program to determine if one or more of these tariff provisions are adequate for the Applicant's line extension project, and shall further seek and obtain Commission approval for each Econ-1 Project. Accordingly, AGL files this petition to seek approval of its proposed Econ-1 Project in Glynn County, Georgia (the "Glynn County Project").

ECON-1 PROJECT REQUIREMENTS

As part of the filing to obtain Commission approval, the Company's Petition shall contain the following elements and supporting information:

- a. A detailed description of the project to include under which portion of the tariff the project qualifies, county name, size and type of pipe, estimated cost, estimated number of jobs created, and estimated dekatherms of new gas load added;
- b. An affirmative statement by the Company that the project complies with the Econ-1 tariff requirements;
- c. Detailed estimated cost of the project in Excel; and
- d. A map of the proposed project.

In order for a project to qualify for approval under the Econ-1 Tariff, it must meet certain requirements depending on the Customer's rate class. For the Glynn County Project, the project must meet the requirements of the G-12 rate class. Under Section 3.C. of the Econ-1 Tariff, the Glynn County Project must: include a capital investment, other than by the Company, in excess of \$1 million in new facilities; add a net of at least 10 new jobs within six months of taking gas service; subject to the circumstances at the time of the application, reasonably anticipate an increased tax base by at least \$20,000 per year; and add connected load on a Firm basis of at least 10 dekatherms a year. The Glynn County Project meets the requirements of the Econ-1 Tariff for the G-12 rate class. Therefore, this Commission should approve the project under AGL's Econ-1 Tariff.

THE GLYNN COUNTY PROJECT

The Glynn County Project qualifies for approval under Section 3.C. of the Econ-1 Tariff as a Customer in the G-12 rate class. The estimated customer capital investment amount for this project is \$80,000,000. It is expected that this Project will add approximately 125 jobs to the local community, which is a significant economic development for this region of Georgia. The

Company reasonably anticipates that the tax base for this project will be \$7,500,000. The Project will add connected load on a Firm basis of 93,900 dekatherms per year.

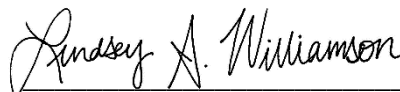
Glynn County is working with the Georgia Department of Economic Development and Tourism to potentially locate a bottled water company facility in Glynn County's industrial development on Hwy 99 near I-95. In order to serve this customer, AGL proposes to install approximately 22,500 feet of 4" steel with an MAOP of 300 psi along Highway 99 as shown on the attached proposal drawing. The 4" steel will tie-in to existing 4" steel at the intersection of Highway 99 and US 25 and traverse along Highway 99 to the project site.

It is estimated that this project can be completed at an estimated cost of approximately \$5.2 million as indicated on the attached estimate. A narrative description, detailed cost estimate, and map for the Glynn County Project is included herewith in Exhibit A. AGL is certificated to serve the relevant area of Glynn county. An analysis of this project under Rule 8 of the AGL Tariff or Tariff Rate E-1 indicates that the Customer would owe a contribution in aid of construction in excess of \$1 million.

The Glynn County Project will provide a significant economic development benefit to the local community. Therefore, AGL requests that the Commission approve the Company's Econ-1 Project in Glynn County.

Submitted this 22nd day of February 2021.

HOLLAND & KNIGHT LLP



Robert S. Highsmith Jr.
State Bar of Georgia No. 352777
Lindsey Sciavicco Williamson
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**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF GEORGIA**

IN RE:)
)
ATLANTA GAS LIGHT COMPANY'S)
ECON-1 PROJECT FOR GLYNN) **DOCKET NO. 41559**
COUNTY)

CERTIFICATE OF SERVICE

I do hereby certify that I have caused to be serve the foregoing **ATLANTA GAS LIGHT COMPANY'S PETITION TO APPROVE ECON-1 PROJECT FOR GLYNN COUNTY**, upon the following parties via email as follows:

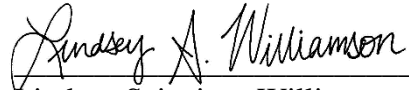
Reece McAlister
Georgia Public Service Commission
244 Washington St., S. W.
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reeceM@psc.state.ga.us
via hand-delivery

Tony Wackerly
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Billy Horne
Director, Regulatory Affairs
Atlanta Gas Light Company
Ten Peachtree Place, 14th Floor
Atlanta, GA 30309
bhorne@southernco.com
via email

This 22nd day of February, 2021.

