Gulfstream Natural Gas System, L.L.C.

Financial Statements

For the Years Ended December 31, 2015, 2014 and 2013

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.
OFFICER'S CERTIFICATE

I, David A. Shammo, certify that I am an Authorized Officer of Gulfstream Natural Gas System, L.L.C. (the "Company") and that a review of the activities of the Company during the preceding fiscal year has been made under my supervision with a view to determining whether the Company has kept, observed, performed and fulfilled, in all material respects, its obligations under the Indenture dated as October 26, 2005 between the Company and Bank of New York Mellon (successor to JPMorgan Chase Bank, N.A.), as trustee (the "Indenture"), and that to my Knowledge the Company has kept, observed, performed and fulfilled, in all material respects, it covenants contained in the Indenture and is not in default in any material respect in the performance or observance of any of the terms, provisions and conditions of the Indenture.

Capitalized terms used in this Officer's Certificate without definition shall have the meanings set forth in the Indenture.

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

Dated: March 23, 2016

By: ______________________________
Name: David A. Shammo
Title: Authorized Officer

FINANCIAL STATEMENTS OF
GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

INDEX TO FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

To the Members of Gulfstream Natural Gas System, L.L.C.

We have audited the accompanying financial statements of Gulfstream Natural Gas System, L.L.C. (the "Company"), which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of operations, comprehensive income, cash flows, and members' equity for each of the three years in the period ended December 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Gulfstream Natural Gas System, L.L.C. as of December 31, 2015 and 2014, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2015, in accordance with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

February 26, 2016

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

STATEMENTS OF OPERATIONS

(In millions)

	Years Ended December 31,		
	2015	2014	2013
Operating Revenues	$ 275.8	$ 274.7	$ 274.2
Operating Expenses			
Operating, maintenance and other	1.6	4.2	4.3
Operating, maintenance and other — affiliates	17.0	19.4	13.8
Depreciation and amortization	35.6	35.6	35.6
Property and other taxes	14.9	14.9	15.6
Total operating expenses	69.1	74.1	69.3
Operating Income	206.7	200.6	204.9
Other Income and Expenses, net	0.6	0.1	—
Interest Expense	76.6	70.2	70.2
Net Income	$ 130.7	$ 130.5	$ 134.7

See Notes to Financial Statements.

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

STATEMENTS OF COMPREHENSIVE INCOME

(In millions)

	Years Ended December 31,		
	2015	2014	2013
Net Income	$ 130.7	$ 130.5	$ 134.7
Other comprehensive income:			
Reclassification of cash flow hedges into earnings	(1.1)	(1.3)	(1.3)
Comprehensive Income	$ 129.6	$ 129.2	$ 133.4

See Notes to Financial Statements.

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

BALANCE SHEETS

(In millions)

	December 31, 2015	December 31, 2014
ASSETS		
Current Assets		
Cash and cash equivalents	$ 46.0	$ 57.9
Receivables — trade (allowance for doubtful accounts of zero at December 31, 2015 and 2014)	23.1	23.0
Receivables — affiliates	297.4	0.2
Inventory	8.0	8.2
Other	2.6	2.5
Total current assets	377.1	91.8
Property, Plant and Equipment		
Cost	2,067.4	2,067.2
Less accumulated depreciation and amortization	406.7	372.2
Net property, plant and equipment	1,660.7	1,695.0
Regulatory Assets and Deferred Debits	21.8	22.3
Total Assets	$ 2,059.6	$ 1,809.1
LIABILITIES AND MEMBERS' EQUITY		
Current Liabilities		
Accounts payable	$ 0.4	$ 0.2
Accounts payable — affiliates	1.3	1.1
Taxes accrued	1.7	1.4
Interest accrued	16.2	10.0
Fuel tracker	2.4	6.0
Current maturities of long-term debt	299.9	499.7
Other	2.8	1.2
Total current liabilities	324.7	519.6
Long-term Debt	1,139.8	647.1
Commitments and Contingencies		
Members' Equity		
Members' equity	591.1	637.3
Accumulated other comprehensive income	4.0	5.1
Total members' equity	595.1	642.4
Total Liabilities and Members' Equity	$ 2,059.6	$ 1,809.1

See Notes to Financial Statements.

