

Exh. A

**LARGE VOLUME NATURAL GAS SERVICE AGREEMENT**

THIS LARGE VOLUME NATURAL GAS SERVICE AGREEMENT ("Service Agreement") is made and entered into as of this 22 day of April, 2019, to be effective as of the Effective Date as defined in Section 4, by and between **ATMOS ENERGY CORPORATION**, a Texas and Virginia Corporation ("Atmos Energy"), and **DIAGEO AMERICAS SUPPLY, INC.**, a New York Corporation ("Customer"). Atmos Energy and Customer may also be referred to herein as a Party and collectively as the "Parties".

WITNESSETH:

WHEREAS, due to a new facility by Customer that has created approximately thirty (31) jobs, and required a capital investment of approximately \$115,000,000, and will result in new natural gas consumption of at least 9,000 Mcf per year, with an estimated load factor of 50%, Atmos Energy has agreed to enter into this Service Agreement; and,

WHEREAS, Atmos Energy does not anticipate any customer-specific fixed costs associated with servicing the Customer and a current marginal cost-of-service study is available in Atmos Energy's Kentucky Public Service Commission Case No. 2017-00349; and


WHEREAS, Atmos Energy desires to provide to Customer, and Customer desires to obtain natural gas service from Atmos Energy, in accordance with the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the Parties hereto agree as follows:

1. **Replacement and Termination of Large Volume Service Agreement.** This Service Agreement shall replace that certain Large Volume Natural Gas Service Agreement No. WKG-1676 by and between Atmos Energy and Customer, effective as of the 1st day of June, 2017 (the "2017 Agreement") that does not contain the Economic Development Rider to the Tariff (hereinafter defined). The 2017 Agreement shall be considered terminated for all purposes as of the Effective Date of this Service Agreement.

2. **Natural Gas Service Type and Volume Levels.** Customer agrees to deliver to Atmos Energy for transportation all of, Customer's natural gas service requirements for Customer's facility located at or near Shelbyville, KY ("Customer's Facility"). Atmos Energy agrees to provide service to Customer of the type specified below, subject to: (i) the provisions of Atmos Energy's then current tariff as approved by the Kentucky Public Service Commission ("Tariff"); (ii) the rate schedule referenced under the Tariff (the "Rate Schedule"); and (iii) the related General Rules and Regulations governing natural gas service as set forth in the Tariff and this Service Agreement (including **Exhibit A** (General Terms and Conditions) and **Exhibit B** (Receipt Point(s) and Delivery Point(s)), both of which are attached hereto and for all purposes made a part hereof)

Atmos Energy shall have no obligation to provide for deliveries in excess of the maximum daily and hourly volumes hereinafter specified, or to provide sales gas to Customer in the event Customer chooses a transportation service only. Atmos Energy shall not be responsible for transportation service in excess of the daily volume hereinafter speci

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Service	Type	Maximum Mcf/Day Delivery	Maximum Mcf/Hr. Delivery	Maximum Mcf/Day Receipt (MDQ)
Transportation	T-4	550	45	550

3. **Price.** The price to be paid by Customer shall be in accordance with the Rate Schedule under which and in effect at the time the service is rendered. Without limiting Atmos Energy's obligation to furnish Customer with true and correct copies of the applicable Rate Schedule in accordance with Section 2 above, such rates, including gas cost adjustments, shall be subject to change as required by law. Any federal, state or other legal taxes, other than those based upon or measured by Atmos Energy's income which apply now or may hereafter be imposed, shall be paid by Customer, in addition to the rates as specified in the applicable Rate Schedule.

The Economic Development Rider to the Tariff (the "Rider") may be applicable to Customer's service hereunder, provided that, as specified in the Rider, Customer contracts for sufficient natural gas demand to produce an expected demand in consumption of at least 9,000 Mcf per year. Customer's normalized base load is 750 Mcf per month. Any volumes in excess of 750 Mcf per month will qualify for the Rider's 25% discount to the then current tariff rate for the first four (4) years of this Service Agreement, so long as the 750 Mcf expected demand threshold referenced above is met.

