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Atlanta Gas Light

CHEROKEE LNG EXPANSION – LNG TRACKER

QUARTERLY REPORT NO. 12

Docket No. 43820

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ATLANTA GAS LIGHT
CHEROKEE LNG EXPANSION – LNG TRACKER
QUARTERLY REPORT NO. 12
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INTRODUCTION

Atlanta Gas Light Company ("AGL" or the "Company") files this Quarterly Report No. 12 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 fourth quarter of 2024 covering the period from October 1 through December 31, 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 fourth quarter of 2024. Tank Engineering, Procurement, & Construction ("EPC") work is mostly complete and is focused on commissioning. The Tank and the Tank BOP assets were placed in-service in second and third quarters 2024. Work continues for Power Generation, progressing to meet a first quarter 2025 in-service date, and the Liquefaction commissioning will begin in first quarter 2025 (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 December 31, 2024, include the following:

1. LNG Storage Tank Construction Progress:

   October Work Completed:

   - The cooldown of the new tank with LNG

   November Work Completed:

   - Miscellaneous construction punch list items completed

   December Work Completed:

   - Pump 102C was tested in recirculation

2. Tank BOP, Power Generation and Liquefaction Construction Progress:

   October Work Completed:

   - Installed rip rap along the perimeter of tank area
   - Graded and spread rock around the tanks and flash separator area
   - Installed grout for the splash wall
   - Installed forms and rebar for the BOG building foundation extension
   - Poured concrete for the sidewalks and existing concrete slope
   - Poured concrete for the BOG building foundation extension
   - Completed pressure tests 07, 18, 24, 26, and 31
   - Installed the valves and tied in the 10" pump suction headers
   - Installed pipe supports for the TG area pipe
   - Installed the intake and exhaust expansion joints on both TG units
   - Installed and tied-in the 2" service water line by the tanks
   - Installed the TG unit heat exchangers
   - Completed punch list items for group 3 TOPs
   - Removed the existing splash wall panels and installed the SS panels
   - Installed sonotubes/rebar and poured concrete for the vent pipe supports
   - Installed lights and cable tray

- Installed panels DP-5, LP-6, and T-9
- Installed underground conduits for DB-5, DB-19, and DB-17
- Poured concrete for DB-19 and DB-5
- Completed the building erection
- Reconnected, torqued and megged cables in MCC-10
- Installed conduit, pulled wire, and terminated to the TEs on the WHRU stack
- Performed loop checks and commissioned devices for group 3
- Installed conduit and tubing for group 3 items
- Installed insulation on the TG exhaust and the FG pipe
- Excavated/drilled for the north/south and east pipe rack support drill piers
- Excavated for the trenches east of the condensers
- Installed forms and rebar for the trenches at the existing north/south pipe racks
- Install sonotubes and rebar for the north/south and east pipe rack support drill piers
- Installed forms and rebar for the MR compressor building and feed gas compressor building walls, columns, and floor
- Poured concrete for the MR accumulator piers and the cold box access platform piers
- Poured concrete the MR compressor building and feed gas compressor building walls, columns, and floors
- Poured concrete for the feed gas compressor building lube oil tank foundations
- Poured concrete for the derime heater skid and lube oil tank foundations
- Poured concrete for the trenches at the existing north/south pipe racks
- Poured concrete for the for the north/south and east pipe rack support drill piers
- Installed forms and tied rebar for the trench aprons
- Built forms and tied rebar for the blowdown coalescer foundations
- Installed and welded the 12", 10" and 8" NG lines on the pipe rack
- Installed and welded the 4" LO pipe in the pipe rack
- Installed and welded 8" pipe going to the mole sieves
- Installed and welded 2" IA and N lines on the pipe racks
- Set the MR accumulator S-163 and the MR suction drum S-164
- Set the MR interstage drum S-166
- Set the IA and N receivers in the feed gas and MR compressor buildings
- Erected and installed the cable tray and pipe support steel in the MR compressor building
- Erected and installed the cold box platform structural steel
- Installed the structural steel platforms for the mole sieves
- Installed the pipe rack support and cable tray support structural steel
- Terminated cables in MCC-7, DP-4, and LP-6
- Pulled power cables for VFD-121 in PDC-1
- Installed grounding for the MR compressor building and the feed gas compressor building
- Install cable tray, exit lights, and conduit in the MR compressor building
- Installed cable tray on the north/south and west pipe racks
- Installed the MR compressor building exterior walls and insulation
- Installed the feed gas compressor building north and south walls
- Figure 1 shows a view of the BOP, Power Generation and Liquefaction construction site at the end of October 2024

November Work Completed:

- Graded and spread rock around the tanks and flash separator area
- Graded and spread rock around the PDC building
- Installed rock on the access road
- Poured concrete for the sidewalks
- Backfilled the fire water pipe
- Installed the pipe support for the 16" LNG header
- Installed pipe supports for the 10" suction headers
- Completed punch list items for groups 2, 3 and PSSR items
- Performed pressure test 33 for the FW pipe
- Installed and tied-in the fire water pipe by the vaporizer area
- Installed the extended nuts on the TG skid anchor bolts
- Installed the structural steel in the building
- Installed forms and rebar for the pull box
- Installed forms/rebar and poured concrete for the switchgear foundation
- Installed conduit and devices in the building
- Pulled wire and terminated Lights
- Installed conduit and terminated cables for the overhead door in the TG building
- Completed punch list items for group 3
- Performed loop checks and commissioned devices for group 3
- Poured seals at the flash separator
- Installed insulation on various pipe sections in the pump pit
- Installed insulation on the 10" and 16" headers at the tank
- Excavated/drilled for the east pipe rack support drill piers
- Excavated for the MR deinventory heater foundation and the MR inventory transfer compressor foundation
- Excavated for the trenches east and south of the condensers
- Installed forms and rebar for the trenches east and south of the condensers
- Installed sonotubes and rebar for the east pipe rack support drill piers
- Installed forms and rebar for the MR deinventory heater foundation and the MR inventory transfer compressor foundation
- Poured concrete for the MR deinventory heater foundation and the MR inventory transfer compressor foundation
- Poured concrete for the nitrogen receiver storage foundation
- Poured concrete for the trenches south of the condensers
- Poured concrete for the trenches east of the condensers
- Poured concrete for the east pipe rack support drill piers
- Installed forms and tied rebar for the trenches
- Built forms and tied rebar for the butane skid foundations
- Installed and welded the 24" pipe going to the MR compressor
- Installed and welded the 14" and 12" CMR pipe going to the MR condensers
- Welded the 20" NG sendout line
- Installed and welded the 6" LNG pipe on the pipe racks
- Installed and welded pipe coming off the MR accumulator
- Installed and welded 2" IA and N lines on the pipe racks
- Set the nitrogen receiver

- Erected and installed the cable tray and pipe support steel in the feed gas and MR compressor buildings
- Erected and installed the cold box platform structural steel
- Installed the east pipe rack support and cable tray support structural steel
- Pulled cables from JB-132 to the feed gas compressor building
- Terminated cables in RIO-33, VFD-121, LP-6, DP-4 and RVSS-161
- Installed cable tray and conduit in the MR compressor building and the feed gas compressor building
- Pulled wire and terminated for the lights in the MR compressor building
- Installed cable tray on the east pipe racks
- Installed the MR compressor building trim
- Installed the feed gas compressor building roof and east wall
- Figure 2 shows a view of the BOP, Power Generation and Liquefaction construction site at the end of November 2024

December Work Completed:

- Excavated for the N/S trench going to the impoundment
- Installed forms and rebar for the MR compressor building ramp and aprons
- Installed forms and rebar for the fire hydrant thrust blocks
- Installed forms and rebar for the trenches east and south of the condensers
- Installed sonotubes and rebar for the pipe supports around the MR inventory transfer compressor foundation
- Poured concrete for the fire hydrant thrust blocks
- Poured concrete for the pipe supports around the MR inventory transfer compressor foundation
- Poured concrete for the trenches south of the condensers
- Poured concrete for the trenches south of the cold box containment
- Poured concrete for the MR compressor building ramp and aprons
- Poured grout for various pipe support foundations
- Built forms and tied rebar for the ethylene storage foundations
- Installed and welded the 24" pipe coming off the MR accumulator and suction drum
- Installed and welded the 16", 14" and 12" CMR pipe going to the MR condensers and intercooler
- Installed and welded the IA and N lines on the pipe racks and in the feed gas and MR compressor buildings
- Installed the pipe supports on the pipe rack
- Excavated for the 20" NG sendout line
- Welded the 20" NG sendout line
- Excavated and installed the storm drain pipe and basin
- Excavated and installed the FW pipe
- Installed the 2" SW pipe
- Installed the east pipe rack support and cable tray support structural steel
- Installed cable tray and conduit in the MR compressor building and the feed gas compressor building
- Set RIO-28 and RIO-29 in the feed gas compressor building
- Installed conduit and pulled wire from the VFD to the feed gas compressor building