HOLLAND & KNIGHT LLP



Lindsey Sciavicco Williamson
State Bar of Georgia No. 783366

AGL ECON-1 Tariff Sheet 27(3)(c)

| | | |
|---|--|---|
| ECON-1 Project Minimum Economic Development Benefit Requirements ("MBR") | Customer or Project ID | Glynn County Project |
| | Location | Glynn County Hwy 99 |
| | AGL Certificated to Serve Location? | Yes |
| | Availability | New Customer |
| | Anticipated Rate Schedule | G-12 |
| | Organization Requesting Service | Glynn County Development Authority |
| | Customer Name | Confidential |
| Tariff Sheet 27(3)(c)(i): MBR-1 | Estimated Total Customer Capital Investment | \$80,000,000.00 |
| | Customer Capital Investment Purposes | |
| | Land | \$35,000,000.00 |
| | Plant | \$35,000,000.00 |
| | Equipment | \$10,000,000.00 |
| | Vehicles | \$0.00 |
| | Other (Explain) | \$0.00 |
| | Estimated Meters Addition | 1 |
| | Estimated Billing Units Addition | 1 |
| Tariff Sheet 27(3)(c)(ii): MBR-2 | Estimated Job Additions | 125 |
| Tariff Sheet 27(3)(c)(iii): MBR-3 | Estimated Local Tax Base Uplift | \$7,500,000 |
| Tariff Sheet 27(3)(c)(iv): MBR-4 | Estimated Firm Gas Load/Year (Dth) | 93,900 |
| | Governmental Entity Involved? | Department of Economic Development & Tourism |

Tariff Sheet 27(4)Quantification

Tariff Sheet 27(4)(a): Detailed Project Description

Project Description

(attach additional sheets if necessary)

Glynn County is working with the GA Department of Economic Development and Tourism to potentially locate a bottled water company facility in Glynn County's industrial development on Hwy 99 near I-95. This company will start with a load of 313 dekatherms/day and could grow to 540 dekatherms/day over 3 phases. The initial job additions total 125.

In order to serve this location, AGL proposes to install approximately 22,500 feet of 4" steel with an MAOP of 300 psi along Hwy. 99 as shown on the attached proposal drawing. The 4" steel will tie-in to existing 4" steel at the intersection of Hwy. 99 and US 25 and traverse along Hwy. 99 to the project site. The estimated cost to serve is approximately \$5.2 million.

AGL is certificated to serve this area of Glynn County. Performing this project under Tariff Rule 8 or Tariff Rate E-1 would require a contribution in aid of construction on the part of the customer in excess of \$1 million.

Tariff Sheet 27(4) Quantification

Tariff Sheet 27(4)(b) EDC Affirmative Statement

The Glynn County Project qualifies for approval under Section 3.C. of the Econ-1 Tariff as a Customer in the G-12 rate class.

Tariff Sheet 27(4)(c): Detailed estimated cost of the project in Excel.

