

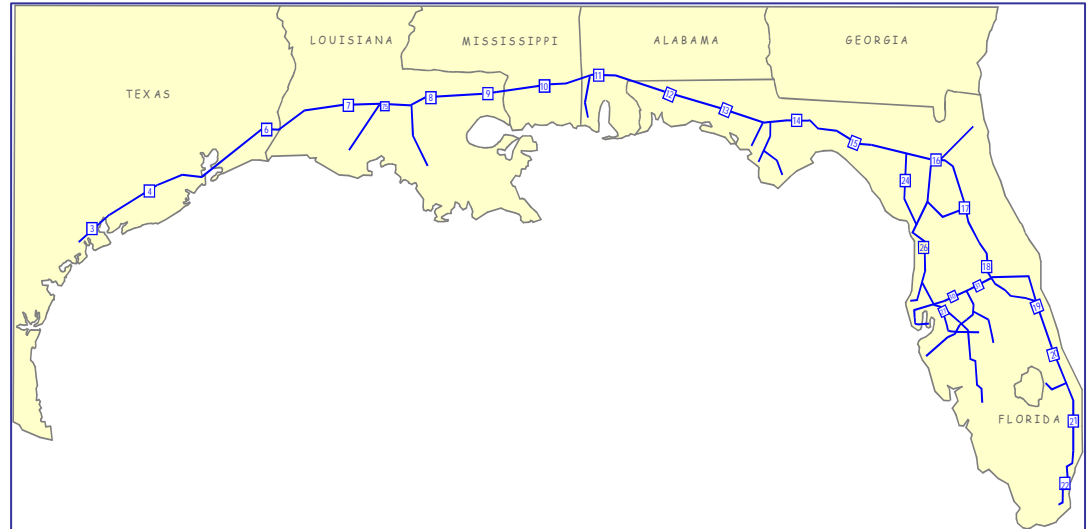
Florida Gas Transmission Company

A Southern Union/El Paso Affiliate

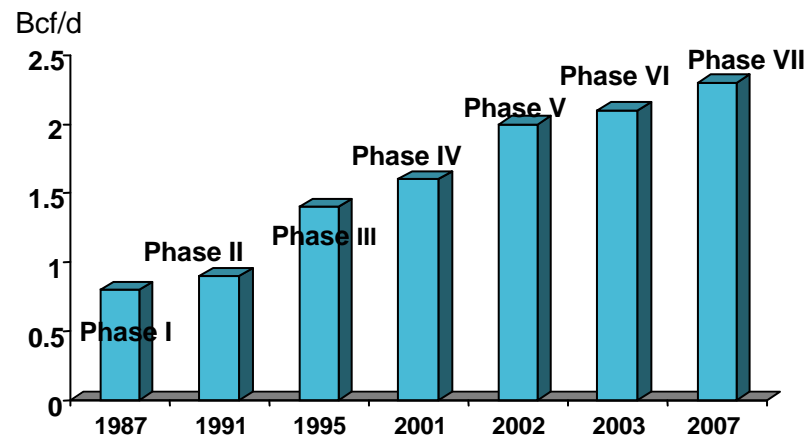
Phase VIII Expansion Project

Florida Gas Transmission

- 5,000 mile pipeline system
- 282 Delivery Points
 - 162 LDC
 - 32 Industrial
 - 58 Electric Generation
- Over 50 pipeline interconnects
- Contracted Capacity
 - Winter – 1.95 Bcf/day
 - Summer – 2.25 Bcf/day



History of Expansion to Meet Market Demand



Florida Gas Market

- **Currently 85 percent of the natural gas consumed in Florida is used for electric generation**
- **Within the last year approximately 4,000 MW of proposed coal projects have been cancelled**
- **Natural gas is the fuel of choice for new power generation**
- **Incremental natural gas demand in the Florida peninsula is conservatively projected to grow over 1 billion cubic feet per day by 2015**