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.
STATEMENTS OF CASH FLOWS
(In millions)

	Years Ended December 31,		
	2015	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 130.7	$ 130.5	$ 134.7
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	36.9	36.8	36.8
Reclassification adjustments from accumulated other comprehensive income into net income	(1.1)	(1.3)	(1.3)
Decrease (increase) in:			
Receivables	—	(0.2)	0.1
Inventory	0.1	—	—
Other current assets	(0.1)	1.4	0.2
Increase (decrease) in:			
Accounts payable	0.4	—	0.1
Taxes accrued	0.3	(0.2)	—
Accrued liabilities	6.2	—	0.2
Other current liabilities	(3.1)	0.3	(0.3)
Net cash provided by operating activities	170.3	167.3	170.5
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures	(1.4)	(6.0)	(6.4)
Advances to affiliates	(793.0)	—	—
Return of advances to affiliates	495.6	—	—
Other	1.3	—	—
Net cash used in investing activities	(297.5)	(6.0)	(6.4)
CASH FLOWS FROM FINANCING ACTIVITIES			
Distributions to members	(176.4)	(161.9)	(162.0)
Payments for redemption of long-term debt	(500.0)	—	—
Proceeds from the issuance of long-term debt	798.8	—	—
Payments for debt issuance costs	(7.1)	—	—
Net cash provided by (used in) financing activities	115.3	(161.9)	(162.0)
Net increase (decrease) in cash and cash equivalents	(11.9)	(0.6)	2.1
Cash and cash equivalents at beginning of period	57.9	58.5	56.4
Cash and cash equivalents at end of period	$ 46.0	$ 57.9	$ 58.5
Supplemental Disclosures			
Cash paid for interest, net of amount capitalized	$ 70.3	$ 70.3	$ 70.3
Significant non-cash transaction:			
Property, plant and equipment accruals	$ —	$ 0.1	$ —

See Notes to Financial Statements.

GULFSTREAM NATURAL GAS SYSTEM, L.L.C.

STATEMENTS OF MEMBERS' EQUITY

(In millions)

	Spectra Energy Corp	Spectra Energy Partners, LP	Williams Partners, L.P.	Total
Balance December 31, 2012	$ 0.5	$ 351.8	$ 352.3	$ 704.6
Net income	1.1	66.3	67.3	134.7
Reclassification of cash flow hedges into earnings	—	(0.6)	(0.7)	(1.3)
Distributions to members	(1.6)	(79.4)	(81.0)	(162.0)
Attributed deferred tax benefit	—	(0.3)	(0.2)	(0.5)
Balance December 31, 2013	—	337.8	337.7	675.5
Net income	—	65.3	65.2	130.5
Reclassification of cash flow hedges into earnings	—	(0.7)	(0.6)	(1.3)
Distributions to members	—	(81.0)	(80.9)	(161.9)
Attributed deferred tax benefit	—	(0.2)	(0.2)	(0.4)
Balance December 31, 2014	—	321.2	321.2	642.4
Net income	—	65.3	65.4	130.7
Reclassification of cash flow hedges into earnings	—	(0.5)	(0.6)	(1.1)
Distributions to members	—	(88.2)	(88.2)	(176.4)
Attributed deferred tax benefit	—	(0.3)	(0.2)	(0.5)
Balance December 31, 2015	$ —	$ 297.5	$ 297.6	$ 595.1

See Notes to Financial Statements.

1. Summary of Operations and Significant Accounting Policies

Nature of Operations. Gulfstream Natural Gas System, L.L.C. (collectively, "we", "our", "us" and "company") owns an interstate natural gas pipeline system and is owned 50% by Spectra Energy Partners, LP (Spectra Energy Partners), and 50% by Williams Partners, L.P. (Williams Partners). We are operated under joint management by Spectra Energy Corp (Spectra Energy), which provides the business functions, and The Williams Companies, Inc. (Williams), which provides the technical functions. We transport natural gas that we receive from various onshore and offshore supply sources in the Mississippi and Alabama area, across the Gulf of Mexico, and deliver that natural gas to markets in central and southern Florida. Our interstate natural gas transmission operations are subject to the rules and regulations of the Federal Energy Regulatory Commission (FERC). We were formed on May 17, 1999 as a Delaware limited liability company.

