LARGE VOLUME NATURAL GAS SERVICE AGREEMENT

BETWEEN

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

AND

NOV 06 1999

PURSUANT TO 807 KAR 5:011, SECTION 9 (1)

WESTERN KENTUCKY GAS COMPANY, BY Stephan BUU
A Division of SECRETARY OF THE COMMISS

ATMOS ENERGY CORPORATION

DATED

LARGE VOLUME NATURAL GAS SERVICE AGREEMENT

THIS NATURAL GAS SERVICE AGREEMENT is made and entered into this day of by and between WESTERN KENTUCKY GAS COMPANY, a division of Atmos Energy Corporation, a Texas corporation ("WKG"), and

("Customer"), also referred to as the "parties".

IBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

WITNESSETH:

WHEREAS, WKG desires to provide to Customer, and Customer desires to obtain natural gas service in accordants UNITED SOF FAR 5:011, terms and conditions hereinafter set forth;

BY: Stephen But

NOW, THEREFORE, in consideration of the mutua COMMISSION contained herein and other good and valuable consideration, the parties hereto agree as follows:

Natural Gas Service Type and Volume Levels. Customer agrees to purchase from WKG or deliver to WKG for gas Customer's natural transportation all of requirements for Customer's facility located at WKG agrees to provide service to Customer of the type specified below, subject to the provisions of the referenced tariffs, the related rules and regulations governing natural gas service and this Service Agreement including its attached exhibits and general terms and conditions. WKG shall have no obligation to provide for deliveries in excess of the maximum volumes hereinafter specified, or to provide sales gas in the event Customer chooses a carriage Customer transportation service only:

Service Type Priority Mcf/Day Mcf/Hr.

During any billing period, volumes delivered to Customer shall, regardless of nominations, be deemed to first satisfy the T-4 volumes, if any; then the G-1/T-2 volumes, if any; then the T-3 volumes, if any; and then the T-3 volumes, if any; and then the T-3 volumes, if any.

2. Price. Except as provided below, the price to be paid by Customer shall be in accordance with the rate schedule under which the service is rendered. Such rates, including gas cost adjustments, shall be subject to change as permitted by law. Any Federal, State or other legal taxes other than those based upon or measured by WKG's income which apply now or may hereafter be imposed shall be paid by the Customer in addition to the rates as specified.

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3. Term. This Service Agreement shall become effect the commission on or the first day of the month when accepted by the Kentucky Public Service Commission ("KPSC"), whichever is later, and shall continue in full force and effect for (the "Primary Term"), and year-to-year thereafter unless and until terminated at the end of the Primary Term or any subsequent annual term by either party hereto upon one hundred twenty (120) days prior written notice to the other party. Customer agrees that while this Service Agreement is in effect, all natural gas consumed by Customer shall be delivered by WKG.

In the event Customer plans to make a filing, or direct another to make such filing on its behalf, with FERC or any other regulatory body, seeking authority to receive direct gas service following the termination of this Agreement, Customer agrees to notify WKG of such plans prior to the filing.

4. <u>Notices</u>. Any notice required to be given under this Service Agreement or any notice which 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 WKG:

WESTERN KENTUCKY GAS COMPANY

A Division Of

Atmos Energy Corporation 2401 New Hartford Road Owensboro, Kentucky 42303

Attention: Marketing Department

Telephone: 502/685-8069 Facsimile: 502/685-8052

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If to Customer:

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or such other address as WKG, Customer, or their respective communications, including monthly invoices, may be mailed by ordinary mail, postage prepaid, and addressed to the abovedesignated name and address.

5. Attachments. General Terms and Conditions and Exhibit "A," 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 all exhibits and their terms and provisions contained therein.

IN WITNESS WHEREOF, the parties hereto have executed this Large Volume Natural Gas Service Agreement as of the date first above written.

WESTERN KENTUCKY GAS COMPANY, A Division Of Atmos Energy Corporation

Ву: _

Title

By: ___

Title:

GENERAL TERMS AND CONDITIONS TO LARGE VOLUME NATURAL GAS SERVICE AGREEMENT

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- 1. This Service Agreement is subject to all applicable and valid statutes, ordinances, and the rules, regulariasian fored KAR 5.011, orders of the Kentucky Public Service Commission.

 SECTION 9 (1)
- 2. If not presently installed, the necessary restricted by and metering equipment constructed to WKG's specifications shall be installed for delivery of the gas as specified here, 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 WKG 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 WKG to Customer, upon the delivery thereof, at the Customer's service address. The title to all gas transported hereunder shall remain with the Customer. The Receipt Point(s) at which the Customer will deliver transportation gas to WKG is designated on Exhibit "A" attached hereto.
- between the parties hereto solely, for As transportation services, WKG 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 Customer's service address. 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, WKG 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. 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 of the indemnified party.

In the event that either WKG or Customer is rendered unable, wholly or in part, by reason of an event of force majeure, to perform its obligations under this Agreement, other than to make payment due thereunder, 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 BLIC SERVICE COMMISSION majeure be remedied with all reasonable dispatch shall OF KENTUCKY require the settlement of strikes or lock-outs by acceding ENECTIVE the demands of the opposing party when such course is inadvisable in the discretion of the party having NOV 06 1999 difficulty.

The term "force majeure" as used herein shall mean \$1000 KAR 5011, cause not reasonably within the control of the party claiming 9(1) suspension and includes, but is not limited to, acts of the strikes; lock-outs; wars; riots; orders or decrees corrected body; strikes; lock-outs; wars; riots; orders 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 WKG and its receipt of gas from WKG in continuous balance or as near thereto as practicable on an Mcf or MMBtu basis, designated by WKG. Further, the Customer agrees to be liable to WKG for all cost, expense and liability incurred by WKG directly relates to the Customer's transportation activities on the interstate pipeline system. To the extent imbalances owed to Customer by WKG occur, such "parked" and/or "banked" volumes of the Customer shall be deemed, for billing purposes, to be the first volumes delivered to the Customer during the succeeding billing period. When the volume of gas taken by Customer during a billing period exceeds the aggregate When the volume of gas of its T-2, T-3 and T-4 transportation nominations and its available "parked" and/or "banked" volumes, Customer shall pay WKG for such overrun volumes at the applicable tariff rate.

- 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. 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 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 party be liable for indirect, either consequential or punitive damages.
- 8. This Service Agreement shall be binding upon the parties hereto and their respective successors and assigns.
- 9. 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.

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SECRETARY OF THE COMMISSION

EXHIBIT " A"

RECEIPT POINT(S) AND

DELIVERY POINT(S)

Receipt Point:

Delivery Point:

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