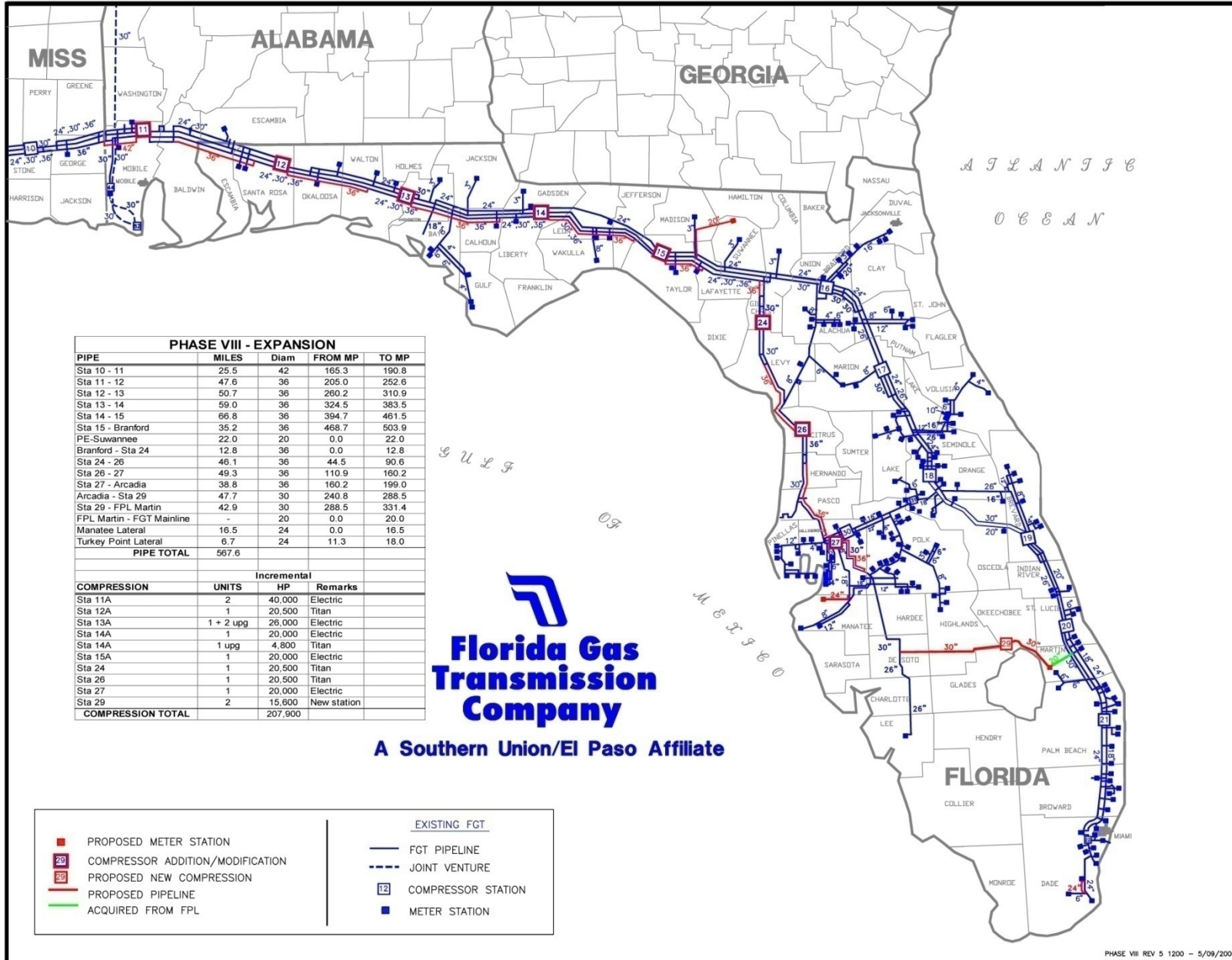
Phase VIII Expansion Project

- Major scale expansion project from Alabama to central and south Florida
- Precedent Agreement executed with the following:
 - Florida Power & Light Company 400,000 Mcf/d 25-years
 - Seminole Electric Cooperative, Inc. 60,000 Mcf/d 25-years
 - City of Tallahassee 6,000 Mcf/d 25-years
- Project would provide up to 1,000,000 Mcf/d of incremental firm transportation service capacity into Florida

Proposed Phase VIII Project Facilities

- **Approximately 568 miles of pipeline**
 - **Approximately 439 miles looping existing mainlines**
 - **Approximately 129 miles in new right of way**
- **Acquire 23.1 miles of existing pipeline**
- **Up to 207,900 HP compression**
 - **HP additions at eight existing compressor stations**
 - **One new station [CS29]**
- **Estimated capital costs approximately \$2.0 billion**

