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Atlanta Gas Light

CHEROKEE LNG EXPANSION – LNG TRACKER

QUARTERLY REPORT NO. 11

Docket No. 43820

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ATLANTA GAS LIGHT
CHEROKEE LNG EXPANSION – LNG TRACKER
QUARTERLY REPORT NO. 11
DOCKET NO. 43820

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INTRODUCTION

Atlanta Gas Light Company ("AGL" or the "Company") files this Quarterly Report No. 11 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 third quarter of 2024 covering the period from July 1 through September 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 inTable 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

Detailed Engineering Design and Construction work for the Tank Balance of Plant ("BOP"), Power Generation, and Liquefaction project phases, and Detailed Engineering and Design work for the Vaporization phase of the Project remained in progress in the third quarter of 2024. Tank Engineering, Procurement, & Construction ("EPC") work is mostly complete and is focused on commissioning. The tank and tank balance of plant assets were placed in-service in second and third quarters 2024. Work continues for power generation progressing to meet a fourth quarter 2024 in-service date, and the liquefaction commissioning will begin in late 2024 (see the Project Risk Register section). A high-level schedule showing the major tasks associated with project execution and projected in-service dates is provided in Attachment A.

The key Project work completed in the quarter ending September 30, 2024, include the following:

1. LNG Storage Tank Construction Progress

   July Work Completed:

   - No work occurred

   August Work Completed:

   - No work occurred

   September Work Completed:

   - Completed the purge of the new tank with vaporized LNG

   Engineering Work Completed:
   - Revised the cooldown procedure

2. Tank BOP, Power Generation and Liquefaction Construction Progress

   July Work Completed:

   - Excavated for trench and trench aprons
   - Excavated for the emergency generator building foundations
   - Installed forms and rebar for the trenches and trench aprons
   - Installed forms and rebar for the emergency generator building foundations
   - Poured concrete for the trenches and trench aprons
   - Poured concrete for the emergency generator building foundations
   - Backfilled around the trenches and the PG area equipment foundations
   - Performed pressure test 17 for the BOG coalescer lines
   - Performed pressure test 22 for the flash separator trim pipe and valves
   - Welded and installed small bore pipe in the TG building
   - Welding and installing 1" replacement valves
   - Welded and installed the IA and VT lines in the TG building

- Welded and installed the LO and FG lines in the TG building
- Completed high and medium priority punchlist items for Group 2
- Installed pipe supports for the TG area pipe
- Assisted with flushing the TG LO lines
- Excavated for the stormwater reroute
- Installed 900ft of pipe and manhole STRC-5 and STRC-4 (85% complete with pipe installed)
- Installed underground conduit and grounding for the light poles and cameras
- Pumped the water out of impoundment 2 and cleaned up silt
- Installed the sub-impoundment control panel junction boxes
- Pulled power cables from PDC-1 to earthen impoundment (1,000ft of cable pulled, 40% complete)
- Installed underground conduits for duct banks going to the sub-impoundments (100% complete with underground conduit installed)
- Installed conduit in the TG building (98% complete with conduit installed)
- Pulled wire and terminated in the TG building (98% complete with wire installed/pulled, 85% complete with terminations)
- Installed conduit, pulled wire, and terminated in MCC-9 for temp power for DP-3
- Installed conduit going to the emergency generator
- Performed I/O checks and assisted technician with testing/commissioning
- Performed electrical testing on equipment in PDC-1 and on the transformers, complete with testing and all reports turned over
- Completed flushing the TG lube oil lines and prepped to start filling the units with the final fill oil
- Installed pipe insulation at the pipe racks and on the flash separator
- Excavated for the pipe rack support foundations
- Installed forms and rebar for the MR interstage cooler piers
- Installed sonotubes and rebar for the pipe rack support foundations
- Poured concrete for the MR interstage cooler piers
- Poured concrete for the pipe rack support foundations
- Poured grout in the anchor sleeves for the MR inventory transfer drum
- Built forms and tied rebar for the MR condenser foundations
- Built forms and tied rebar for the MR compressor building
- Built forms and tied rebar for the MR interstage cooler maintenance slab
- Received/set the cold box X-151
- Received/set the MR inventory drum D-179
- Received/set the MR interstage cooler F-165
- Installed the pipe rack support and cable tray support structural steel
- Anchored the base plates and welded the cold box legs
- Installed grounding for the cable tray supports
- Set the cold box and the MR inventory transfer drum
- Hydro excavated a perimeter trench for the process impoundment
- Figure 1 shows a view of the BOP, Power Generation and Liquefaction construction site at the end of July 2024

