
Memorandum

To: Michael Dickson, Gas System Director

From: Brian Friery, Assistant Gas System Director

Date: September 8, 2021

RE: Transaction Confirmation to Existing Gas
Purchase Base Contract w/Council Resolution

As you know, the Gas System entered into a Base Contract for Sale and Purchase of Natural Gas on December 1, 2006 with the Municipal Gas Authority of Georgia whereas the City of Cartersville agrees to purchase a pre-determined volume of natural gas per day based on the season of the year and, in exchange, the City of Cartersville receives a discount on the pre-determined volume of natural gas per day based on the season of the year. This Contract is informally known as the "Main Street Prepay" and provided for a discount of \$0.30 per Dekatherm of natural gas. As you further know, the term of this existing Contract has a term of 15 years with a natural gas delivery period beginning February 1, 2007 and ending January 31, 2022.

Since it takes some time for such prepay deals to materialize, form, and price, the Gas System had recently started searching for a prepay deal to become a part of before the current Contract's term expired. The Municipal Gas Authority of Georgia had been forming a new prepay deal that recently priced with very good terms exceeding those of the Gas System's existing "Main Street Prepay" which is soon to expire. This new prepay deal known as Citi 2021C Gas Purchase Agreement is for a term of 30 years with a natural gas delivery period beginning April 1, 2022 and ending March 21, 2052. The Citi 2021C Gas Purchase Agreement is similar to the existing "Main Street Prepay" only the Citi 2021C Gas Purchase Agreement provides for an overall discount of \$0.3504 per Dekatherm of natural gas. A discount of \$0.33 will pass through on a monthly basis with the remaining discount paid on an annual basis by a pro-rata share of the annual return of all of the prepay participants.

The Citi 2021C Gas Purchase Agreement utilizes the existing "Main Street Prepay" Base Contract for Sale and Purchase of Natural Gas whereas all of the conditions of the Base Contract for Sale and Purchase of Natural Gas remain except those conditions that are revised or added as stipulated in the Transaction Confirmation. The Citi 2021C Gas Purchase Agreement, therefore, combines the existing "Main Street Prepay" Base Contract for Sale and Purchase of Natural Gas and the Transaction Confirmation together as the Agreement.

With the Gas System's existing prepay contract expiring soon and the uncertain state of the current economy, the Gas System recommends Council approval of the Citi 2021C Gas Purchase Agreement and executing the Transaction Confirmation and approving the Citi 2021C Gas Purchase Agreement by Council Resolution.

The City Manager and Assistant City Attorney have reviewed the terms of this Agreement and take no exceptions.

**TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY**

Date: September 9, 2021

Transaction Confirmation #: _____

This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated as of December 1, 2006. The terms of this Transaction Confirmation are binding upon execution unless otherwise specified in the Base Contract.

SELLER:

**MUNICIPAL GAS AUTHORITY OF GEORGIA
104 TownPark Drive, Kennesaw, GA 30144**

Attn: Tina Smith

Phone: 678-819-0908

Fax: 678-819-0948

Base Contract No.

Transporter:

Transporter Contract Number:

BUYER:

CITY OF CARTERSVILLE, GEORGIA

Attn: Michael Dickson

Phone: 770-387-5642

Fax: 770-387-5638

Base Contract No.

Transporter:

Transporter Contract Number

Contract Price: Spot Index minus \$0.33/MMBtu Discount adjusted for the Index Premium (Discount) as defined herein under Section 14H below.. The Discount is subject to change as provided in Section 14I(2) below.

Delivery Period: Begin: April 1, 2022 End: March 21, 2052, subject to Section 14A and Section 14I below.

Performance Obligation and Contract Quantity:*

Firm: Contract Quantity in MMBtu per day as set forth in Exhibit A.

Delivery Point(s):

See Exhibit A hereto for volumes and delivery points.*

*Pursuant to a certain Natural Gas Supply Agreement, dated as of September 1, 2021, between Seller and Main Street Natural Gas, Inc. ("Main Street"), the volumes to be delivered to Buyer hereunder, as reflected in Exhibit A attached hereto, shall be sourced from Main Street's hereinafter defined Citi 2021C Gas Purchase Agreement. Buyer has executed a Qualifying Use Certificate in accordance with its purchase of the Gas from Seller under this Transaction Confirmation. A copy of such Qualifying Use Certificate is attached to this Transaction Confirmation as Exhibit C and is a part of it and this Contract.

Special Conditions:

The following Special Conditions shall apply to the transaction set forth in this Transaction Confirmation:

Definition of "Contract Year":

"Contract Year" shall mean, for purposes of this Transaction Confirmation, any year within the Delivery Period beginning on April 1 and ending on the last day of March 31 of the next year.

Amendment to Section 3.2 of the Base Contract:

Subsection (ii) of Section 3.2 (Cover Standard) of the Base Contract is hereby amended to provide that, in the case of a breach by Buyer, Buyer's payment to Seller, if any, shall be determined using the Cover Standard and the 'Spot Index' as defined herein under new Section 14B.