FGT Phase VIII Expansion



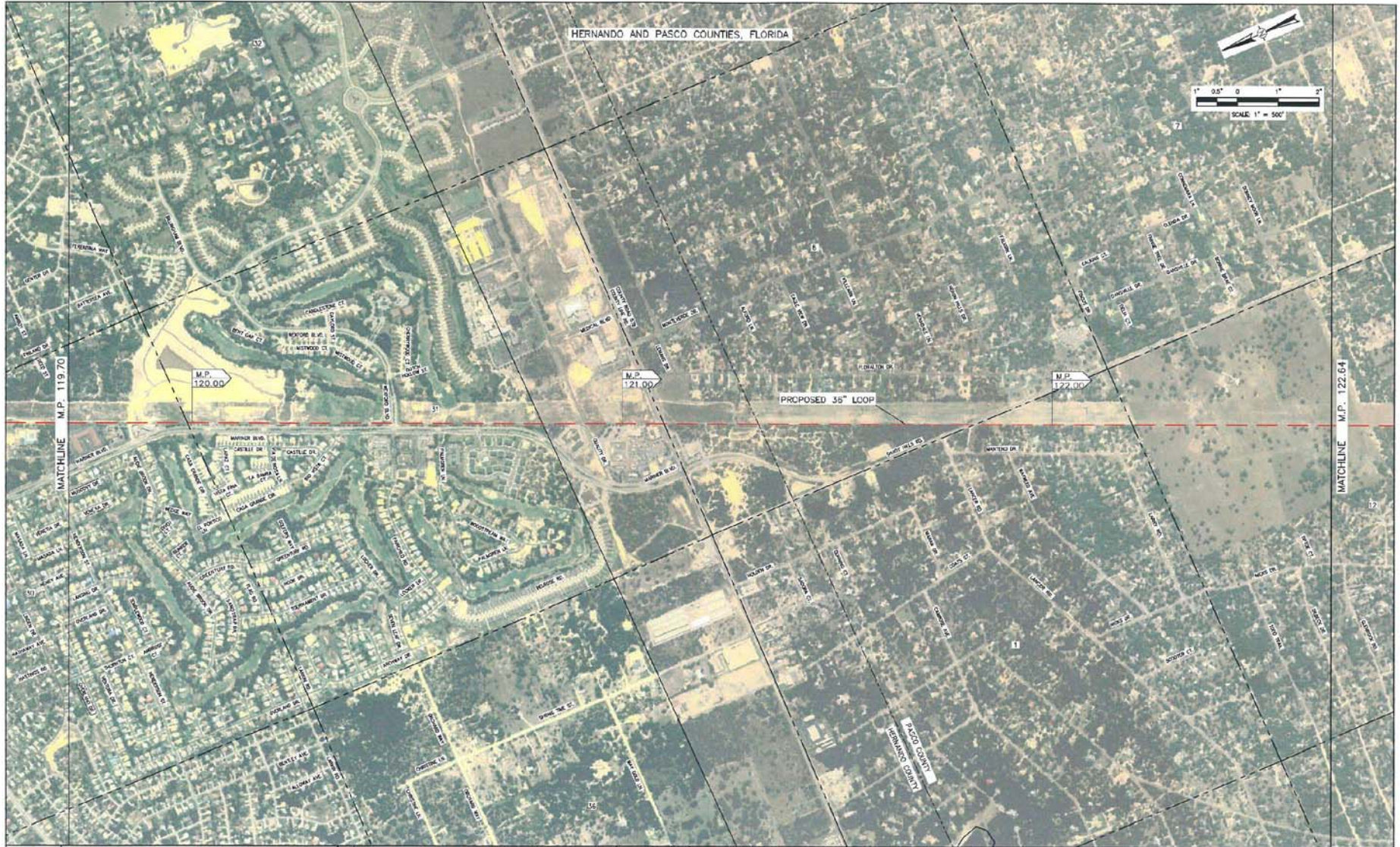
Phase VIII Expansion Timeline

- **Open Season Process Complete**
 - **January 14 – February 15, 2008**
- **Filed FERC Pre-Filing Request March 6, 2008**
 - **Docket No. PF08-14-000**
- **Public Scoping Meetings – June 3-12, 2008**
- **File FERC Certificate – Fall 2008**
- **FERC Approval – Fall 2009**
- **Commence Construction – January 2010**
- **Target In-Service Date – Spring 2011**

FGT Phase VIII Expansion Pasco County Facilities

- **Approximately 22.3 miles of 36-inch diameter pipeline is to be constructed in Pasco County**
- **Approximately 98% of proposed facilities will be constructed adjacent to existing FGT pipeline, which was constructed as part of the FGT Phase III Expansion and placed into service in 1995**

Pasco County Map - 1



DING STATUS		CHECKED		APPROVED		PL/PERM NO		PROJECT NO	
BY	DATE	BY	DATE	BY	DATE	ACCOUNT NO.	A.O. NO. E22010	FLORIDA GAS TRANSMISSION COMPANY	
PRJ/Y						CONTRACTOR	DESIGN	PHASE VII EXPANSION PROJECT	
NO						DESIGN	DESIGN	36" LOOP, STATION 26 TO STATION 27	
CONSTR.						CONSTR.	CONSTR.	M.P. 119.70 TO M.P. 122.64	
CADC5	DATE DATE					FILE NO.		HERNANDO AND PASCO COUNTIES, FLORIDA	
	FILE NO.							SHEET 4 OF 11	
REFERENCE DRAWING TITLE		NO. 03-31-08		DATE DATE		SCALE: 1" = 500'		Houston, Texas	
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Florida Gas Transmission Company
A Southern Union Gas Company

