



CHEROKEE LNG EXPANSION – LNG TRACKER

QUARTERLY REPORT NO. 10

Docket No. 43820

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ATLANTA GAS LIGHT CHEROKEE LNG EXPANSION – LNG TRACKER QUARTERLY REPORT NO. 10 DOCKET NO. 43820

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INTRODUCTION

Atlanta Gas Light Company (“AGL” or the “Company”) files this Quarterly Report No. 10 for the Cherokee LNG Expansion Project (the “Project”) with the Georgia Public Service Commission (the “Commission” or “GPSC”) in compliance with Appendix A of the Stipulation approved by the Commission’s November 18, 2021, Order in Docket No. 43820 (the “i-CDP Order”) approving AGL’s Amended 2022-2031 i-CDP (the “Plan”). The Stipulation approved by the i-CDP Order requires that AGL submit Quarterly Reports to the GPSC Staff (“Staff”) documenting progress on the execution of the Project. This report documents such progress for the second quarter of 2024 covering the period from April 1 through June 30, 2024.

Appendix A further stipulates that for each calendar quarter AGL shall provide:

1. A high-level Project schedule similar to Appendix G in AGL’s Pre-12/23/20 FEED Report, including:
 - a. AGL’s current contracting and construction approach for the Project and AGL’s system improvement projects;
 - b. Tasks and associated subtasks to be based on the five Project components listed in Table 14 of AGL’s Amended 2022-2031 i-CDP;
 - c. A detailed narrative discussing the schedule to be provided each month on a quarterly basis; and,
 - d. A narrative to focus on variances to previous reporting with explanations and actions taken to address.
2. A Project budget update similar to Table 14 of the Plan, including:
 - a. Categories and associated subcategories budget updates consistent to those in the Plan;
 - b. A detailed narrative discussing the budget to be provided each month on a quarterly basis; and,
 - c. A narrative to focus on variances to previous reporting with explanations, cost variances support, and actions taken to address.
3. A Project risk register similar to the risk register in AGL’s Pre-12/23/20 FEED Report, which incorporates:
 - a. A risk register to incorporate AGL’s current contracting and construction



approach for the Project and AGL's system improvement projects;

- b. An organization of the risk register to be based on the five Project components and associated subcomponents listed in Table 14 of the Plan;
- c. A detailed narrative discussing the risks to be provided each month; and,
- d. A narrative to focus on variances to previous reporting with explanations and actions taken to address.



PROJECT SCHEDULE

Tank Engineering, Procurement, & Construction (“EPC”) engineering and construction work and Detailed Engineering Design work for the Tank Balance of Plant (“BOP”), Power Generation, Liquefaction and Vaporization project phases of the Project remained in progress in the second quarter of 2024. The Company began placing into service tank and tank balance of plant assets in the second quarter of 2024 and will continue through the third quarter of 2024. Work progress for power generation remains on schedule to meet a third quarter 2024 in-service date, and the Company will begin placing liquefaction in-service in late 2024 (see the Project Risk Register section). AGL provides in Attachment A a high-level schedule showing the major tasks associated with project execution and projected in-service dates.

Key Project work completed in the quarter ending June 30, 2024, includes the following:

1. LNG Storage Tank Construction Progress

April Work Completed:

- Paint subcontractor remobilized and continued blasting, priming and painting tank
- Camera installation completed
- Walkthrough completed
- Figure 1 shows a view of the tank construction site at the end of April 2024

May Work Completed:

- Paint subcontractor continued blasting, priming and painting tank
- Completed 10 KV VLF testing of pump power cable
- Figure 2 shows a view of the tank construction site at the end of May 2024

June Work Completed:

- Completed paint scope and subcontractor demobilized
- Removed crane mats around tank
- Figure 3 shows a view of the tank construction site at the end of June 2024

Engineering Work Completed:

- Participated in the pre-startup safety review

2. Tank BOP, Power Generation and Liquefaction Construction Progress

April Work Completed:

- Excavated for the trenches and the PG area equipment foundations
- Excavated for the TG pipe rack support foundations and the coalescer foundations
- Installed forms and rebar for trenches 1, 4, and 8