Basis of Presentation. The financial statements reflect the results of operations, financial position and cash flows of our company. The financial statements do not include any of the assets, liabilities, revenues or expenses of the members.

Use of Estimates. To conform with generally accepted accounting principles (GAAP) in the United States, we make estimates and assumptions that affect the amounts reported in the Financial Statements and Notes to Financial Statements. Although these estimates are based on our best available knowledge at the time, actual results could differ.

Fair Value Measurements. We measure the fair value of financial assets and liabilities by maximizing the use of observable inputs and minimizing the use of unobservable inputs. Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Cost-Based Regulation. The economic effects of regulation can result in a regulated company recording assets for costs that have been or are expected to be approved for recovery from customers or recording liabilities for amounts that are expected to be returned to customers or for instances where the regulator provides current rates that are intended to recover costs that are expected to be incurred in the future. Accordingly, we record assets and liabilities that result from the regulated ratemaking process that may not be recorded under GAAP for non-regulated entities. We continually assess whether regulatory assets are probable of future recovery by considering factors such as applicable regulatory changes and recent rate orders to other regulated entities. Based on this assessment, we believe our existing regulatory assets are probable of recovery. These regulatory assets and liabilities are classified in the Balance Sheets as Regulatory Assets and Deferred Debits and Current Liabilities. We evaluate our regulated assets, and consider factors such as regulatory changes and the effect of competition. If cost-based regulation ends or competition increases, we may have to reduce our asset balances to reflect a market basis less than cost and write-off the associated regulatory assets and liabilities. See Note 3 for further discussion.

Revenue Recognition. Revenues from the transportation of natural gas are recognized when the service is provided. Revenues related to these services provided but not yet billed are estimated each month. These estimates are generally based on contract data, regulatory information and preliminary throughput and allocation measurements. Final bills for the current month are billed and collected in the following month. Differences between actual and estimated revenues are immaterial.

Customers accounting for 10% or more of revenues during 2015, 2014 and 2013 are as follows:

	% of Revenues		
Customer	**2015**	**2014**	**2013**
Florida Power & Light Company	52%	52%	52%
Duke Energy Florida, Inc (a)	34	30	29

(a) Effective April 29, 2013 Florida Power Corporation d/b/a Progress Energy Florida, Inc changed its name to Duke Energy Florida, Inc.

Allowance for Funds Used During Construction (AFUDC). AFUDC, which represents the estimated debt and equity costs of capital funds necessary to finance the construction and expansion of certain new regulated facilities, consists of two components, an equity component and an interest expense component. The equity component is a non-cash item. After construction is completed, we are permitted to recover these costs through inclusion in the rate base and in the depreciation provision. AFUDC is capitalized as a component of Property, Plant and Equipment cost in the Balance Sheet, with offsetting credits to the Statements of Operations through Other Income and Expenses, Net for the equity component and Interest Expense for the interest expense component. There was no material AFUDC recognized for 2015, 2014 and 2013.

Income Taxes. We are not subject to federal income taxes, but rather our taxable income or loss is reported on the income tax returns of our members. We are subject to cost-based regulation and consequently record a regulatory tax asset in connection with the tax gross up of AFUDC equity. The corresponding deferred tax liability is recognized as an Attributed Deferred Tax Benefit in the Statements of Members' Equity since we are a pass-through entity.

Cash and Cash Equivalents. Highly liquid investments with original maturities of three months or less at the date of acquisition are considered cash equivalents.

Inventory. Inventory consists mainly of natural gas retained from shippers for fuel and also includes materials and supplies. Natural gas is recorded at the lower of cost or market. Materials and supplies are recorded at cost, using the average cost method.