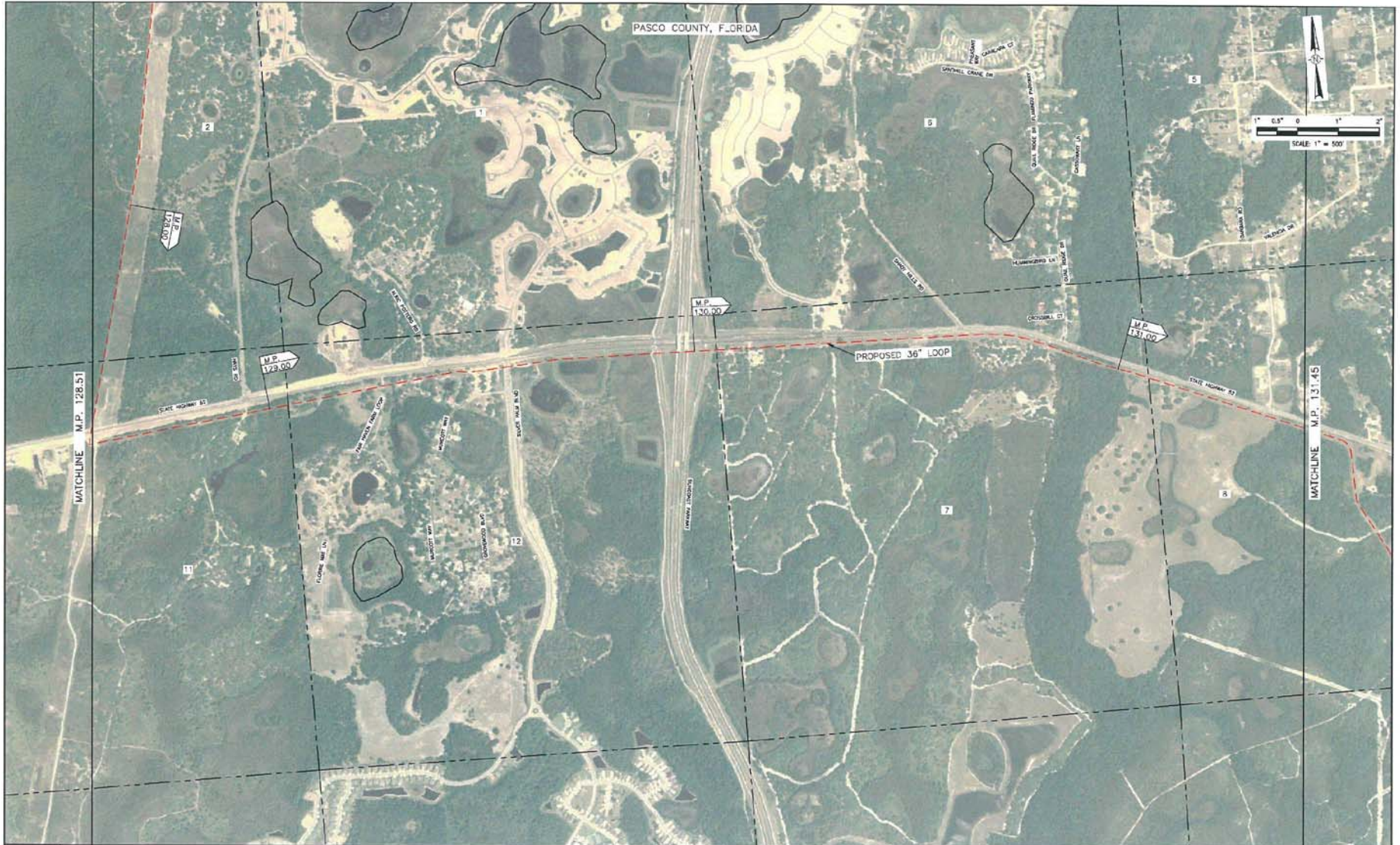
Pasco County Map - 2



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Florida Gas Transmission Company
A Southern UnionGas Pass Affiliates
Houston, Texas