| Item No. | Element | Quantity | Unit | Rate \$ | Total \$ |
|-------------|---|------------------|------|-----------|----------|
| 1 | Land | \$55,000 | | | |
| 1.1 | Land Cost | \$20,000 | | | |
| 1.11 | Permanent Easement | 0.00 | acre | 25,000.00 | 0 |
| 1.12 | Temporary Workspace | 2.00 | acre | 10,000.00 | 20,000 |
| 1.13 | Tap Station | 0 | ea | 50,000.00 | 0 |
| 1.14 | Right-of Way Damage & Settlements | 0.00 | sum | 0.00 | 0 |
| 1.2 | Acquisition Labor & Expenses | \$35,000 | | | |
| 1.21 | ROW allowance, including survey, staking & land agent | 1 | sum | 35,000.00 | 35,000 |
| 1.22 | Condemnation Legal allowance | 0 | ea | 0.00 | 0 |
| 1.23 | Condemnation Appraisal allowance | 0 | ea | 0.00 | 0 |
| 1.24 | Condemnation Plats allowance | 0 | ea | 0.00 | 0 |
| 2 | Outside Services | \$508,500 | | | |
| 2.1 | NDE Contractor | \$270,000 | | | |
| 2.11 | NDE (X-ray), assume 1 crew | 90 | days | 3,000.00 | 270,000 |
| 2.2 | Environmental | \$70,000 | | | |
| 2.21 | Phase 1 - Environmental Services and Environmental Construction Manual (NOI permit) | 1 | sum | 20,000.00 | 20,000 |
| 2.22 | Phase 2 - Preconstruction Meeting, turbidity sampling, NOT prep | 1 | sum | 50,000.00 | 50,000 |
| 2.23 | Environmental Inspector | 0 | days | 1,000.00 | 0 |
| 2.3 | Engineering Design | \$97,500 | | | |
| 2.31 | Route Selection Study allowance | 0 | sum | 0.00 | 0 |
| 2.32 | Permit Coordination allowance | 22,500 | lf | 1.00 | 22,500 |
| 2.33 | Core Samples and Subsurface Reports | 0 | ea | 6,279.00 | 0 |
| 2.34 | Design Drawings | 1 | ea | 75,000.00 | 75,000 |
| 2.4 | Program Management | \$0 | | | |
| 2.41 | Firm | 0 | sum | 0.00 | 0 |
| 2.5 | Land Management | \$16,000 | | | |
| 2.51 | Land Services | 1 | sum | 16,000.00 | 16,000 |
| 2.6 | Public Relations | \$0 | | | |
| 2.61 | Firm | 0 | sum | 0.00 | 0 |
| 2.7 | Materials Procurement | \$0 | | | |
| 2.71 | Firm | 0 | sum | 0.00 | 0 |
| 2.8 | Legal Cost | \$0 | | | |
| 2.81 | Legal Allowance | 0 | n/a | 0.00 | 0 |
| 2.9 | Construction Supervision | \$55,000 | | | |
| 2.91 | Contract Project Coordinator | 90 | days | 500.00 | 45,000 |
| 2.10 | Taps and Stops | \$10,000 | | | |
| 2.11 | 2", short stop | 0 | ea | 0.00 | 0 |
| 2.12 | 4", short stop | 1 | ea | 10,000.00 | 10,000 |
| 2.13 | 6", full encirclement | 0 | ea | 15,000.00 | 0 |
| 2.14 | 8", full encirclement | 0 | ea | 20,000.00 | 0 |
| 2.15 | 12", full encirclement | 0 | ea | 30,000.00 | 0 |
| 3 | Materials, including freight and tax | \$569,230 | | | |
| 3.1 | Pipe | \$486,000 | | | |
| 3.11 | 4" Steel Pipe FBE | 0 | lf | 18.00 | 0 |
| 3.12 | 4" Steel Pipe FBE & ARO | 22,500 | lf | 20.00 | 450,000 |
| 3.13 | 6" Steel Pipe FBE | 0 | lf | 20.00 | 0 |
| 3.14 | 6" Steel Pipe FBE & ARO | 0 | lf | 28.00 | 0 |
| 3.15 | 2" Steel Pipe FBE | 0 | lf | 7.00 | 0 |
| 3.16 | 2" Steel Pipe FBE & ARO | 0 | lf | 20.00 | 0 |
| 3.17 | Tax for pipe (8%) | 1 | sum | 36,000.00 | 36,000 |
| 3.2 | Valves & Actuators | \$26,880 | | | |
| 3.21 | 4" Valve | 4 | ea | 6,000.00 | 24,000 |
| 3.22 | 6" Valve | 0 | ea | 8,000.00 | 0 |
| 3.23 | 2" Valve | 0 | ea | 2,000.00 | 0 |
| 3.24 | Tax and Freight (12%) | 1 | sum | 2,880.00 | 2,880 |