- Installed forms and rebar for the TG pipe rack support foundations (PRS-01 and PRS-02)
- Installed forms and rebar for the coalescer foundations
- Installed forms and rebar for the pretreatment skid foundations (X-131 and X-132)
- Poured concrete for trenches 1, 4, and 8
- Poured concrete for the TG pipe rack support foundations (PRS-01 and PRS-02)
- Poured concrete for the coalescer foundations
- Tied rebar and built forms for the trenches
- Backfilled around the trenches and the pipe rack support foundations
- Tied-in the two 8" preheater sections
- Tied-in the IA lines in the compressor building
- Tied-in send out system lines (TP-213, TP-243, TP-211A/B, and TP-238)
- Welded and installed the IA header and FG line on the pipe racks
- Completed pressure tests 09 and 13 for the send out lines
- Completed hydrotest 08 and 16 for the pipe rack pipe
- Received/set the feed gas compressor
- Received/set the mole sieves D-133 and D-134 on 4/18, and D-135 on 4/20
- Installed structural steel supports in the turbine generator building
- Installed pre-insulated pipe supports on the stainless steel pipe
- Terminated cables in the compressor building and in PDC-1
- Installed cable tray from PDC-1 to the compressor building
- Pulled wire from PDC-1 to the compressor building
- Installed cable tray and devices in the TG building
- Completed the erection of the turbine generator building
- Set the feed gas compressor on 4/16 and set the mole sieves D-133 and D-134 on 4/18, and D-135 on 4/20
- Installed spray foam insulation in the TG building control room
- Hydro-excavated a perimeter trench for the proposed stormwater pipe and the emergency generator
- Figure 4 shows a view of the BOP, Power Generation and Liquefaction construction site at the end of April 2024

May Work Completed:

- Excavated for the trenches and the PG area equipment foundations
- Excavated for the regen cooler foundations
- Installed forms and rebar for the trenches (trenches 6, 7, and 8)
- Installed forms and rebar for the PG area equipment foundations
- Installed forms and rebar for the regen cooler foundations
- Installed forms and rebar for the pipe supports around the TG building
- Poured concrete for the trenches (trenches 6, 7, and 8)
- Poured concrete for the PG area equipment foundations (intake, lube oil mist, and WHRU)
- Poured concrete for the pre-treatment skids (X-131 and X-132)
- Poured concrete for the regen cooler footer foundations
- Poured concrete for the pipe racks around the TG building
- Poured epoxy grout for the BOG compressor skids



- Backfilled around the trenches and the PG area equipment foundations
- Tied-in all BOG system lines
- Completed all pressure tests associated with the BOG system
- Flushed the BOG LO system lines
- Restored and bolted up all pipe to the BOG compressors
- Welded and installed the LO and VT lines in the TG building
- Welded and installed small bore pipe in the TG building
- Received/set the pre-treatment skids (X-131 and X-132)
- Set the TG lube oil tanks
- Installed structural steel pipe rack supports around the TG building
- Installed pre-insulated pipe supports on the stainless steel pipe
- Installed conduit and devices in the TG building
- Installed cable tray from PDC-1 to the TG building and in the TG building
- Installed fiber cable and terminated for the reroute
- Installed conduit, wire, and tubing to actuated valves at various tie-ins
- Pulled wire and terminated cables in the compressor building, PDC-1, and in the TG building
- Flushed the LO lines in the BOG compressor building
- Installed fireproofing on the pipe rack structural steel
- Hydro-excavated a perimeter trench for the emergency generator and for the fiber reroute (extra work)
- Excavated for the feed gas aftercooler and the treated gas cooler foundations
- Excavated for the MR inventory transfer drum foundations
- Excavated/drilled for the north/south pipe rack support foundation drill piers
- Installed forms and rebar for the feed gas aftercooler and the treated gas cooler foundations
- Installed drilled piers and rebar for the north/south pipe rack support foundation drill piers
- Poured concrete for the feed gas aftercooler and the treated gas cooler footer foundations
- Built forms and tied rebar for the MR inventory drum foundations
- Built forms and tied rebar for the MR interstage cooler and MR lube oil cooler foundations
- Assembled 250 ton crane
- Received/offloaded the derime gas heater skid
- Received/offloaded the treated gas cooler
- Received/offloaded the IA and N receivers
- Received/offloaded the pipe rack supports and cable tray supports structural steel
- Received/offloaded pre-fabricated pipe
- Pulled cables from MCC-7 to RIO-32 in PDC-1
- Received/offloaded material and equipment
- Figure 5 shows a view of the BOP, Power Generation and Liquefaction construction site at the end of May 2024