- Pulled instrument cables in the MR compressor building
- Installed cable tray on the east pipe racks
- Completed the feed gas compressor building and the MR compressor building erection
- Completed punch list items for groups 1, 2, 3, 4 and PSSR items
- Installed additional pre-insulated pipe supports
- Installed the 2" service water pipe
- Installed and welded the 2" FG and the 4" CW pipe
- Completed pressure test 32 for the FG pipe
- Installed and welded the 10" VT pipe
- Installed conduit and terminated in the building
- Pulled cables from LVS-2 to SWBD-1 and from PDC-1 to LVS-2
- Pulled cables from PDC-1 to emergency generator
- Assisted with commissioning
- Completed punch list items for groups 1-3 and PSSR items
- Performed loop checks and commissioned devices for group 3
- Figure 3 shows a view of the BOP, Power Generation and Liquefaction construction site at the end of December 2024

3. Detailed Engineering Progress:

   Engineering Work Completed:

   - Tank BOP, Power Generation, and Liquefaction detailed design was completed
   - Vaporization and Fire Protection detailed design continued
   - Specifications and Procurement Packages for Equipment Purchases have been completed
   - Support for review of engineering deliverables from equipment provider vendors
   - Liquefaction Issued for Construction (“IFC”) package was completed
   - Vaporization Issued for Bid (“IFB”) package was completed. Construction support is ongoing to review submittals from construction contractors and field requests for additional information



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



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



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

PROJECT BUDGET

AGL provides its Annual Spend Analysis for the Project for the end of the 3rd Quarter 2024, and October, November and December 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 September 2024 (End of 3rd Quarter 2024)



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

[redacted]

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

[redacted]

Table 4: Annual Spend Analysis – from AGL's Project financials update for December 2024 (End of 4th Quarter 2024)



Table 5: Deviations between Table 4 (End of 4th Quarter 2024) and Table 1 (End of 3rd Quarter 2024)



Discussion of Deviations in Table 5

Table 5 shows the cost estimate deviations between the End of 3rd Quarter 2024 estimate presented in Table 1 and the End of 4th 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 was updated in December 2024 and is provided in Attachment C (showing the medium and higher risk items only).

Two “High-Risk” items were identified:

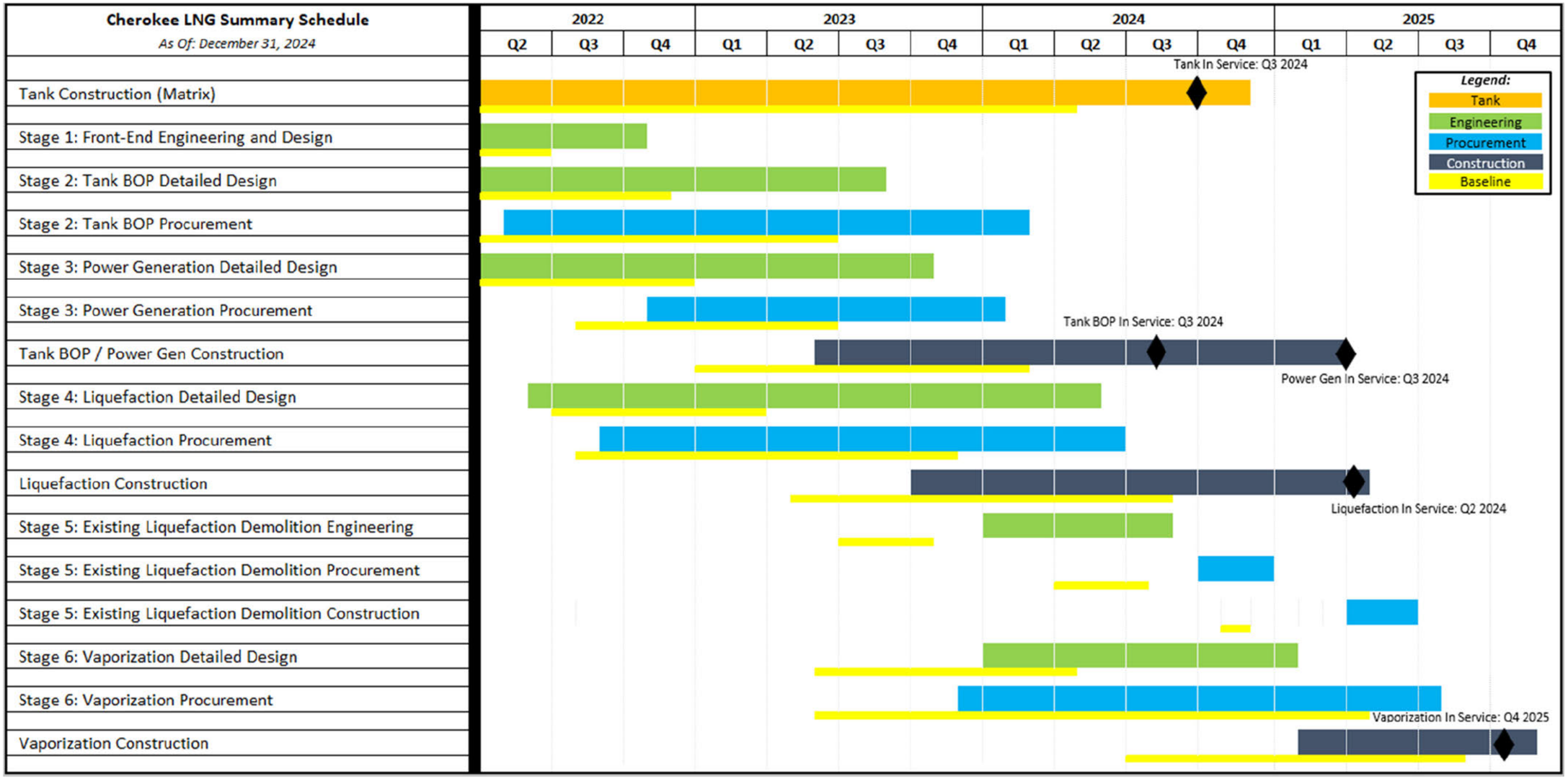
- **Liquefaction schedule affecting Vaporization scope** – Demolition of old Liquefaction system may impact installation of new Vaporization equipment.
- **IFC drawings not complete for Construction Contract signature** – Design of all systems need to be complete in time to meet construction schedule 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