| | | | | | |
|--------------|---|--------------------|-------|------------|------------------|
| 3.3 | Fittings | \$56,000 | | | |
| 3.31 | Various Fittings (Ells, Tees, Reducers) | 50 | ea | 1,000.00 | 50,000 |
| 3.32 | Tax and Freight (12%) | 1 | sum | 6,000.00 | 6,000 |
| 3.4 | Miscellaneous Materials | \$350 | | | |
| 3.41 | Insulators | 0 | ea | 5,000.00 | 0 |
| 3.42 | Regulator station, material allowance | 0 | sum | 20,000.00 | 0 |
| 3.43 | Cathodic protection, rectifier & electrical | 0 | ea | 12,000.00 | 0 |
| 3.45 | Pipe markers allowance | 25 | ea | 12.50 | 313 |
| 3.46 | ERX | 0 | ea | 8,000.00 | 0 |
| 3.47 | Tap Station | 0 | ea | 200,000.00 | 0 |
| 3.48 | Interconnect Station | 0 | ea | 380,000.00 | 0 |
| 3.49 | Tax and Freight (12%) | 1 | sum | 37.50 | 38 |
| 4 | Construction | \$3,146,740 | | | |
| 4.1 | Permitting | \$25,040 | | | |
| 4.11 | NPDES phase II permit, GA EPD | 0.50 | acres | 80.00 | 40 |
| 4.12 | RR Permit | 1 | ea | 20,000.00 | 20,000 |
| 4.13 | Local Permitting | 1 | ea | 5,000.00 | 5,000 |
| 4.2 | Construction | \$2,121,700 | | | |
| 4.21 | Mobilization/Demobilization allowance | 1 | sum | 100,000.00 | 100,000 |
| 4.22 | 2" Steel Pipe installation Open Cut | 0 | lf | 31.90 | 0 |
| 4.23 | 4" Steel Pipe installation Open Cut | 17,500 | lf | 75.00 | 1,312,500 |
| 4.24 | Tie-in to 4" Steel (Tie-In and Support TDW) | 1 | ea | 20,000.00 | 20,000 |
| 4.25 | Tie-in to 8" Steel (TDW Tap & Stop) | 0 | ea | 40,000.00 | 0 |
| 4.26 | Testing, dewatering & Dehydration | 1 | ea | 30,000.00 | 30,000 |
| 4.27 | Install CP Test Stations | 22 | ea | 200.00 | 4,400 |
| 4.28 | Seed and straw open cut area | 1 | ea | 75,000.00 | 75,000 |
| 4.29 | Silt Fence | 22,500 | lf | 10.00 | 225,000 |
| 4.210 | Hay bales | 40 | ea | 20.00 | 800 |
| 4.211 | Matting | 20 | ea | 1,000.00 | 20,000 |
| 4.212 | Tap Station | 0 | ea | 300,000.00 | 0 |
| 4.213 | Interconnect Station | 0 | ea | 550,000.00 | 0 |
| 4.214 | Interconnect Station contingency and overhead | 0 | ea | 270,000.00 | 0 |
| 4.215 | Interconnect Station Tax Gross-up | 0 | ea | 300,000.00 | 0 |
| 4.216 | Meter Set | 1 | ea | 30,000.00 | 30,000 |
| 4.217 | 2" Steel Pipe Service installation Open Cut | 200 | lf | 20.00 | 4,000 |
| 4.218 | Traffic Control | 1 | sum | 300,000.00 | 300,000 |
| 4.3 | HDD | \$1,000,000 | | | |
| 4.31 | HDD 2", rock, assumed 10% | 0 | lf | 150.00 | 0 |
| 4.32 | HDD 4", rock, assumed 10% | 5,000 | lf | 200.00 | 1,000,000 |
| | subtotal | 4,279,470 | | | |
| 5 | Contingency | 342,358 | | | |
| 5.1 | Design Contingency 3% | | | | 128,384 |
| 5.2 | General Contingency 5% | | | | 213,974 |
| 6 | Escalation | 42,795 | | | |
| 6.1 | Escalation allowance | | | | 42,795 |
| 7 | Labor | 375,310 | | | |
| 7.1 | Direct Internal Labor | | | | 83,450 |
| 7.2 | Allocated Internal Labor | | | | 291,860 |
| 8 | Finance Cost | 166,043 | | | |
| 8.1 | AFUDC | | | | 166,043 |
| Total | | | | | 5,210,000 |

Tariff Sheet 27(4)(d): A Map of the Proposed Project