June Work Completed:

- Excavated for the trenches and the dissipation foundations
- Excavated for the emergency generator and radiator foundations



- Installed forms, rebar and aprons for trenches 8 and 9
- Installed forms and rebar for the PG area pipe support foundations
- Installed forms and rebar for the emergency generator and radiator foundations
- Installed forms and rebar for the dissipation foundations
- Poured concrete for trench 8 and trench aprons
- Poured concrete for the PG area pipe support foundations
- Poured concrete for the emergency generator block and radiator foundations
- Poured concrete for the dissipation foundations
- Poured concrete for the regen cooler maintenance slab
- Backfilled around the trenches and the PG area equipment foundations
- Performed pressure test 21 for the BOG coalescer lines
- Performed pressure test 23 for the TG LO lines
- Completed high priority punchlist items for Group 2
- Leveled the TG units
- Welded and installed small bore pipe in the TG building
- Welded and installed the LO and FG lines in the TG building
- Received/set the regen cooler on 6/10
- Installed the air intake duct for the TG units
- Installed the heat exchanger and exhaust duct
- Installed the TG lube oil tanks
- Installed structural steel pipe rack supports around the TG building
- Erected the structural steel for the sub-impoundment
- Installed underground conduits for duct banks going to the sub-impoundments (45% complete with underground conduit installed)
- Installed conduit in the TG building (95% complete with conduit installed)
- Pulled wire and terminated in the TG building (95 complete with wire installed/pulled, 50% complete with terminations)
- Installed fiber cable and terminated for the reroute
- Installed conduit, wire, and tubing to actuated valves at various tie-ins
- Performed I/O checks and assisted technician with testing/commissioning
- Installed the ac split system units in the TG control room
- Installed fireproofing on the pipe rack structural steel
- Installed pipe insulation at the pipe racks and on tie-in sections
- Excavated for the MR interstage cooler and the MR lube oil cooler foundations
- Excavated for the MR inventory transfer drum and the cold box foundations
- Excavated/drilled for the cold box foundation drill piers
- Excavated/drilled for the north/south and west pipe rack support foundation drill piers
- Installed forms and rebar for the MR interstage cooler and the MR lube oil cooler foundations
- Installed forms and rebar for the MR inventory transfer drum and the cold box foundations
- Installed drilled piers and rebar for the cold box foundation drill piers
- Installed drilled piers and rebar for the north/south and west pipe rack support foundation drill piers
- Poured concrete for the feed gas aftercooler and the treated gas cooler maintenance slabs



- Poured concrete for the MR interstage cooler and the MR lube oil cooler foundations
- Poured concrete for the MR inventory transfer drum and the cold box foundations
- Poured concrete for the north/south and west pipe rack support foundations
- Built forms and tied rebar for the MR condenser foundations
- Received/set the MR lube oil cooler F-163
- Received/set the feed gas aftercooler F-122
- Received/set the treated gas cooler F-142
- Installed platforms and grating for the feed gas aftercooler
- Received/offloaded the pipe rack support and cable tray support structural steel
- Received/offloaded pre-fabricated pipe
- Installed grounding for the MR coolers
- Pulled cable and terminated in PDC-1
- Installed conduit to the regen gas cooler
- Hydro excavated a perimeter trench for the MR compressor foundations
- Figure 6 shows a view of the BOP, Power Generation and Liquefaction construction site at the end of June 2024

3. Detailed Engineering Progress

Engineering Work Completed:

- Tank BOP, Power Generation, Liquefaction, Vaporization and Fire Protection detailed design continued
- Specifications and Procurement Packages for Equipment Purchases
- Support for review of engineering deliverables from equipment provider vendors
- BOP, Power Generation and Liquefaction Issued for Construction (IFC) design drawings for construction are in progress
- Construction support is ongoing to review submittals from construction contractors and field requests for additional information





Figure 1: View of Tank Construction Site at the End of April 2024



Figure 2: View of Tank Construction Site at the End of May 2024



Figure 3: View of Tank Construction Site at the End of June 2024



Figure 4: View of BOP and Power Generation Site at the End of April 2024



Figure 5: View of BOP and Power Generation Site at the End of May 2024



Figure 6: View of BOP and Power Generation Site at the End of June 2024

PROJECT BUDGET

AGL provides its Annual Spend Analysis for the Project for the end of the 1st Quarter 2024, and for months April, May and June 2024 in Tables 1, 2, 3 and 4, respectively. The cost data presented in these tables is converted to \$ millions relative to the original Table 14 in the i-CDP Plan. Table 5 presents the cost deviations between Table 1 and Table 4.