Pasco County Map - 4



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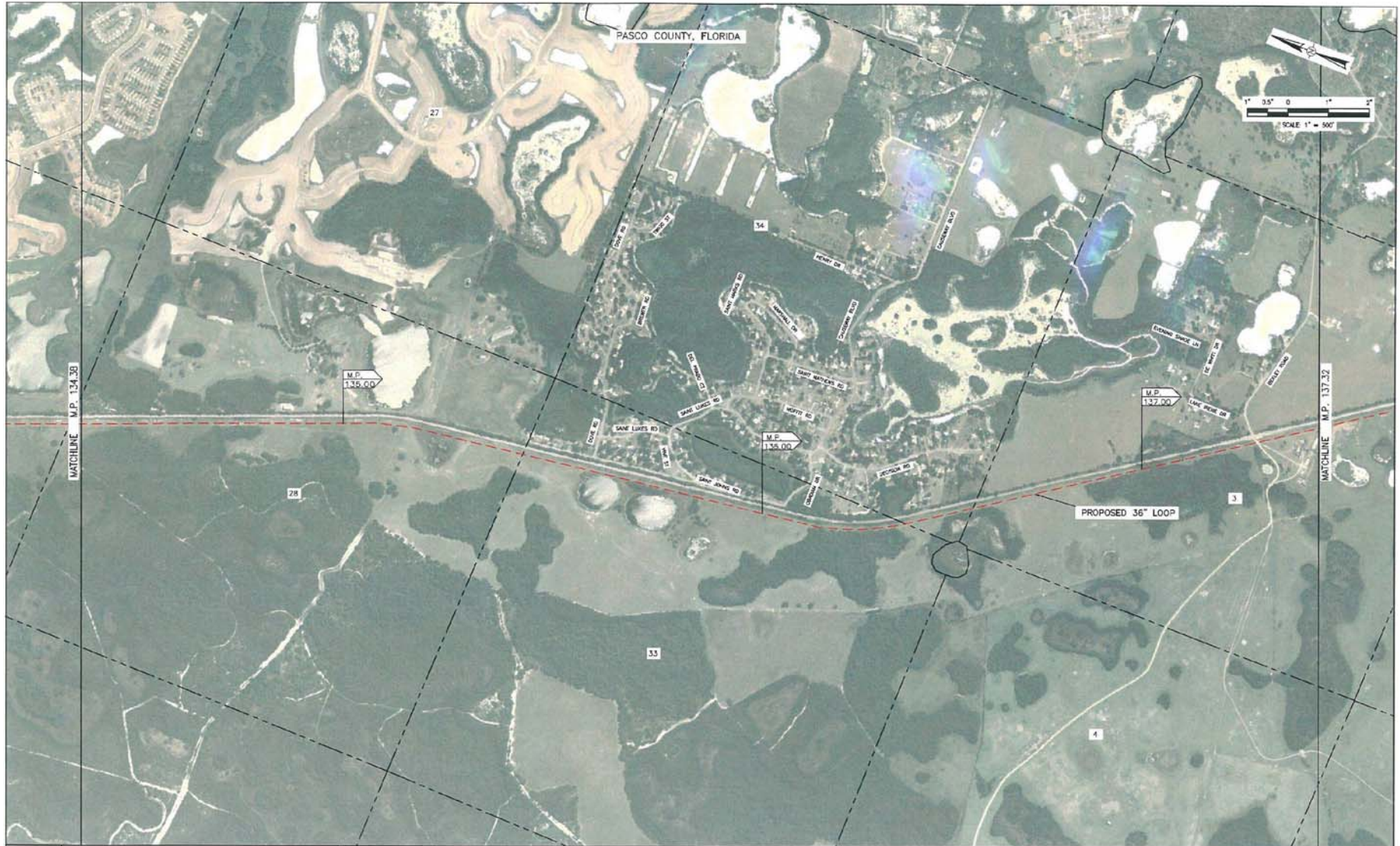
Pasco County Map - 5