August Work Completed:

- Excavated for trench and trench aprons
- Excavated for the emergency generator building foundations

- Installed forms and rebar for the trenches and trench aprons
- Installed forms and rebar for the emergency generator building foundations
- Poured concrete for trench and trench aprons
- Poured concrete for the emergency generator building floor
- Poured concrete for the neutral grounding resistor foundation
- Poured grout for both TG units
- Backfilled around the trenches
- Installed the 10" bellow and torqued flanges
- Welded and installed the IA and LO lines in the TG building
- Welded and installed the 6" FG lines going to the heat exchanger
- Welded and installed the 1" bypass lines for P&ID G-53-2 modifications
- Welded and installed the BOG compressor vent and drain line modifications
- Set the WHRUs and duct work
- Excavated for the fire water pipe at the tanks
- Fabricated the fire water pipe
- Installed pipe supports for the TG area pipe
- Installed all the stormwater reroute pipe, tied-in, and backfilled
- Installed the flared end section
- Installed all the steel and the sump pumps in both sub-impoundments
- Installed the sub-impoundment control panel junction boxes
- Installed the floats and terminated in sub-impoundment 1
- Installed underground conduits, pulled wire, and terminated at the NGRs
- Pulled wire and terminated in JB70 and JB72 in the TG building (99% complete with wire installed/pulled, 97% complete with terminations)
- Assisted with commissioning and startup of the BOG units
- Pulled wire and terminated in RIO-30 and RIO-31
- Excavated for the pipe rack support foundations
- Excavated for the MR suction and interstage drum foundations
- Installed forms and rebar for the MR suction and interstage drum foundations
- Installed sonotubes and rebar for the pipe rack support foundations
- Installed forms and rebar for the MR condenser foundations
- Poured concrete for the pipe rack support foundations
- Poured concrete for the MR condenser foundations
- Poured concrete for the MR suction and interstage drum foundations
- Poured concrete for the feed gas coalescer foundations
- Poured grout for the MR motor
- Built forms and tied rebar for the MR compressor building foundations
- Built forms and tied rebar for the MR condenser maintenance slabs
- Welded and installed the 12", 6" and 3" NG lines on the pipe rack
- Welded and installed 1" purge/vents
- Welded and installed the 2" IA lines on the pipe rack
- Installed the pipe rack support and cable tray support structural steel
- Installed the pre-insulated pipe supports on the pipe racks
- Set the VFD-121 in PDC-1
- Assembled and rough aligned the MR compressor and motor
- Installed grounding for the cable tray supports
- Installed conduit on the coolers and X-132 skid
- Installed analyzers AT-8514 and AT-8515

- Installed cable tray on the north/south and west pipe racks
- Installed and assembled the VFD-121 sections in PDC-1
- Figure 2 shows a view of the BOP, Power Generation and Liquefaction construction site at the end of August 2024

September Work Completed:

- Excavated for trench and trench aprons
- Graded and spread rock around the tanks
- Installed forms and rebar for trench and trench aprons
- Poured concrete for trench and trench aprons
- Poured concrete for the sidewalks and ladder pads
- Backfilled the fire water lines near the tanks
- Wrecked the forms and backfilled around trench and trench aprons
- Performed pressure test 07, 20, and 25
- Completed the fire water tie-in TP-311
- Completed the 8" NG tie-ins TP-220 and TP-244
- Welded and installed the 6" FG lines going to the heat exchanger
- Welded and installed the 1" bypass lines for P&ID G-53-2 modifications
- Installed the TG unit heaters in the building
- Installed the personal protection metal on the WHRU stacks
- Installed pipe supports for the TG area pipe
- Hydro-excavated a perimeter trench for the proposed duct bank and pipe ditch
- Set the emergency generator and radiator
- Installed conduits for DB-5 going to the emergency generator
- Installed the sump pump discharge pipe in sub-impoundment 1 and 2
- Terminated the cables for the motors at sub-impoundment 1 and 2
- Installed the level/float switches and terminated in sub-impoundment 1 and 2
- Installed the level/float switches in the earthen impoundment
- Terminated cables for NGR 408 and 409
- Terminated cables in PDC-1 and PDC-2
- Performed loop checks and commissioned transmitters for Group 3
- Installed conduit and tubing for group 3 items
- Installed cables and terminated in MCC-10
- Excavated for the MR compressor building and the feed gas compressor building
- Excavated for the cold box access platform foundations
- Installed forms and rebar for the MR compressor building and the feed gas compressor building foundations
- Installed forms and rebar for the cold box access platform and the MR accumulator foundations
- Installed forms and rebar for the MR condenser maintenance slabs
- Poured concrete for the MR compressor building and the feed gas compressor building footer foundations
- Poured concrete for the cold box access platform and the MR accumulator foundations
- Poured concrete for the MR condenser maintenance slabs
- Installed forms and tied rebar for the MR compressor building walls

- Built forms and tied rebar for the feed gas compressor building pipe support foundations
- Installed and welded the 12", 6" and 3" NG lines on the pipe rack
- Installed and welded 8" pipe going to the feed gas coalescer S-123
- Installed and welded 8" pipe going to the mole sieves
- Installed and welded 2" IA and N lines on the pipe racks
- Received the MR accumulator S-163 and the MR suction drum S-164
- Received the MR interstage drum S-166
- Received/set the MR condensers F-162A/B/C
- Leveled the feed gas compressor skid and set the motor
- Installed the pipe rack support and cable tray support structural steel
- Installed LP-6 panel and T-11 transformer in PDC-1
- Installed conduits for LP-6 in PDC-1
- Installed grounding for the MR compressor building and the feed gas compressor building
- Installed conduits to the pre-treatment skids and coolers
- Installed cable tray on the north/south and west pipe racks
- Figure 3 shows a view of the BOP, Power Generation and Liquefaction construction site at the end of September 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
- Liquefaction Issued for Construction (IFC) design drawings for construction are in progress
- Vaporization Issued for Bid (IFB) drawings are in progress
- Construction support is ongoing to review submittals from construction contractors and field requests for additional information



Figure 1: View of BOP and Power Generation Site at the End of July 2024



Figure 2: View of BOP and Power Generation Site at the End of August 2024



Figure 3: View of BOP and Power Generation Site at the End of September 2024

PROJECT BUDGET

AGL provides its Annual Spend Analysis for the Project for the end of the 2nd Quarter 2024, and July, August and September 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 June 2024 (end of 2nd Quarter 2024)



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



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



Table 4: Annual Spend Analysis – from AGL's Project financials update for September 2024 (end of 3rd Quarter)



Table 5: Deviations between Table 4 (September 2024) and Table 1 (End of 2nd Quarter 2024)



Discussion of Deviations in Table 5

Table 5 shows the cost estimate deviations between the June 2024 (end of 2nd Quarter 2024) estimate presented in Table 1 and the September 2024 (end of 3rd Quarter 2024) estimate presented in Table 4.