Table 1: Annual Spend Analysis – from AGL's Project financials update for March 2024 (end of 1st Quarter 2024)

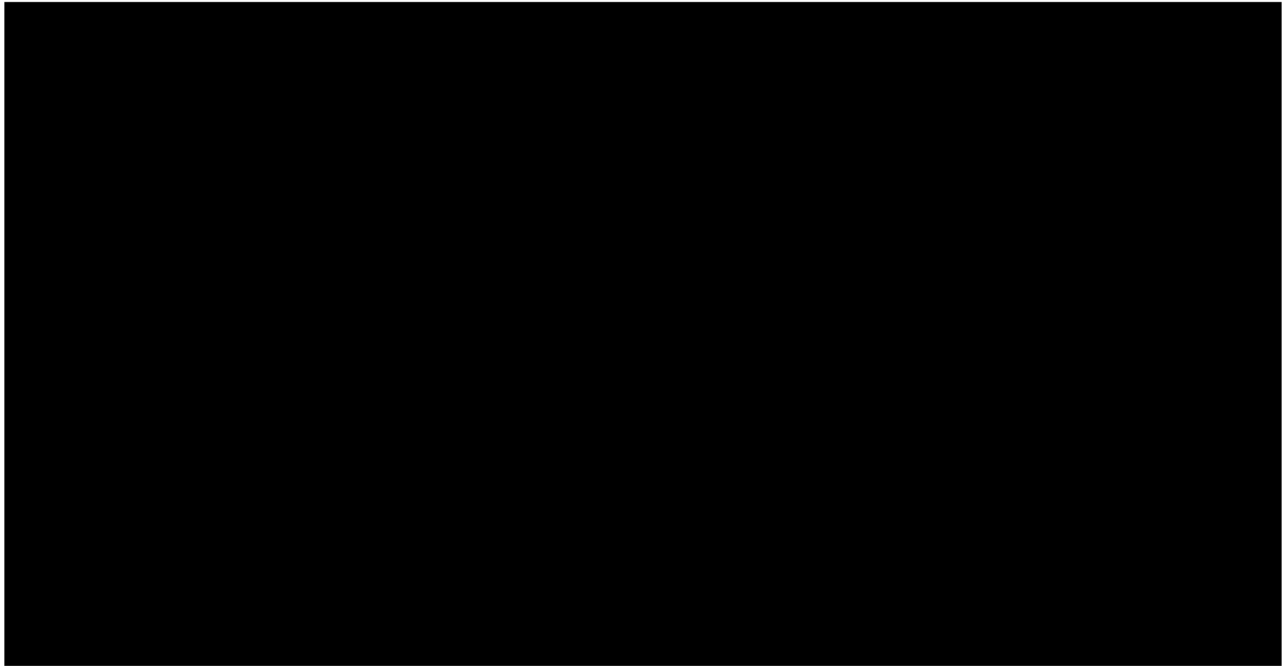


Table 2: Annual Spend Analysis – from AGL's Project financials update for April 2024