DWG. NO. _____ REFERENCE DRAWING TITLE _____		NO. _____ REVISION - DESCRIPTION _____		DATE _____ DATE _____ DATE _____		CHECKED BY _____ DATE _____		APPROVED BY _____ DATE _____		C-751A NO. _____ RECORD NO. _____ DIMENSION TUM _____ DESIGN _____ DRAWN _____ ASSEMBL _____ FILE NO. _____ SCALE 1" = 500'		Florida Gas Transmission Company A Southern Company Gas Affiliate Houston, Texas		PROJECT NO. W.O. NO. 622010 RECORD SHEET NO. _____ SHEET OF _____ DATE NO. 03-1-B SHEET # OF 17	
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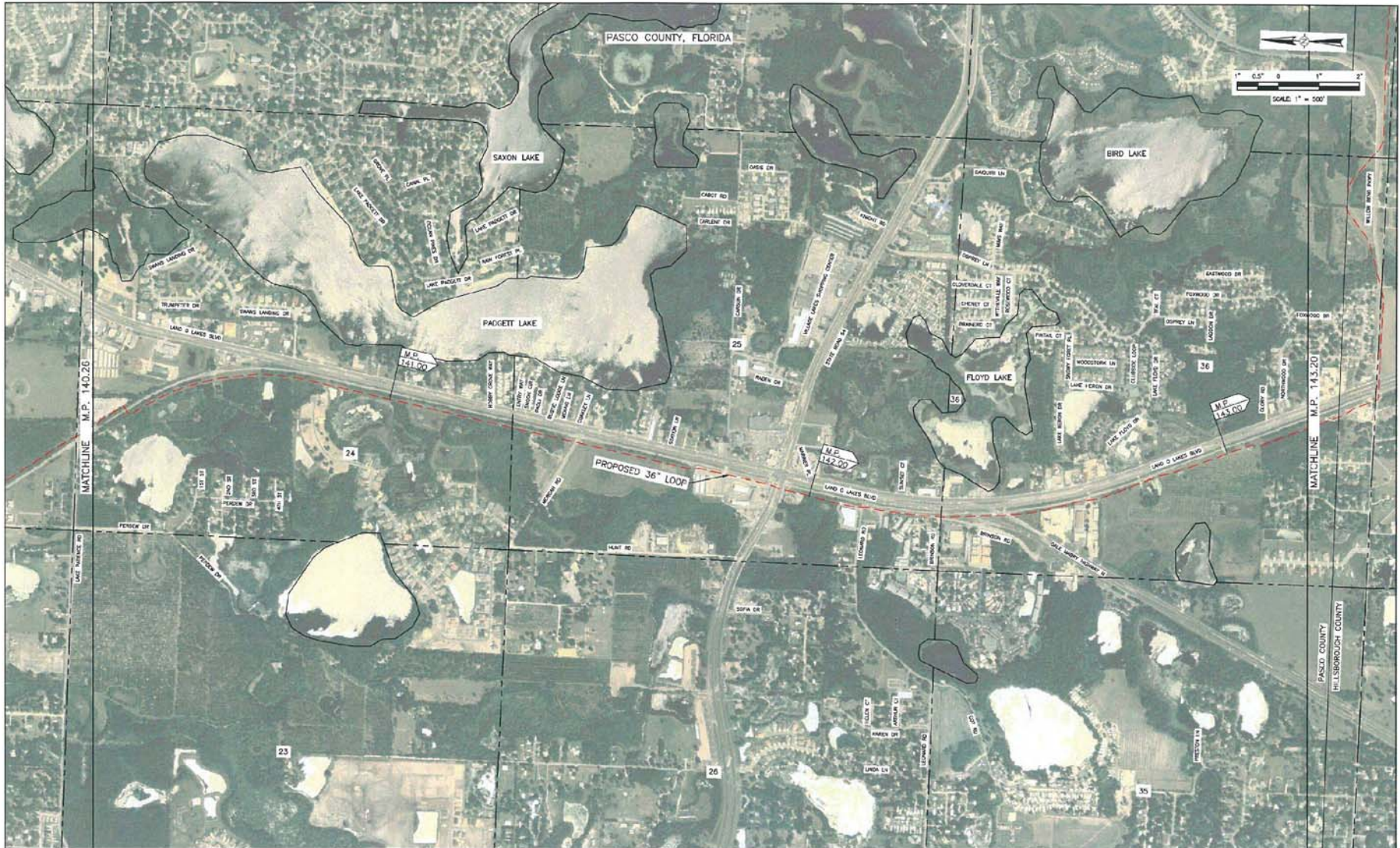
FLORIDA GAS TRANSMISSION COMPANY
 PHASE VII EXPANSION PROJECT
 36" LOOP, STATION 26 TO STATION 27
 M.P. 131.45 TO M.P. 134.38
 PASCO COUNTY, FLORIDA

Pasco County Map - 6



SHEET NO. 3 OF 5 DATE 03-31-08 BY [Name] CHECKED BY [Name] APPROVED BY [Name] DATE [Date]		PROJECT NO. W.O. NO. 622010 FLORIDA GAS TRANSMISSION COMPANY PHASE VIII EXPANSION PROJECT 36" LOOP, STATION 26 TO STATION 27 M.P. 134.38 TO M.P. 137.32 PASCO COUNTY, FLORIDA	
TITLE: 36" LOOP, STATION 26 TO STATION 27 M.P. 134.38 TO M.P. 137.32 PASCO COUNTY, FLORIDA		SCALE: 1" = 500' Houston, Texas	