The minimum monthly bill for Customer, under current applicable tariff rates, shall consist of the Base Charge, Transportation Administration Fee, EFM Charge and Cellular fee, plus any applicable taxes and franchise fees. The total minimum bill shall be \$500, plus applicable taxes and franchise fees. This amount is subject to change in accordance with the applicable tariffs.

4. **Term.** This Service Agreement shall become effective on the first day of the month following the month in which this Service Agreement is approved by the Kentucky Public Service Commission (the "Effective Date") and shall continue in full force and effect for a period of eight (8) years from and after the Effective Date (the "*Primary Term*"), and shall continue for successive three (3) year terms following the expiration of the Primary Term (each a "*Rollover Term*"), provided that either Party may terminate this Service Agreement at the end of the Primary Term, or at the end of any subsequent Rollover Term upon providing ninety (90) days prior written notice to the other Party. The Primary Term and subsequent Rollover Terms may be referred to collectively as the "*Term*". Customer agrees that during the Term of this Service Agreement, all natural gas consumed by Customer at Customer's Facility shall be delivered by Atmos Energy. Notwithstanding anything herein to the contrary, the Term of this Service Agreement is expressly made subject to the provisions of Section 7 (Event of Default) of **Exhibit A to this Service Agreement**.

During the Term of this Service Agreement, if Customer plans to make such filing on its behalf, with the Federal Energy Reg

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Executive Director

Gwen R. Pinson

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other regulatory body, seeking authority to receive direct gas service following the termination of this Service Agreement, Customer agrees to notify Atmos Energy of such plans not less than thirty (30) days prior to the date of such filing.

During the Term of this Service Agreement, Atmos Energy and Customer may mutually agree to amend this Service Agreement to change the type of service provided hereunder—i.e., sales, transportation, firm or interruptible service—if Customer’s needs or qualifications change. Any amendment changing the type of service provided hereunder must be in writing and executed by a duly authorized representative of Atmos Energy and Customer, and will not, unless mutually agreed by the Parties in such amendment, change the Term of this Service Agreement.

5. **Parking.** Subject to the terms of the Tariff, Customer may “park” positive monthly imbalance volumes, up to 10% of the T-3 and T-4 volumes delivered by Atmos into Customer’s Facility. The cost to Customer of parking such imbalance volumes shall be as set forth in the Tariff. Unless otherwise provided in the Tariff, Atmos shall provide the parking service on a “best efforts” basis, and the parked volumes shall be deemed “first through the meter” delivered to Customer in the month following delivery to Atmos on Customer’s account.

6. **Electronic Flow Measurement and Communications Equipment.** Under the Tariff, it will be the responsibility of Customer to pay all reasonable and necessary costs for additional facilities and/or equipment (collectively, the “*Additional Facilities*”) that will be required as a result of receiving transportation service, including such reasonable and necessary costs for the installation, repair, maintenance and replacement of such Additional Facilities. The Additional Facilities shall include electronic flow measurement (“*EFM*”) equipment and cellular communications support services, which shall be installed, maintained, operated, and owned by Atmos Energy. Customer shall be responsible for all costs related to the installation, maintenance, repair and replacement of the EFM equipment. If Customer paid the initial cost of EFM in full by one-time payment it will not be required to pay the \$75.00 Monthly Facilities Charge until such time as the EFM requires replacement. If Customer is providing and maintaining a land line for communication support it may continue to utilize such land line until such time as Atmos Energy determines that such land line is no longer providing reliable communication service, at which time Customer shall begin paying the \$25.00 Monthly Cellular Charge to cover the cost of cellular communications support service.