Cash Flow Hedges. In 2005, we entered into derivative transactions that are hedges of the future cash flows of forecasted transactions (cash flow hedges). We are exposed to the impact of market fluctuations in interest rates. To protect from increasing interest rates and the resulting higher cost of the debt that was issued in 2005, we locked in existing interest rates by using financial derivatives (swaps) for hedge strategies. The associated interest rate swaps were terminated on October 12, 2005, prior to the issuance of the related debt. These derivatives were initially recorded on the Balance Sheets at their fair value as Accumulated Other Comprehensive Income (AOCI). Deferred gains of $4.0 million in AOCI as of December 31, 2015 will continue to be amortized to interest expense over the term of the debt issued. The total amortization for 2015 was $1.1 million. The total amortization for 2014 and 2013 was $1.3 million per year.

Changes in the fair value of a derivative designated and qualified as a cash flow hedge, to the extent effective, are included in Statements of Members' Equity and Comprehensive Income as AOCI until earnings are affected by the hedged transaction. We discontinue hedge accounting prospectively when it is determined that a derivative no longer qualifies as an effective hedge, or when it is no longer probable that the hedged forecasted transaction will occur. When hedge accounting is discontinued because the derivative no longer qualifies as an effective hedge, the derivative is subject to the mark-to-market model of accounting (MTM Model) prospectively. Gains and losses related to discontinued hedges that were previously accumulated in AOCI will remain in AOCI until the underlying contract is reflected in earnings; unless it is probable that the hedged forecasted transaction will not occur at which time associated deferred amounts in AOCI are immediately recognized in current earnings. All derivatives designated and accounted for as hedges are classified in the same category as the item being hedged in the Statements of Cash Flows. In addition, all components of each derivative gain or loss are included in the assessment of hedge effectiveness.

When available, quoted market prices or prices obtained through external sources are used to measure a contract's fair value.

Property, Plant and Equipment. Property, plant and equipment is stated at historical cost less accumulated depreciation. We capitalize all construction-related direct labor and material costs, as well as indirect construction costs. Indirect costs include general engineering, taxes, administrative and general costs, and the cost of funds used during construction. The costs of renewals and betterments that extend the useful life or increase the expected output of property, plant and equipment are also capitalized. The costs of repairs, replacements and major maintenance projects that do not extend the useful life or increase the expected output of property, plant and equipment are expensed as incurred. Depreciation is generally computed over the asset's estimated useful life using the straight-line method.

When we retire property, plant and equipment, we charge the original cost plus the cost of retirement, less salvage value, to accumulated depreciation and amortization. When we sell entire regulated operating units, or retire or sell certain non-regulated properties, the cost is removed from the property account and the related accumulated depreciation and amortization accounts are reduced. Any gain or loss is recorded in earnings, unless otherwise required by the applicable regulatory body.

Preliminary Project Costs. Project development costs, including expenditures for preliminary surveys, plans, investigations, environmental studies, regulatory applications and other costs incurred for the purpose of determining the feasibility of capital expansion projects, are capitalized when it is determined that recovery of such costs through regulated revenues of the completed project is probable. Any inception-to-date costs of the projects that were initially expensed are reversed and capitalized as Property, Plant and Equipment.

Long-Lived Asset Impairments. We evaluate whether long-lived assets, excluding goodwill, have been impaired when circumstances indicate the carrying value of those assets may not be recoverable. For such long-lived assets, an impairment exists when its carrying value exceeds the sum of estimates of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. When alternative courses of action to recover the carrying amount of a long-lived asset are under consideration, a probability-weighted approach is used in developing estimates of future undiscounted cash flows. If the carrying value of the long-lived asset is not recoverable based on these estimated future undiscounted cash flows, an impairment loss is measured as the excess of the asset's carrying value over its fair value, such that the asset's carrying value is adjusted to its estimated fair value.

We assess the fair value of long-lived assets using commonly accepted techniques, and may use more than one source. Sources to determine fair value include, but are not limited to, recent third-party comparable sales, internally developed discounted cash flow analyses and analyses from outside advisors. Significant changes in market conditions resulting from events such as changes in natural gas available to our systems, the condition of an asset, a change in our intent to utilize the asset or a significant change in contracted revenues or regulatory recoveries would generally require us to reassess the cash flows related to the long-lived assets.