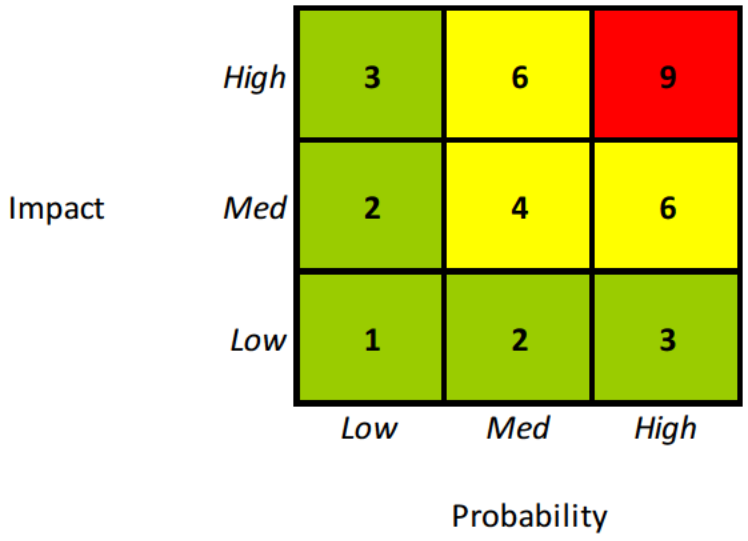
High level project schedule for execution of the Project.



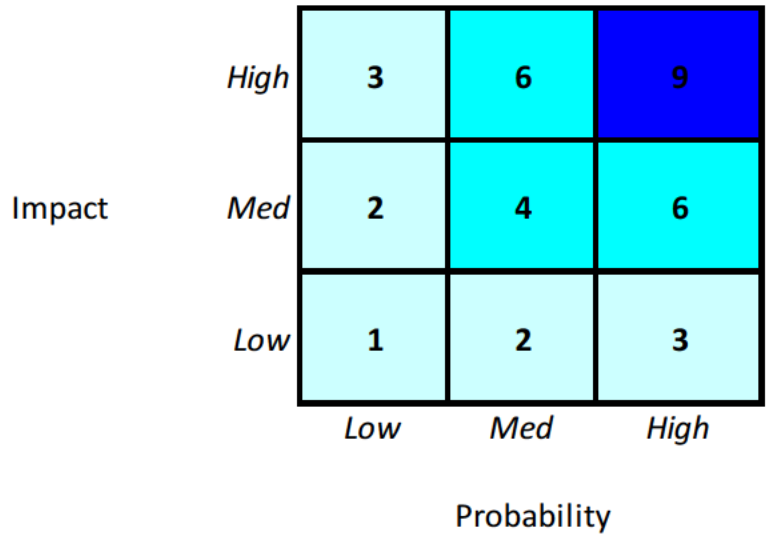
ATTACHMENT B. PROJECT RISK REGISTER

HEAT MAP ILLUSTRATION

Risk Matrix Value & Color Code



Opportunities Matrix Value & Color Code



L = Low
M = Medium
H = High

PROJECT RISK REGISTER – TANK/BOP



PROJECT RISK REGISTER – LIQUEFACTION



PROJECT RISK REGISTER – VAPORIZATION