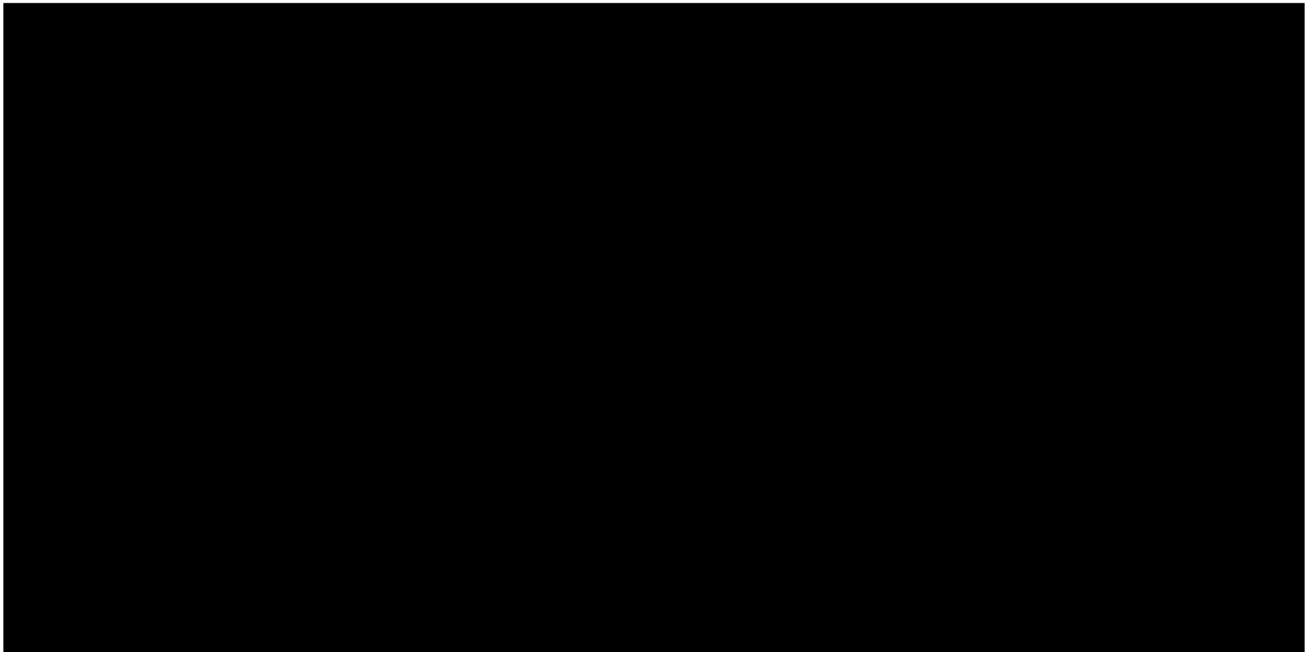
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Table 3: Annual Spend Analysis – from AGL's Project financials update for May 2024

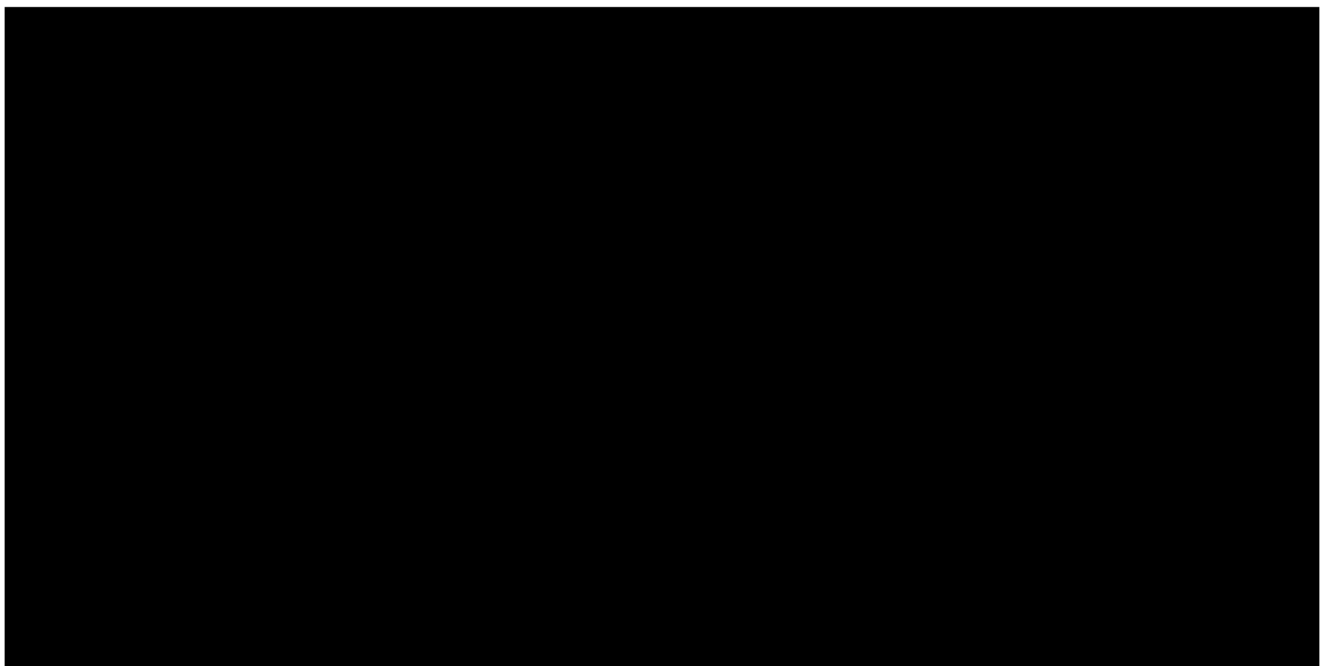
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Table 4: Annual Spend Analysis – from AGL's Project financials update for June 2024 (end of 2nd Quarter)