7. **Notices.** Any notice required to be given under this Service Agreement, or any notice that either Party hereto may desire to give the other Party, shall be in writing and shall be considered duly delivered when deposited in the United States mail, postage prepaid, registered or certified, or sent by facsimile and addressed as follows:

If to Atmos Energy:

ATMOS ENERGY CORPORATION  
(Kentucky/Mid-States Division)  
5430 LBJ Freeway, Suite 160  
Dallas, Texas 75240-2601  
Attention: Contract Administration  
Telephone: (214) 206-2574  
Facsimile: (214) 214-206-2101

If to Customer:

DIAGEO AMERICAS SUPPLY,  
INC  
3900 Benson Pike  
Shelbyville, KY 40065  
Attention: Mr. Kirk Davidson

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or such other address as Atmos Energy, Customer or their respective successors or permitted assigns shall designate by written notice given in the manner described above. Routine communications, including monthly invoices, may be mailed by ordinary mail, postage prepaid, and addressed to the above-designated name and address.

8. **Atmos Energy Code of Conduct.** Atmos Energy hereby agrees to comply with its Code of Conduct, a copy of which will be provided to Customer. Atmos Energy further agrees that it shall not, and shall procure that its affiliates or their respective agents or employees shall not, make, cause to be made, or promise to offer or agree to make, in connection with this Agreement or any associated contracts, any payment, loan, gift or transfer of anything of value, directly or indirectly: (i) to or for the use or benefit of any government official or government employee (including employee of government-owned entities or corporations); or (ii) to any political party, official of a political party or candidate; or (iii) any employee of Customer or any of its affiliates or (iv) to an intermediary for payment to any of the foregoing, on order to obtain or retain business or to secure any improper advantage or as an inducement or reward for showing or not showing favor to any person in connection with this Agreement.

9. **Miscellaneous.**

(a) **Attachments.** **Exhibit A** (General Terms and Conditions) and **Exhibit B** (Receipt Point(s) and Delivery Point(s)) attached hereto are expressly incorporated herein and made a part of this Service Agreement for all purposes, and all references herein and therein to "this Service Agreement" include the same and their respective terms and provisions. This Service Agreement, **Exhibit A** (General Terms and Conditions) and **Exhibit B** (Receipt Point(s) and Delivery Point(s)) shall be read and interpreted together as a single agreement with full effect being given to the terms and conditions of each; in no event shall the terms of any one of this Service Agreement, **Exhibit A** (General Terms and Conditions) or **Exhibit B** (Receipt Point(s) and Delivery Point(s)) take precedence over the terms of the other(s).

(b) **Waiver of Certain Damages.** IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY PUNITIVE, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL, INDIRECT, OR SPECIAL DAMAGES: (1) IN THE EVENT OF ITS BREACH OF THIS SERVICE AGREEMENT, (2) AN EVENT OF DEFAULT, OR (3) FOR ANY OTHER CLAIM RELATED TO THIS SERVICE AGREEMENT.

(c) **Governing Law.** This Service Agreement is governed by and will be construed in accordance with the laws of the Commonwealth of Kentucky without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

(d) **No Waiver.** No waiver by either Party of any one or more defaults of the other in the performance of any of the provisions of this Service A construed as a waiver of any other default or defaults whether of a li

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(e) No Third Party Beneficiaries. The provisions of this Service Agreement will not impart rights enforceable by any person, firm or organization not a Party or not bound as a Party, or not a permitted successor or assignee of a wParty bound to this Service Agreement.

(f) No Partnership. Each Party acknowledges and agrees that no partnership, joint venture or fiduciary relationship of any kind whatsoever is created by this Service Agreement.

(g) Severability. If any provision of this Service Agreement is determined to be invalid, void or unenforceable by any governmental authority having jurisdiction, then such determination will not invalidate, void or make unenforceable any other provision of this Service Agreement so long as the economic benefits or legal obligations of this Service Agreement are not affected in any manner materially adverse to either Party. Upon such determination that any provision is invalid, void or unenforceable, the Parties shall negotiate in good faith to modify this Service Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner such that the transactions contemplated hereby are fulfilled to the extent possible,