Asset Retirement Obligations. We have determined that substantially all of our assets have an indeterminate life, and as such, the fair values of those associated asset retirement obligations (AROs) are not reasonably estimable. These assets include pipelines whose retirement dates will depend mostly on the various natural gas supply sources that connect to our systems and the ongoing demand for natural gas usage in the markets we serve. We expect these supply sources and market demands to continue for the foreseeable future, therefore we are unable to estimate retirement dates that would result in AROs.

Unamortized Debt Expense. Debt expenses incurred with the issuance of outstanding long-term debt are amortized over the terms of the debt issues. Any call premiums or unamortized expenses associated with refinancing higher-cost debt obligations to finance regulated assets and operations are amortized consistent with regulatory treatment of those items, where appropriate.

New Accounting Pronouncements. The following new Accounting Standards Update (ASU) was adopted during 2015 and the effects of such adoption, if any, are presented in the accompanying Financial Statements:

In April 2015, the Financial Accounting Standards Board (FASB) issued ASU No. 2015-03, *"Interest-Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs,"* which requires that debt issuance costs be presented in the balance sheet as a direct deduction from the carrying amount of the related debt liability, rather than as a deferred charge asset. ASU No. 2015-03 is effective for us January 1, 2016 and is to be applied retrospectively. We have adopted the provisions of this ASU as of December 31, 2015. The adoption of this ASU resulted in the retrospective adjustment of the December 31, 2014 Balance Sheet, which resulted in the presentation of $3.2 million of debt issuance cost previously reported in Regulatory Assets and Deferred Debits as a reduction of Long-term Debt on our Balance Sheet. In addition, $9.2 million of debt issuance costs are presented as a reduction of Long-term Debt on our December 31, 2015 Balance Sheet.

Pending. The following new ASUs were issued but not adopted as of December 31, 2015:

In July 2015, the FASB issued ASU No. 2015-11, *"Inventory (Topic 330): Simplifying the Measurement of Inventory,"* which simplifies the subsequent measurement of inventory by requiring inventory to be measured at the lower of cost and net realizable value. This ASU is effective for us January 1, 2016 and is not expected to have a material impact on our results of operations, financial position or cash flow.

In July 2015, the FASB decided to defer the effective date of the revenue standard ASU No. 2014-09, "*Revenue from Contracts with Customers (Topic 606),*" for one year and to permit entities to early adopt the standard as of the original effective date. ASU No. 2014-09 supersedes the revenue recognition requirements of "*Revenue Recognition (Topic 605)*" and clarifies the principles of recognizing revenue. This ASU is effective for us January 1, 2018. We are currently evaluating this ASU and its potential impact on us.

There were no significant accounting pronouncements issued during 2014 or 2013 that had a material impact on our consolidated results of operations, financial position or cash flows.

2. Transactions with Affiliates

Gulfstream Management & Operating Services, L.L.C. (GMOS), owned 50% by Spectra Energy Partners and 50% by Williams Partners, provides management, construction and operating services pursuant to agreements entered into with us and with affiliates of Spectra Energy and Williams. GMOS bills us for services rendered including labor and benefit costs, employee expenses, overhead costs and in some cases, third-party costs. Such amounts are reflected in the Statements of Operations as Operating, Maintenance and Other — Affiliates or in the Balance Sheets as Property, Plant and Equipment, as appropriate.

Transactions with affiliates are summarized in the tables below:

Statements of Operations

	2015	2014	2013
		(in millions)	
Operating, maintenance and other — affiliates	$ 17.0	$ 19.4	$ 13.8

Balance Sheets

	December 31,	
	2015	2014
	(in millions)	
Receivables — affiliates	$ 297.4	$ 0.2
Property, plant and equipment (a)	0.5	0.1
Current assets — other	1.7	1.9
Accounts payable — affiliates	1.3	1.1

(a) Reflects additions to Property, Plant and Equipment billed from an affiliate in the respective year.