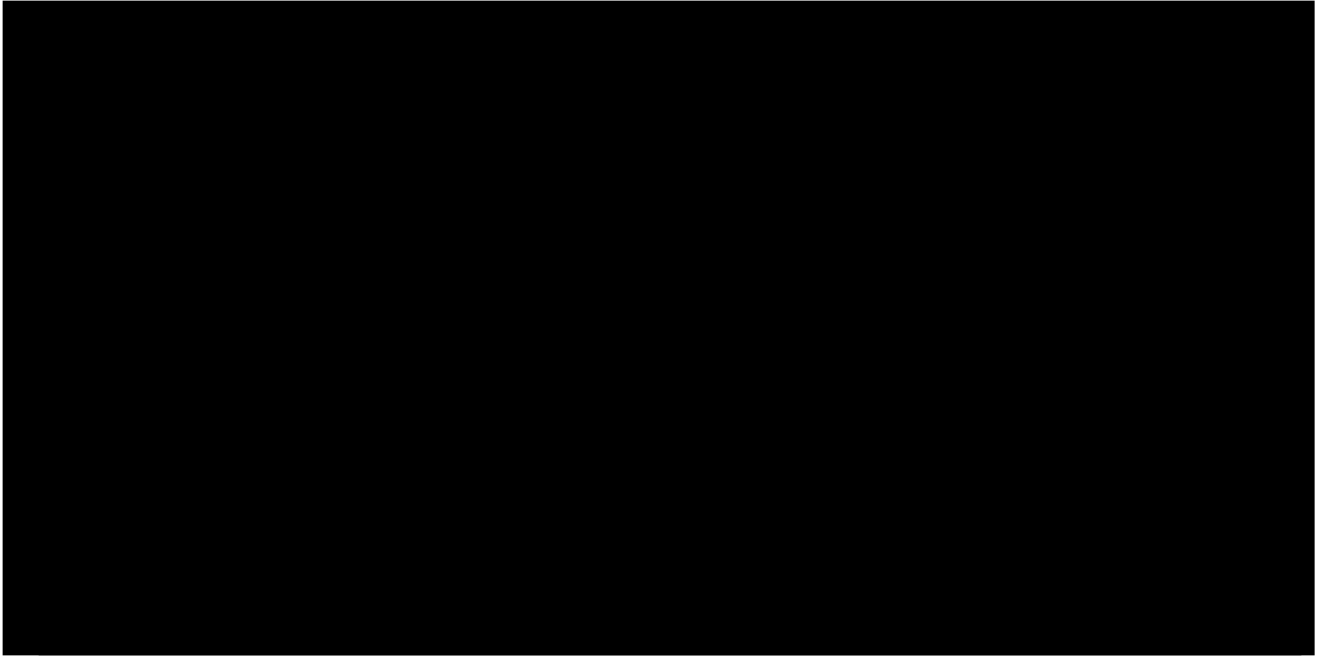
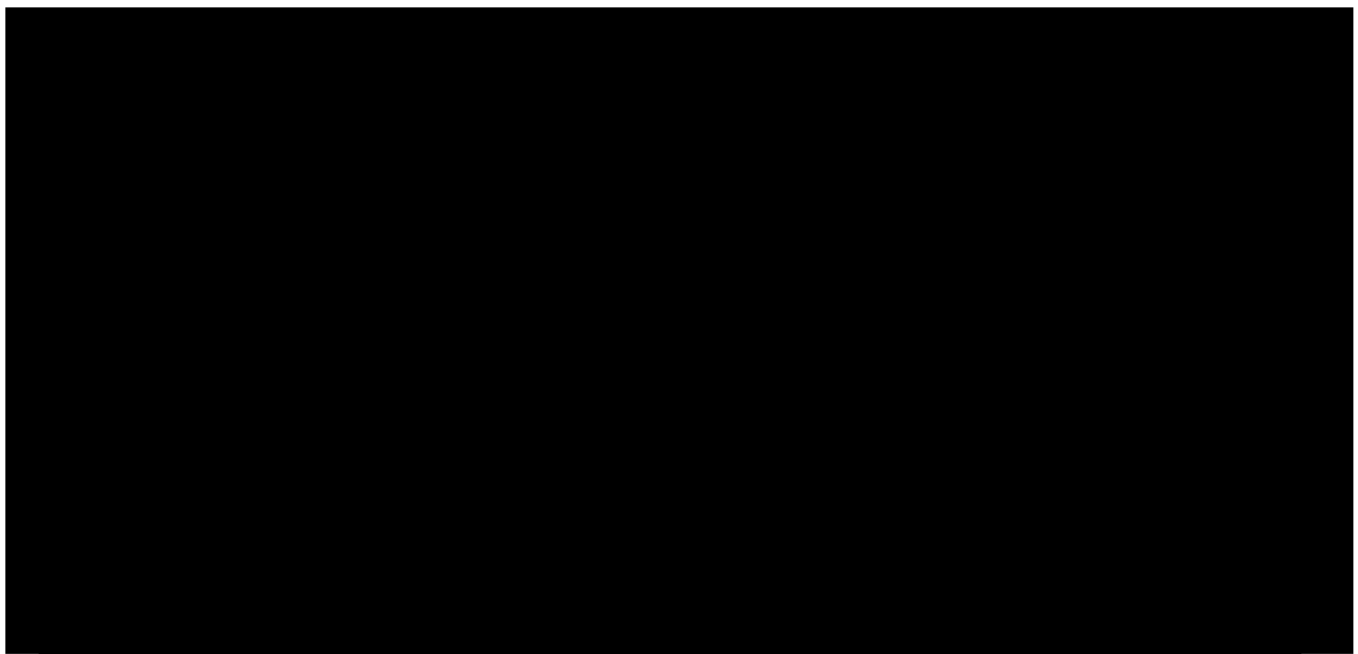
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Table 5: Deviations between Table 4 (June 2024) and Table 1 (End of 1st Quarter 2024)