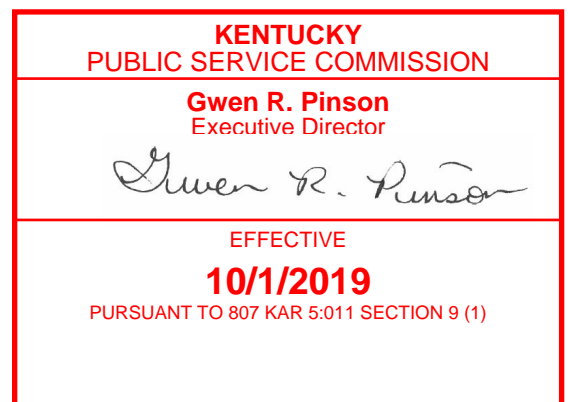
(h) Binding Effect. This Service Agreement shall be binding upon the Parties hereto and their respective successors and assigns.

(i) Headings. The headings and captions used in this Service Agreement are for convenience and reference purposes only, and will in no way affect the meaning or interpretation of the provisions of this Service Agreement.

(j) Entire Agreement. This Service Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral and written, between the Parties hereto with respect to the subject matter hereof.

(k) Counterparts. This Service Agreement may be signed in any number of counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK/ SIGNATURE PAGES AND EXHIBITS FOLLOW]



IN WITNESS WHEREOF, the Parties hereto have executed this Service Agreement as of the date first above written to be effective for all purposes as of the Effective Date.

**CUSTOMER:**

**DIAGEO AMERICAS SUPPLY, INC**

**ATMOS ENERGY:**

**ATMOS ENERGY CORPORATION**

DocuSigned by:  
*Marsha McIntosh*  
By: 99067ACEB9B240A...  
Printed Name: Marsha Mcintosh  
Title: VP Procurement Supply NA

5/2/2019

By: *Danny P Bertotti*  
Danny Bertotti  
Vice President, Marketing  
Kentucky/Mid-States Division

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**EXHIBIT A**  
**TO LARGE VOLUME NATURAL GAS SERVICE AGREEMENT**

**GENERAL TERMS AND CONDITIONS**

Attached to and for all purposes made a part of that certain Large Volume Natural Gas Service Agreement effective on the first day of the month following the month in which this Service Agreement is approved by the Kentucky Public Service Commission by and between Atmos Energy Corporation and Diageo Americas Supply, Inc.

1. This Service Agreement is subject to approval by, and to all applicable and valid statutes, ordinances, and the rules, regulations and orders of, the Kentucky Public Service Commission.

2. If not presently installed, the necessary regulating and metering equipment constructed to Atmos Energy's specifications shall be installed for delivery of the gas as specified herein, and the Customer shall install or cause to be installed additional regulating equipment to provide suitable operating pressure at the various points of utilization. A suitable location for the regulating and metering equipment shall be provided by the Customer without charge, and Atmos Energy shall have the right to operate, maintain and alter this equipment as is necessary or desirable. Each Party hereto agrees to maintain any equipment owned by it and used in the performance of its obligations herein in good, safe and efficient operating condition and repair.

3. Title to sales gas shall pass from Atmos Energy to Customer, upon the delivery thereof, at the Customer's service address. The title to all gas transported hereunder shall remain with the Customer while such gas is on Atmos Energy's local distribution facilities. The Receipt Point(s) at which the Customer will deliver transportation gas to Atmos Energy and the Delivery Point(s) at which Atmos Energy will redeliver transportation gas to Customer are designated on Exhibit "B" attached hereto.

4. As between the Parties hereto solely for transportation services, Atmos Energy shall be deemed in exclusive control and possession of the gas after the delivery thereof at the Receipt Point(s) and prior to the redelivery thereof, to or for the account of Customer at the Delivery Point(s). At all other times, as between the Parties hereto solely, Customer shall be deemed in exclusive control and possession of the gas and responsible for any damages, losses or injuries caused by Customer's handling, delivery or receipt thereof. For sales services, Atmos Energy shall be deemed in exclusive control and possession of the gas prior to the delivery thereof, to or for the account of Customer at the Customer's service address. Upon delivery thereof, as between the Parties hereto solely, Customer shall be deemed in exclusive control and possession of the gas and responsible for any damages, losses or injuries caused by Customer's handling, delivery or receipt thereof. Each Party agrees to indemnify, defend and hold harmless the other Party from and against any and all claims, liabilities, damages, losses, costs and expenses incurred by such other Party arising from or relating to any damages, losses or injuries for which the indemnifying Party is responsible pursuant to the provisions of this paragraph, except to the extent such damages, losses or expenses shall have been caused by the negligence or intentional acts or omissions of the indemnified Party.