[redacted]

Total direct actual costs through September 2024 were [redacted] and the total estimated remaining cost to complete project execution was [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 Power Generation, Liquefaction, and Vaporization scopes with a potential to impact the in-service delivery dates. 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 and held risk workshops in August to update the risk register. The Quantitative Risk Analysis from April did highlight the remaining project contingency of [redacted] at the time of analysis was potentially insufficient. Contingency levels will be reevaluated once procurement for Vaporization is complete. The risk register developed from the August workshops is provided in Attachment C (showing the medium and higher risk items only).

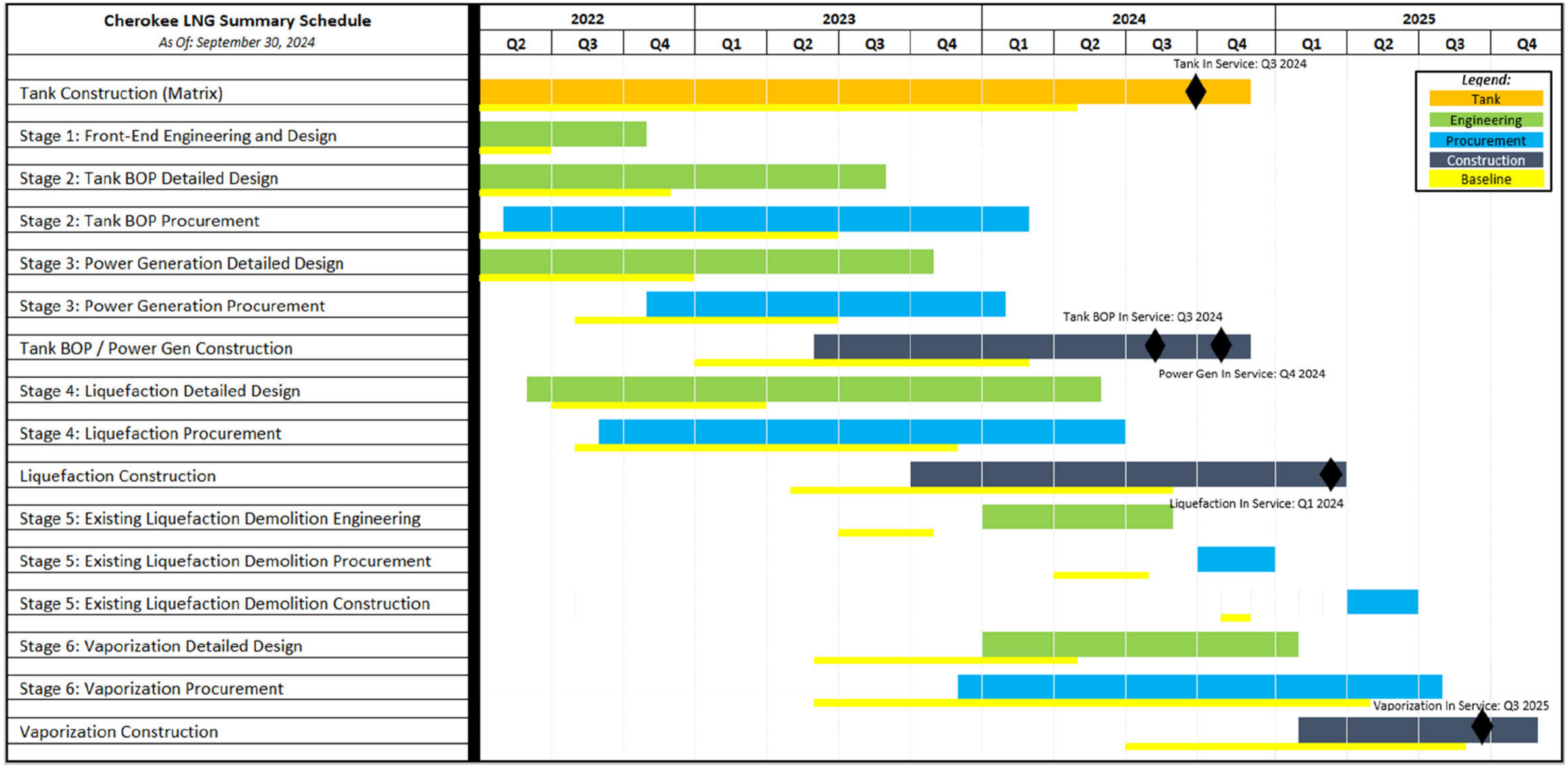
Two "High-Risk" item were identified:

