

COMMERCIAL LINE EXTENSION AGREEMENT

Project # 35860

THIS AGREEMENT is made this 2st day of November, 2016, by and between ATMOS ENERGY CORPORATION, having offices in Baton Rouge, Louisiana (COMPANY), and ST. TAMMANY PARISH GOVERNMENT (CUSTOMER).

In consideration of the mutual agreements herein contained, The COMPANY agrees to make such extensions and additions to its facilities as may be necessary in order to furnish natural gas service to the CUSTOMER at a mutually agreeable point on CUSTOMER'S premises located:

TAMANEND Project – STAC off Hwy. 434 Lacombe

It is understood and agreed that all service shall be furnished and taken in accordance with COMPANY'S Standard Terms and Conditions for natural gas service and rate schedule, current copies of which have been given to CUSTOMER and by CUSTOMER's execution of this agreement acknowledges receipt of and acceptance of such terms, conditions, and rates.

It is further understood and agreed that the anticipated revenue, under COMPANY'S applicable rate schedules, from the service contemplated hereunder will not be sufficient to justify the necessary extension and additions to their facilities. Therefore, in consideration of COMPANY making such extensions of and additions to its facilities, CUSTOMER agrees to:

I. PAY The COMPANY:

- (a) A non-refundable contribution-in-aid-of construction of \$ _____ ;
and/or,
(b) A non-interest bearing advance for construction of \$ 21,567.76 :
refundable as follows:

COMPANY agrees to refund to CUSTOMER the Annual Margin (defined as natural gas usage for the applicable twelve (12) month period in ccf's multiplied by COMPANY's then applicable commodity charge) derived from natural gas sales to each Premise furnished natural gas service from this line extension for each of the first five (5) years following the commencement of natural gas service to such Premise, provided that COMPANY shall not be obligated to make any such refund after a period of five (5) years following the "Completion of Construction" date of this Main Line Extension. During the term of this Agreement, COMPANY will review the actual consumption for each Premise at the end of each of the first five (5) twelve (12) month periods following the date on which such Premise was connected and issue CUSTOMER a refund for the Annual Margin received from each such Premise. COMPANY will conduct such review and make such refund as soon as reasonably practicable following each applicable twelve (12) month period. The term "Premise" shall mean a rentable unit within CUSTOMER's development which is connected to the main extension which is the subject of this Agreement, which unit is capable of receiving natural gas service. The total amount refunded cannot exceed the amount of the Customer's original deposit.

DESCRIPTION OF SERVICES:

Attached is the updated estimate for Tamanend approach main along Hwy. 434 in Lacombe. Proposed 4" PE gas main will tie into existing 4" PE gas main on the west side of Hwy. 434 at the St. Tammany Parishes south west property line. Then, proposed 4" PE will continue toward the north within the right of way granted to Atmos Energy by St. Tammany Parish and provide natural gas to the left or north side of the STAC building.

THIS CONTRACT WILL BECOME EFFECTIVE ONLY IF:

(1) CUSTOMER executes and returns this contract to The COMPANY with all sums then due by the ____ day of _____, 20 ____.

(2) The COMPANY is able to obtain satisfactory right-of-way from the necessary landowners to serve CUSTOMER. The contract price is based The COMPANY obtaining rights-of-way at no or nominal cost.

CUSTOMER ACKNOWLEDGES THAT HE HAS READ AND UNDERSTANDS THIS CONTRACT AND THE GENERAL PROVISIONS ON THE REVERSE SIDE AND AGREES TO SAID TERMS AND CONDITIONS WHICH ARE MADE A PART HEREOF.

Accepted this 9th day of November, 20 16.

ST TAMMANY PARISH GOVERNMENT

By: 
PATRICIA P. BRISTER
PARISH PRESIDENT

Accepted this 19 day of December, 20 16.
ATMOS ENERGY CORPORATION,
a Texas and Virginia Corporation

By: 
MIKE DeARMOND
VICE-PRESIDENT

GENERAL PROVISIONS

I. No refund to CUSTOMER will be allowed for consumers or premises who or which are connected to a main extension which is a further extension of, or connected to the main extension defined in this agreement; and after the expiration of five (5) years from the "Completion of Construction" date hereof, no further refunds, as provided for in article I (b) shall be made by the COMPANY to CUSTOMER.

II. It shall be the responsibility of the CUSTOMER to notify the COMPANY of a Premise connected to the main extension defined in this agreement.

III. A bona fide Premise, as used herein, means a single original gas meter installation for a permanent rental unit in a commercial development.

IV. The COMPANY's obligation to construct the gas main extension provided for herein will be carried out with all reasonable expedition, subject to applicable laws, rules and regulations of governmental authorities and to any delay occasioned by force majeure or events or conditions of whatsoever nature reasonably beyond COMPANY'S control.

V. Title to all facilities, including pipes and appurtenances, connections thereto, and extensions thereof, and including the right to use, operate and maintain same, shall forever be and remain exclusively and unconditionally vested in the COMPANY, its successors and assigns.

VI. Should the COMPANY fail to obtain satisfactory rights-of-way at zero or nominal costs, CUSTOMER agrees to reimburse 100% of the right-of-way acquisition costs incurred by COMPANY or the project will be cancelled.

If this project is not completed within 6 months from the date hereof, the COMPANY retains the option to either increase the price estimates herein or to cancel this Agreement.