Atlanta Gas Light Company
ECON-1 Tariff
Docket 41559
Responses to Staff's 18th Set of Data Requests

Effingham County Project

STF-18-1 In AGL's September 6, 2024, ECON-1 petition for the Effingham County Project, AGL listed EQT Exeter as the entity that owns five (5) new buildings located on Old Augusta Rd about 2,000 feet north of Georgia Highway 21, or 5 miles south of Rincon. EQT Exeter wants natural gas facilities installed at the new buildings, but EQT Exeter is not the end use customer for natural gas service. The petition stated that the five (5) new customers that are Hyundai suppliers. Please answer the following:

a. Please name the five (5) Hyundai suppliers that are expected to take natural gas service.

b. Please list the type of materials or services that each of the five (5) Hyundai suppliers will provide to Hyundai.

c. Please list the building location for each of the (5) Hyundai suppliers.

d. Please list the dates that each of the five (5) Hyundai suppliers will take natural gas service.

e. In Section 27.3.C. AGL listed a total dekatherm usage of 15,250. Please breakout the estimated usage for each of the individual Hyundai suppliers.

RESPONSE

a. AGL does not currently know the names of the entities.

b. Please see response to STF-18-1a.

c. Please see Attachment STF-18-1c.

d. The first building is scheduled to be completed in April 2025. AGL plans to install the main to serve the buildings and will install service lines and meters as the remaining buildings are completed.

e. The buildings will include natural gas space heating and water heating. A breakdown of the projected natural gas usage for each building is as follows:

Building A: 3 MCFH/15 Dth/day

Building B: 3 MCFH/15 Dth/day

Building C: 4 MCFH/20 Dth/day

Building D: 4.4 MCFH/22 Dth/day

Building E: 16 MCFH/80 Dth/day

Total: 152 Dth/day x 100 days/year = 15,200 Dth/year

Respondent: William Horne
Director, Resource Planning & Economic Development
Southern Company Gas

STF-18-2 In the approved ECON-1 Tariff in Section 27.2, if the entity requesting new or upgraded natural gas facilities is a third-party, not the end gas user, then the third-party must provide a signed commitment to utilize or increase Firm Commercial natural gas load that will provide the minimum Economic Development Benefit requirements as provided in Section 3 of the ECON-1 Tariff, please see below. The petition did not include the "signed commitment" from the third party. Please answer the following:

2. Availability

A qualifying Applicant for an ECON-1 Project who is a new or existing Firm natural gas customer, or a third party that applies on behalf of a new or existing Firm customer, that will provide a signed commitment to utilize or increase Firm Commercial natural gas load that will provide the minimum Economic Development Benefit requirements provided in Section 3 to existing Firm customers and the State of Georgia in a manner that increases system utilization; be an existing customer that materially expands its use of natural gas; or, be a new or existing customer that provides minimum Economic Development Benefits requirement within the State of Georgia and that increases system utilization. As projects are identified that meet the minimum economic development benefit requirements for each customer class, AGL may file the projects with the Commission for review.

a. Please provide a signed commitment from EQT Exeter that demonstrates that it will utilize or increase Firm Commercial natural gas load and meet the minimum Economic Development Benefit requirements in Section 3 of the ECON-1 tariff.

b. Will EQT Exeter provide any Contribution In Aid of Construction ("CIAC") for this project?

c. Will any of the five (5) Hyundai suppliers provide any CIAC related to this project?

d. Does AGL agree that if there is no customer in any of the five buildings within six (6) months after the line-extension is completed EQT Exeter should pay 100% of the costs for the line-extension?

e. AGL provided an annual dekatherm usage of 15,250 as part of the minimum filing requirements ("MFR"). How did AGL arrive at this annual usage if there is no commitment from any party to take gas service?

RESPONSE

a. The signed commitment referenced in the inquiry is AGL's standard non-residential line extension contract. AGL's ECON-1 Tariff states that "a qualifying Applicant for an ECON-1 Project who is a new or existing Firm

natural gas customer, or a third party who applies on behalf of a new or existing Firm customer, that will provide a signed commitment to utilize or increase Firm Commercial natural gas load that will provide the minimum Economic Development Benefit…." (emphasis added). The site developer has agreed to sign the standard non-residential line extension contract for this project, and if the Commission approves the project, AGL will not begin construction until this contract has been executed. A petition filed under ECON-1 is not required to include a signed commitment from a third party or any other entity, and the standard line extension contract does not include language confirming that a project meets the requirements contained in Section 3 of the ECON-1 Tariff. The as-filed application for approval includes project information obtained from the customer confirming qualification with the requirements in Section 3 of the ECON-1 Tariff.

b. No, neither the site developer nor any other entity has agreed to pay any CIAC related to this project. A Rule 8 analysis indicates that the customer(s) would owe a CIAC in excess of $950,000. A primary purpose of the ECON-1 Tariff is to enable customers that meet certain economic development criteria to obtain natural gas service that would otherwise owe a large CIAC under Tariff Rule 8 or the E-1 Tariff. Based on information provided by the site developer, this project qualifies based on the criteria established in the ECON-1 Tariff. Notwithstanding this purpose, AGL acknowledges that the Commission may condition approval of the project on the customer(s) contributing to the cost of the project.

c. Please see responses to STF-18-1a and STF-18-2b.

d. No. The ECON-1 Tariff is silent on what any customer would owe if no end-use customer procured natural gas service within six months of project completion. Please see response to STF-18-2b.

e. Please see response to STF-18-1e.