5. In the event that either Atmos Energy or Customer is

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in part, by reason of an event of force majeure, to perform its obligations under this Service Agreement, other than to make payment due hereunder, and such Party has given notice and full particulars of such force majeure in writing to the other Party as soon as possible after the occurrence of the cause relied on, then the obligations of the Parties, insofar as they are affected by such force majeure, shall be suspended during the continuance of such inability, but for no longer period, and such cause shall, insofar as possible, be remedied with all reasonable dispatch; provided, however, that the settlement of strikes or lock-outs shall be entirely within the discretion of the Party having such difficulty, and the above requirement that any force majeure be remedied with all reasonable dispatch shall not require the settlement of strikes or lock-outs by acceding to the demands of the opposing party when such course is inadvisable in the discretion of the Party having the difficulty.

The term "force majeure" as used herein shall mean any cause not reasonably within the control of the Party claiming suspension and includes, but is not limited to, acts of God; strikes; lock-outs; wars; acts of terrorism; riots; orders or decrees of any lawfully constituted federal, state or local body; fires; storms; floods; wash-outs; explosions; breakage or accident to machinery or lines of pipe; inability to obtain or delay in obtaining rights-of-way, materials, supplies or labor permits; temporary or permanent failure of gas supply or transportation services; capacity constraints; repair, maintenance or replacement of facilities used in the performance of the obligations contained in this Service Agreement; or any other cause of a similar nature whether of the kind herein enumerated or otherwise.

6. During each billing period involving transportation services, Customer agrees to maintain its deliveries of gas to Atmos Energy and its receipt of gas from Atmos Energy in continuous balance or as near thereto as practicable on an Mcf or MMBtu basis, as designated by Atmos Energy. Further, the Customer agrees to be liable to Atmos Energy for all cost, expense and liability incurred by Atmos Energy, which directly relates to the Customer's transportation activities on the interstate pipeline system. When the volume of gas taken by Customer during a billing period exceeds Customer's transportation nomination volumes, Customer shall pay Atmos Energy for such overrun volumes at the applicable cash out rate.

7. In the event of default hereunder by either Party, in addition to all rights and remedies at law or in equity to which the non-defaulting Party may be entitled, the defaulting Party agrees to reimburse the non-defaulting Party for all court costs and other expenses incurred, including reasonable attorney fees. Further, each Party agrees to indemnify and hold the other Party harmless with regard to any and all fees, costs and expenses incurred by the non-defaulting Party in relation to all third party claims, disputes and suits which arise under or are related to the defaulting Party's default under this Service Agreement, except to the extent such claims, disputes and suits shall have been caused by the negligence of the non-defaulting Party. In no event shall either Party be liable for indirect, special, consequential or punitive damages.

8. This Service Agreement shall be binding upon the Parties hereto and their respective successors and assigns.

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**EXHIBIT B**

**TO LARGE VOLUME NATURAL GAS SERVICE AGREEMENT**

**RECEIPT POINT(S) AND DELIVERY POINT(S)**

Attached to and for all purposes made a part of that certain Large Volume Natural Gas Service Agreement effective on the first day of the month following the month in which this Service Agreement is approved by the Kentucky Public Service Commission by and between Atmos Energy Corporation and Diageo Americas Supply, Inc.

**Receipt Point(s)**

A metering station located in Jefferson County, Kentucky, at Longitude 85 Degrees, 29 minutes, 15 seconds, Latitude 38 degrees, 16 minutes, 15 seconds, approximately 2.0 miles east of Anchorage, Kentucky. (Meter No. 1981)

**Delivery Point(s)**

3900 Benson Pike  
Shelbyville, KY 40065