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Discussion of Deviations in Table 5

Table 5 shows the cost estimate deviations between the March 202 (end of 1st Quarter 2024) estimate presented in Table 1 and the June 2024 (end of 2nd Quarter 2024) estimate presented in Table 4.

[REDACTED]	
[REDACTED]	
I	[REDACTED]
	[REDACTED]
	[REDACTED]
	[REDACTED]
	[REDACTED]
	[REDACTED]
I	[REDACTED]
	[REDACTED]
I	[REDACTED]
	[REDACTED]
	[REDACTED]

This cost deviation remains in line with expected parameters when executing a major installation as major equipment procurements are executed, equipment delivery and payment schedules are finalized, and construction schedules and cash flows adjustments are made.

[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	

Total direct actual costs through June 2024 were [REDACTED] and the total estimated remaining cost to complete project execution is [REDACTED] (including internal costs and contingency).



PROJECT RISK REGISTER

The Project Team uses a rolling wave planning approach to manage risks for each of the execution phases and maintains a heightened focus on the risks to the current / upcoming phases while maintaining overall visibility of the future phases.

Currently the team focuses on the Tank BOP, Power Generation and Liquefaction scopes with a potential to impact the 2024 in-service delivery date. Potential risk will be continuously refined and reassessed as additional information becomes available. AGL held risk workshops in April 2024 to complete a Quantitative Cost Risk Analysis. The register developed from these workshops is provided in Attachment C (showing the medium and higher risk items only). The Quantitative Risk Analysis did highlight the remaining project contingency of [REDACTED] at the time of analysis is potentially insufficient. Contingency levels will be reevaluated once procurement for Vaporization is complete.

AGL identified one “High-Risk” item:

- **Late equipment delivery (PDC and MCC)** – Some electrical equipment was damaged in transit and replacement components are in fabrication.

Appendix C provides further information on these risk items and mitigation plans being implemented to minimize the probability and/or potential impact of these risks.



ATTACHMENT A. PROJECT SCHEDULE



High level project schedule for execution of the Project.