Respondent: William Horne
Director, Resource Planning & Economic Development
Southern Company Gas

STF-18-3 Regarding the Map provided by AGL, it lacked detail related to the five buildings that EQT Exeter owns and did not provide the location of the five (5) Hyundai suppliers. Please provide a detailed map of the location of the EQT Exeter buildings with the proposed pipe facilities.

RESPONSE

Please see response to STF-18-1c. The buildings will be located on the same piece of property indicated on Attachment STF-18-1c.

Respondent: William Horne
Director, Resource Planning & Economic Development
Southern Company Gas

STF-18-4 Are the five (5) EQT Exeter buildings 100% constructed and ready for natural gas service? If not, what is the timeline for completion and the establishment of natural gas service?

RESPONSE

No. Please see response to STF-18-1d.

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Director, Resource Planning & Economic Development
Southern Company Gas

STF-18-5 Regarding the Maximum Allowed Operating Pressure ("MAOP") for the pipes, there is a discrepancy between the petition, map, and Excel worksheet Sheet 27(4)(a). Please review these items and numbers and make any revised filing as needed.

RESPONSE

It is AGL policy to construct new high-pressure steel distribution pipeline segments with the ability to operate at 300 psi and new medium high-pressure plastic distribution pipeline segments with the ability to operate at 60 psi. In this instance, the new high-pressure pipeline segments will be connected to a system with an MAOP of 200 psi that AGL normally operates at 180 psi. The petition and the worksheet state that the proposed high-pressure steel distribution pipeline segments will be tested to operate at an MAOP of 300 psi, and the drawing indicates that the new high-pressure steel distribution pipeline segments will be operating at an MAOP of 200 psi and a Normal Operating Pressure ("NOP") of 180 psi.

Respondent: William Horne
Director, Resource Planning & Economic Development
Southern Company Gas

STF-18-6 Regarding the installation of the 2" above ground regulator station, the Excel worksheet Sheet 27(4)(c) shows a construction cost of the regulator station at $150,000, shown in **Table A** below. This cost is not mentioned in the petition. Please provide details and make any necessary revised filing.

4.2	Construction	$ 1,338,152			
4.21	Install 4" Steel Line	9200	lf	$ 75	$ 685,492
4.22	Install 4" Plastic Line	6700	lf	$ 61	$ 410,710
4.23	Install 2" Plastic Line	1500	lf	$ 61	$ 91,950
4.24	Install 2" Above Ground Regulator Station	1	sum	$ 150,000	$ 150,000

RESPONSE

The 2" regulator station cost is embedded within the project cost estimate as reported in the worksheet accompanying the as-filed application. Not all projects require installation of a regulator station, but in this instance, AGL is transitioning from high-pressure steel to medium high-pressure plastic necessitating installation of a regulator station. The worksheet accompanying the application states that a regulator station is to be installed.

Respondent: William Horne
Director, Resource Planning & Economic Development
Southern Company Gas

STF-18-7 Please provide details on what items are included in the Miscellaneous Materials category, as the Excel worksheet Sheet 27(4)(c) shows an amount of $133,815, shown in **Table B** below.

Table B

2.13						
3	**Materials, including freight and tax**	**$ 415,955**				
3.1	**Pipe**	**$ 415,955**				
3.11	4" Steel Main, open cut and HDD	9200	lf	$ 19.00	$ 174,800	
3.12	4" Plastic Main, open cut and HDD	6700	lf	$ 15.00	$ 100,500	
3.13	2" Plastic Service, open cut and HDD	1500	lf	$ 4.56	$ 6,840	
3.14	Miscellaneous Materials	1	sum	$ 133,815	$ 133,815	
3.2	**Valves & Actuators**	**$ -**				

RESPONSE

Miscellaneous Materials refers to an allowance within the estimate for pipeline fittings such as elbows, bends, tees, valves, caps, etc. that AGL may need to perform the installation. AGL will complete a detailed design of the project once the project is approved, and this detailed design will include specific types and quantities of Miscellaneous Materials required to perform the installation.

Respondent: William Horne
Director, Resource Planning & Economic Development
Southern Company Gas