3. Regulatory Matters

Regulatory Assets and Liabilities. We record assets and liabilities that result from the regulated ratemaking process that would not be recorded under GAAP for non-regulated entities. See Note 1 for further discussion.

Regulatory Assets and Liabilities

	December 31, 2015	December 31, 2014	Recovery/Refund Period Ends
	(in millions)		
Regulatory Assets (a)			
Regulatory asset related to income taxes (b)	$ 21.8	$ 22.3	(c)
Total Regulatory Assets	$ 21.8	$ 22.3	
Regulatory Liabilities (a)			
Fuel tracker	$ 2.4	$ 6.0	2016
Total Regulatory Liabilities	$ 2.4	$ 6.0	

(a) All regulatory assets and liabilities are excluded from rate base.
(b) Relates to tax gross-up of AFUDC equity portion and is included in Regulatory Assets and Deferred Debits.
(c) Amortized over the life of the related property, plant and equipment.

Rate Related Information. We continue to operate under rates approved by the FERC in 2007.

4. Property, Plant and Equipment

	Estimated Useful Life	December 31, 2015	December 31, 2014
	(years)	(in millions)	
Plant			
Natural gas transmission	60	$ 1,888.2	$ 1,887.4
Rights of way	60	117.7	117.7
Land	—	16.3	16.3
Construction in process	—	—	0.7
Other	5-24	45.2	45.1
Total property, plant and equipment		2,067.4	2,067.2
Total accumulated depreciation and amortization		(406.7)	(372.2)
Total net property, plant and equipment		$ 1,660.7	$ 1,695.0

All of our property, plant and equipment is regulated with estimated useful lives based on rates approved by the FERC. The composite weighted-average depreciation rates were 1.7% for 2015, 2014, and 2013.

Amortization expense of intangible assets totaled $2.1 million in 2015, 2014, and 2013. Amortization expense for 2016 through 2020 is estimated to be $2.1 million each year.

5. Debt

Summary of Debt and Related Terms

	Year Due	December 31, 2015	December 31, 2014
		(in millions)	
Unsecured note payable, 5.56%	2015	$ —	$ 500.0
Unsecured note payable, 6.95%	2016	300.0	300.0
Unsecured note payable, 4.60%	2025	550.0	—
Unsecured note payable, 6.19%	2025	350.0	350.0
Unsecured note payable, 5.95%	2045	250.0	—
Capital lease	2019	0.2	0.3
Unamortized debt discount		(1.3)	(0.3)
Unamortized debt expenses		(9.2)	(3.2)
Total debt		1,439.7	1,146.8
Current maturities of long-term debt		299.9	499.7
Total long-term debt		$ 1,139.8	$ 647.1

All scheduled debt payments correspond to the year due. The unsecured note payable due 2016 is due within the next five years.

On September 24, 2015, we issued $800.0 million aggregate principal amount of senior unsecured notes, comprised of $550.0 million of 4.60% senior notes due in 2025 and $250.0 million of 5.95% senior notes due in 2045. Total net proceeds of $793.0 million was advanced to our members, based on their ownership percentages, to be returned to us to fund the repayment of our current debt as it matures. Our members returned $495.6 million in the fourth quarter of 2015 and the remaining $297.4 million will be returned in the first half of 2016.

6. Fair Value Measurements

The following table presents, for each of the fair value hierarchy levels, assets that are measured at fair value on a recurring basis:

Description	Balance Sheet Caption	December 31, 2015 Total	Level 1	Level 2	Level 3
			(in millions)		
Short-term money market securities	Cash and cash equivalents	$ 20.9	$ 20.9	$ —	$ —
Total Assets		$ 20.9	$ 20.9	$ —	$ —

Description	Balance Sheet Caption	December 31, 2014 Total	Level 1	Level 2	Level 3
			(in millions)		
Short-term money market securities	Cash and cash equivalents	$ 29.1	$ 29.1	$ —	$ —
Total Assets		$ 29.1	$ 29.1	$ —	$ —

Level 1 valuations represent quoted unadjusted prices for identical instruments in active markets.