ATTACHMENT B. PROJECT RISK REGISTER

HEAT MAP ILLUSTRATION

Risk Matrix Value & Color Code

Impact	<i>High</i>	3	6	9
	<i>Med</i>	2	4	6
	<i>Low</i>	1	2	3
		<i>Low</i>	<i>Med</i>	<i>High</i>
		Probability		

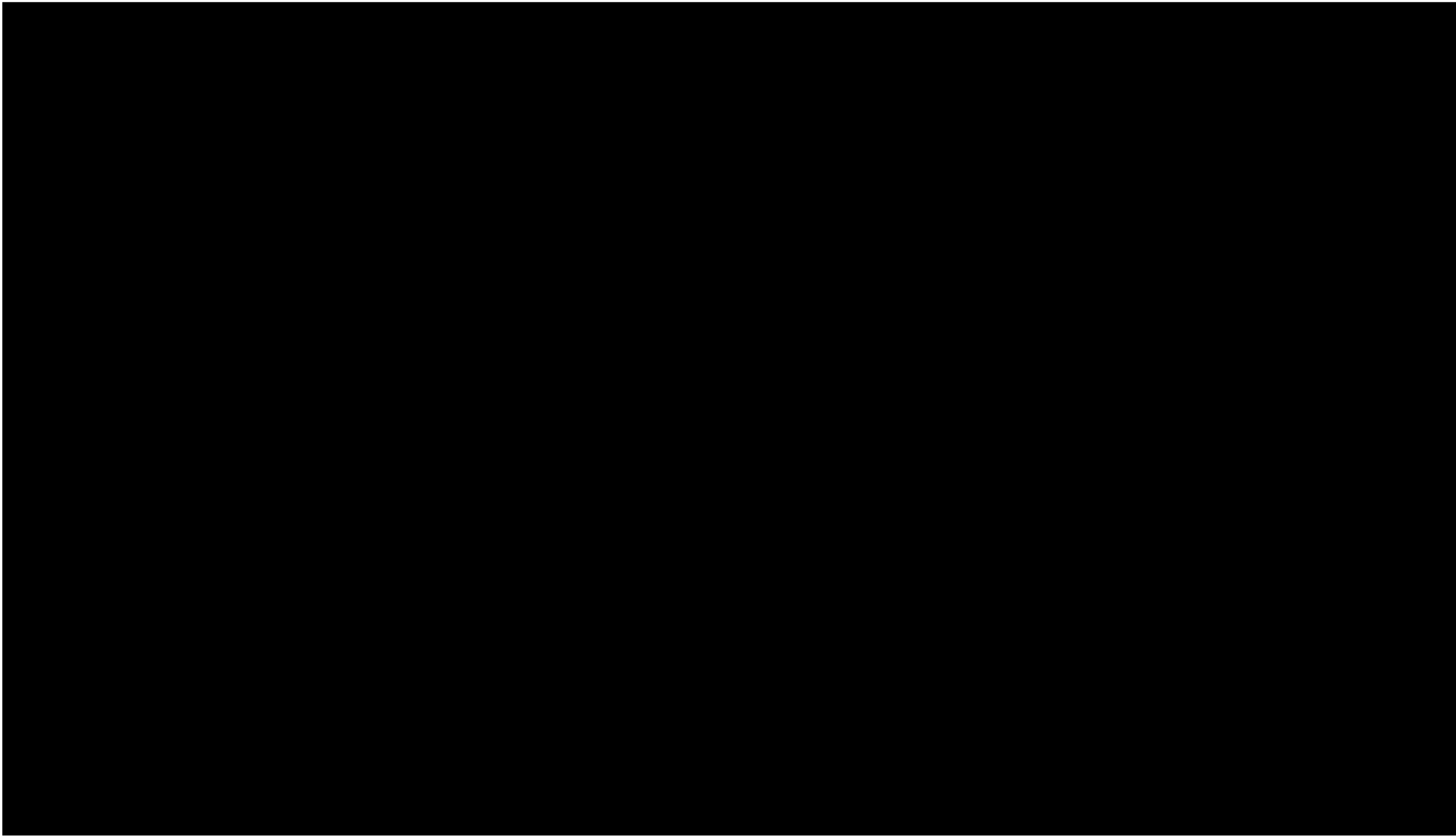
Opportunities Matrix Value & Color Code

Impact	<i>High</i>	3	6	9
	<i>Med</i>	2	4	6
	<i>Low</i>	1	2	3
		<i>Low</i>	<i>Med</i>	<i>High</i>
		Probability		

L = Low

M = Medium

H = High



PROJECT RISK REGISTER – LIQUEFACTION

PROJECT RISK REGISTER – LIQUEFACTION			
[Redacted Content]			



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