- **Late equipment delivery (PDC and MCC)** – Some electrical equipment was damaged in transit and replacement components are in fabrication. This was a high risk at the time of the workshop, but all electrical equipment was received and installed by the end of September 2024.
- **IFB drawings not complete for bid** – Design of all systems need to be complete in time to meet construction schedule for Vaporization.

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

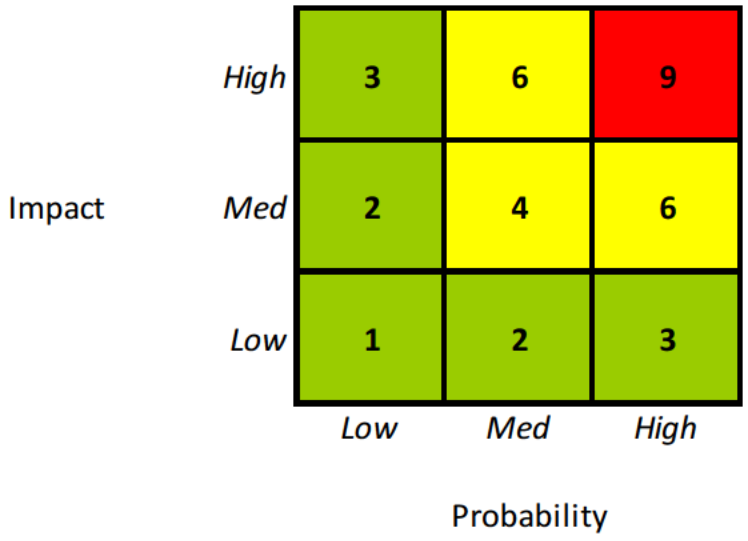
High level project schedule for execution of the Project.



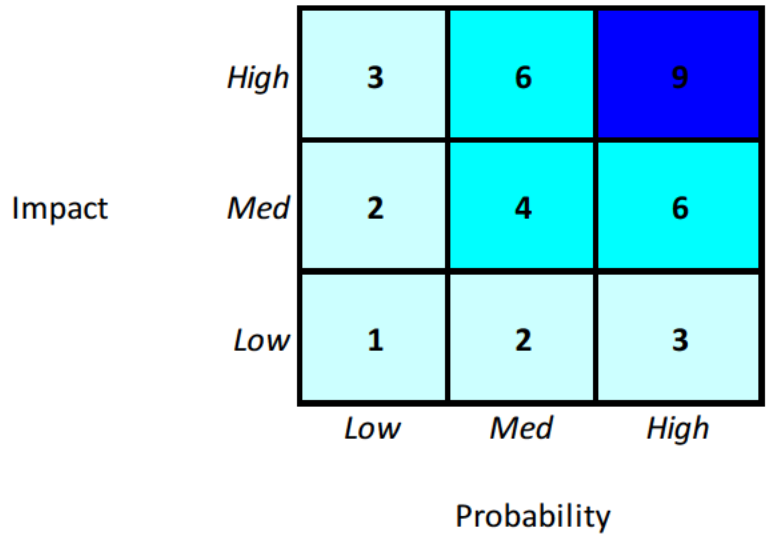
ATTACHMENT B. PROJECT RISK REGISTER

HEAT MAP ILLUSTRATION

Risk Matrix Value & Color Code



Opportunities Matrix Value & Color Code



L = Low
M = Medium
H = High

PROJECT RISK REGISTER – TANK/BOP

[redacted]

PROJECT RISK REGISTER – LIQUEFACTION

[redacted]

PROJECT RISK REGISTER – VAPORIZATION