Financial Instruments. The fair value of financial instruments that are recorded and carried at book value are summarized in the following table. Judgment is required in interpreting market data to develop the estimates of fair value. These estimates are not necessarily indicative of the amounts we could have realized in current markets. The fair value of long-term debt represents a level 2 valuation which is determined based on market-based prices which may include inputs such as quoted market prices of the exact or similar instruments, broker or dealer quotations, or alternative pricing sources that may include models or matrix pricing tools, with reasonable levels of price transparency.

	December 31,			
	2015		2014	
	Book Value	Approximate Fair Value	Book Value	Approximate Fair Value
	(in millions)			
Long-term debt, including current maturities (a)	$ 1,450.0	$ 1,439.6	$ 1,150.0	$ 1,260.3

(a) Excludes unamortized items

The fair value of cash and cash equivalents, accounts receivable, and accounts payable are not materially different from their carrying amounts because of the short-term nature of these instruments or because the stated rates approximate market rates.

During the 2015 and 2014 periods, there were no adjustments to assets measured at fair value on a nonrecurring basis.

7. Credit Risk

Our principal customers for natural gas transmission services are utilities located throughout the state of Florida. We have concentrations of receivables from the utility sector in the state of Florida. These concentrations of customers may affect our overall credit risk in that risk factors can negatively affect the credit quality of the entire sector. Where exposed to credit risk, we analyze the customers' financial condition prior to entering into an agreement, establish credit limits and monitor the appropriateness of those limits on an ongoing basis. We also obtain parental guarantees, cash deposits or letters of credit from customers to provide credit support, where appropriate, based on our financial analysis of the customer and the regulatory or contractual terms and conditions applicable to each agreement.

8. Commitments and Contingencies

General Insurance. We carry, either independently or through our owners, insurance consistent with companies engaged in similar commercial operations with similar type properties. Our insurance program includes (1) commercial general and excess liability insurance for liabilities to third parties for bodily injury and property damage resulting from our operations; (2) workers' compensation liability coverage to required statutory limits; (3) automobile liability insurance for all owned, non-owned and hired vehicles covering liabilities to third parties for bodily injury and property damage; and (4) onshore replacement value property insurance, including machinery breakdown, business interruption and extra expense. All coverages are subject to certain deductibles, terms, exclusions, and conditions common for companies with similar types of operations.

Environmental. We are subject to various federal, state and local laws and regulations regarding air and water quality, hazardous and solid waste disposal and other environmental matters. These laws and regulations can change from time to time, imposing new obligations on us.

Like others in the energy industry, we and our affiliates may be responsible for environmental remediation at various contaminated sites. These include some properties that are part of our ongoing operations, sites formerly owned or used by us, and sites owned by third parties. Remediation typically involves management of contaminated soils and may involve groundwater remediation. Managed in conjunction with relevant federal, state/provincial and local agencies, activities vary with site conditions and locations, remedial requirements, complexity and sharing of responsibility. If remediation activities involve statutory joint and several liability provisions, strict liability, or cost recovery or contribution actions, we or our affiliates could potentially be held responsible for contamination caused by other parties. In some instances, we may share liability associated with contamination with other potentially responsible parties, and may also benefit from contractual indemnities that cover some or all cleanup costs. All of these sites generally are managed in the normal course of business or affiliated operations.

Litigation. We are involved in legal, tax and regulatory proceedings in various forums arising in the ordinary course of business, including matters regarding contracts and payment claims, some of which may involve substantial monetary amounts.

We have insurance for certain of these losses should they be incurred. We believe that the final disposition of these proceedings will not have a material adverse effect on our results of operations, financial position or cash flows.

Legal costs related to the defense of loss contingencies are expensed as incurred. We had no material reserves for legal matters recorded as of December 31, 2015 or 2014 related to litigation.

9. Subsequent Event

We have evaluated significant events and transactions that occurred from January 1, 2016 through February 26, 2016 the date the financial statements were issued.

A distribution to members of $58.3 million was declared on January 21, 2016 and paid on January 28, 2016.