Pasco County Map - 8

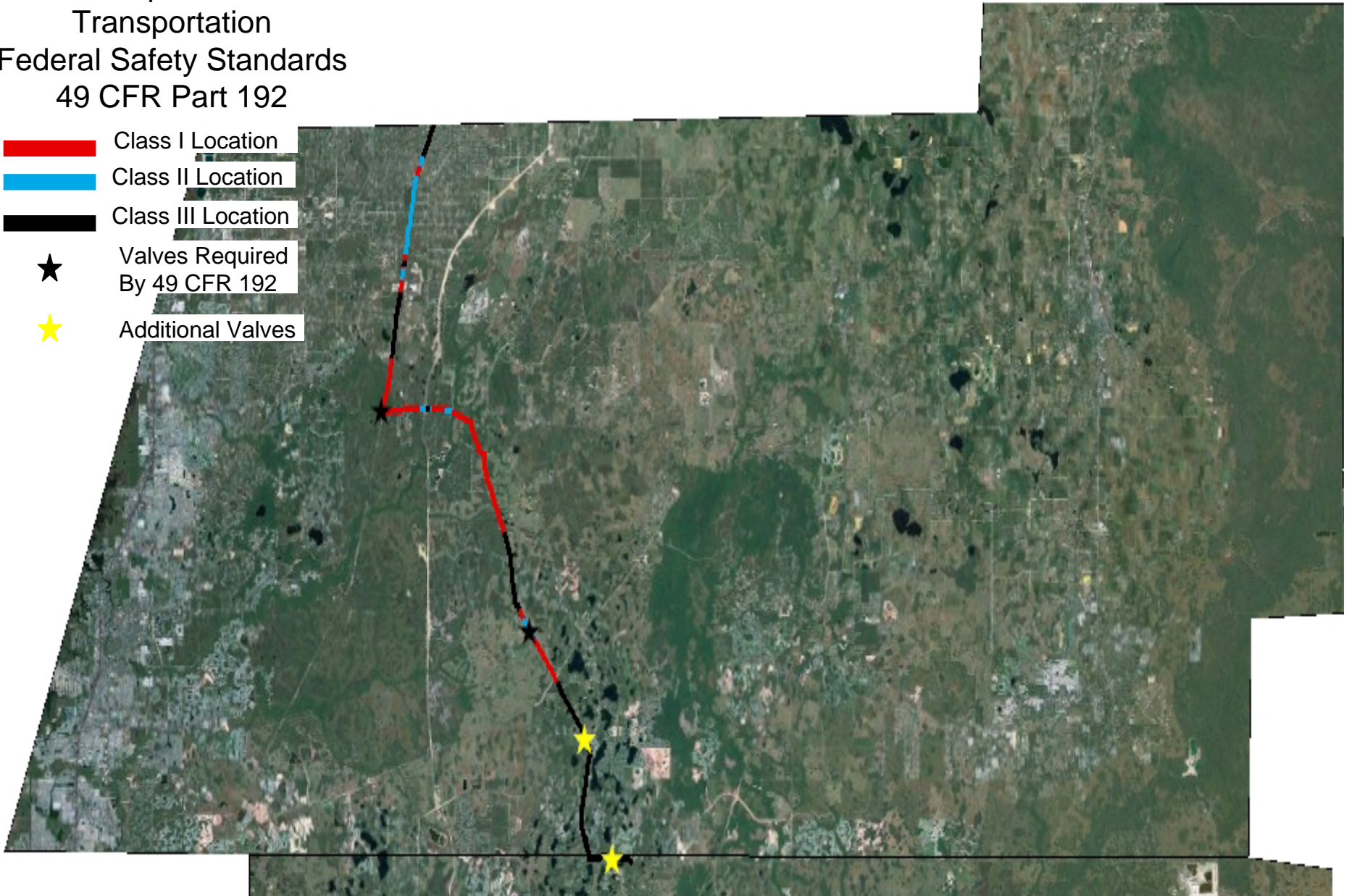


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Pasco County Map - 9

U.S. Department of
Transportation
Federal Safety Standards
49 CFR Part 192

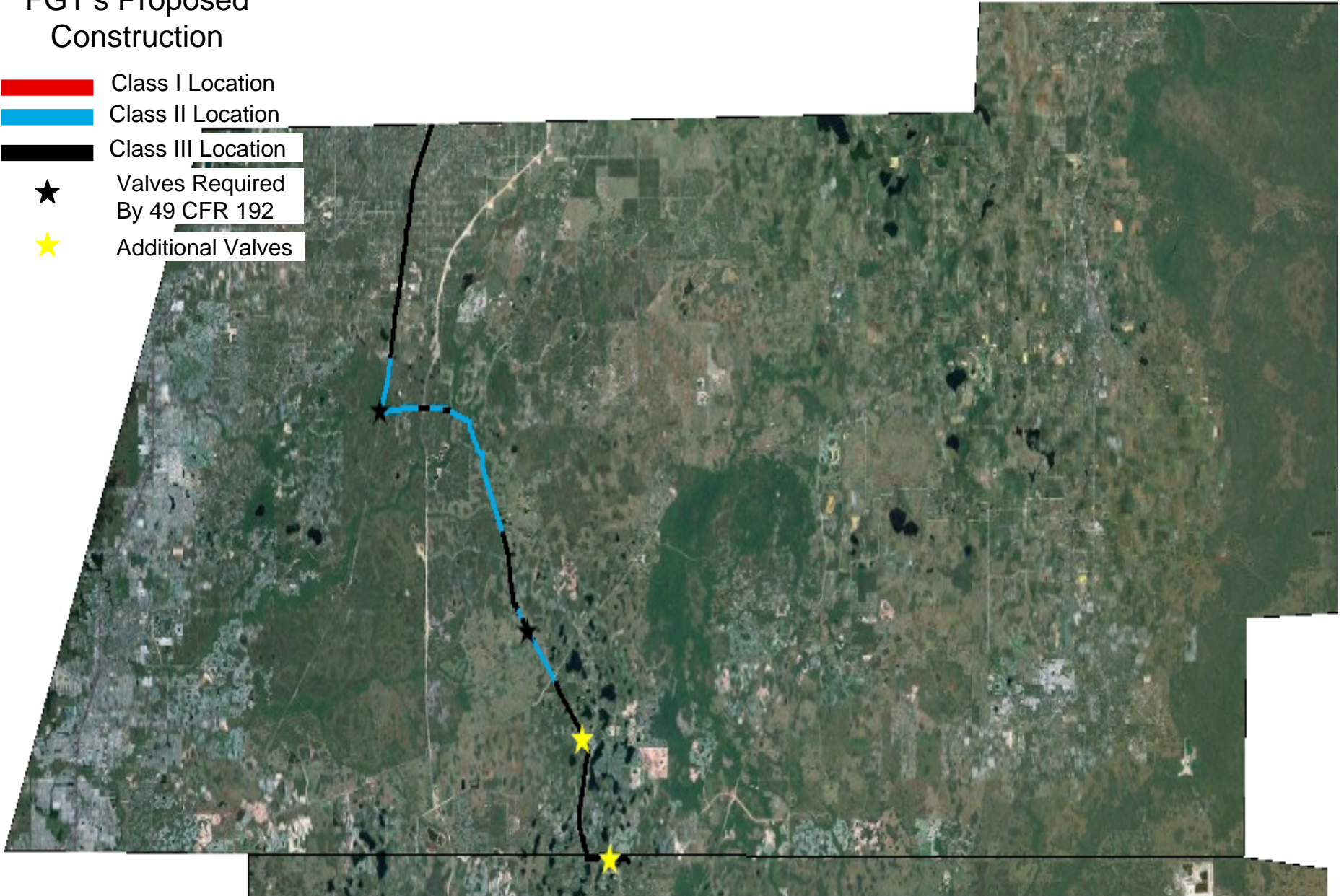
-  Class I Location
-  Class II Location
-  Class III Location
-  Valves Required
By 49 CFR 192
-  Additional Valves



Pasco County Map - 10

FGT's Proposed Construction

-  Class I Location
-  Class II Location
-  Class III Location
-  Valves Required By 49 CFR 192
-  Additional Valves



FGT System Operations Safety

- **Pipeline Safety oversight by the Federal Department of Transportation - Pipeline and Hazardous Materials Safety Administration**
- **Participant in State One Call systems and active member of the Florida Sunshine State One Call Board**
- **Pipeline Monitoring Procedure**
 - **Electronically – Our Gas Control facility continuously monitors pipeline pressure and flows.**
 - **Visually – Above-ground piping is inspected at least annually.**
 - **Aerially – The pipeline is flown periodically looking for activity that might endanger the pipeline (digging, new development, etc.).**
 - **Cathodic protection utilized to prevent corrosion.**
 - **Valves are inspected, lubricated, and operated at least annually.**
 - **Underground pipe is inspected for corrosion prevention on a yearly basis.**
 - **When pipe is dug up for any reason, its condition is thoroughly inspected and recorded.**

Phase VIII Expansion Project

How to Get Additional Information:

- Call us toll free at (877) 663-9161 or (813) 663-9161
 - Our Fax No. in Tampa, FL is (813) 663-9565

- Our mailing address for this project is:

Florida Gas Transmission Company, LLC

1226 Tech Blvd.

Tampa, FL 33619

- Visit our Phase VIII Expansion Project website for more information at:

 www.panhandleenergy.com/fgt/phaseviii/