Amendment to Section 7.1 to the Base Contract:

Section 7.1 is hereby amended by deleting the first sentence and inserting in lieu thereof a new first sentence to read in its entirety as follows:

"Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged, on the 15th day of each Month. For the avoidance of doubt, Buyer shall have no duty to pay Seller for Gas not delivered and received, including any Gas not delivered and received due to, force majeure or default by the Supplier under the Citi 2021C Gas Purchase Agreement (as hereinafter defined in Section 14A below)."

Amendment to Section 7.2 to the Base Contract:

Section 7.2 is hereby amended such that the Payment Date is the 19th Day of Month following Month of Delivery.

Amendment to Section 7.4 to the Base Contract:

Section 7.4 is hereby amended by deleting Section 7.4 in its entirety and inserting in lieu thereof new Section 7.4 to read as follows:

"The invoiced party shall pay the invoice in full, including any disputed amounts. After such payment, if the invoiced party disputes the amount due, it must provide supporting documentation acceptable in industry practices to support the amount paid and disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy at law or in equity, including but not limited to mandamus, to enforce its rights pursuant to this Section. The payment obligations of the Buyer under this Contract shall be absolute and unconditional without right of recoupment or setoff, and without regard to the existence of any claim, defense, reduction, abatement or other right to which the Buyer may have at any time against the Seller, including without limitation any defense related to force majeure."

Amendment to Section 8.3 to the Base Contract:

Section 8.3 is hereby amended by inserting the following language at the beginning of the second sentence thereof:

"To the extent permitted by law,"

Amendment to Section 10.2 to the Base Contract:

Section 10.2 is hereby amended by deleting the period at the end thereof and inserting the following language:

"; provided, however, that with respect to any Event of Default described in clauses (i) through (viii) above where Buyer is the Defaulting Party, Seller shall notify Buyer on the 19th Day of the Month that Seller shall, on the tenth Business Day following such Notice, withhold and/or suspend deliveries or payments and terminate or liquidate the transactions under this Contract in the manner provided in Section 10.3 of this Contract."

Amendment to Section 10.6 of the Base Contract:

Section 10.6 of the Base Contract is deleted in its entirety and replaced with a new Section 10.6 to read in its entirety as follows:

"The Non-Defaulting Party's remedies under this Section 10, those remedies expressly provided for in this Transaction Confirmation and any derivative rights of Buyer under the Citi 2021C Gas Purchase Agreement (as hereinafter defined) are the sole and exclusive remedies of the Non-Defaulting Party with respect to the occurrence of any Early Termination Date."

Amendment to Section 14.2 to the Base Contract:

Section 14.2 is hereby amended by deleting the period at the end thereof and inserting the following language:

"; provided, however, that if such severability materially changes the economic benefits or risks of this Contract to either Party, the Parties shall negotiate in good faith and attempt to agree to an equitable adjustment to the provisions of this Contract to replicate to the best of their ability the economic benefits and risks of this Contract to both Parties."

Amendment to Section 14.5 to the Base Contract:

Section 14.5 is deleted in its entirety and replaced with a new Section 14.5 to read in its entirety as follows:

"This Contract shall be interpreted in accordance with the laws of the State of Georgia without regard to principles of law that would require the application of the laws of another jurisdiction, except that interpretation of the Contract with respect to the powers of Buyer shall be interpreted in accordance with the laws of the Buyer's state of organization without regard to principles of law that would require the application of the laws of another jurisdiction."

A new Section 14A is added to the Base Contract:

"Source of Supply. This Transaction Confirmation is entered into for the sale of gas by Seller to Buyer that Seller has purchased from Main Street, which Main Street has purchased from Citi Prepaid Energy, LLC ("Citi" or "Supplier") under a certain Prepaid Natural Gas Purchase and Sale Agreement, between Main Street and Citi, dated April 24, 2021 (the "Citi 2021C Gas Purchase Agreement"). Main Street has paid the purchase price of the gas under the Citi 2021C Gas Purchase Agreement from the proceeds of its Gas Supply Revenue Bonds, Series 2021C (the "Bonds") issued pursuant to a Trust Indenture, dated as of September 1, 2021, between Main Street and U.S. Bank National Association, as trustee (the "Trustee"). The Seller's duty to deliver, and Buyer's duty to purchase, Gas to be delivered by Main Street from the Supplier pursuant to this Contract shall be terminated by Seller or Buyer, in whole or in part, upon the occurrence of an early termination of the Citi 2021C Gas Purchase Agreement, in whole or in part, notwithstanding any other provision herein to the contrary, and any such termination by Seller or Buyer shall not constitute a breach of this Contract or a default under this Contract, such that in any such event, no early termination damages shall be owed by either Seller or Buyer under Section 10.3.1. In addition, any invocation of force majeure by the Supplier under the Citi 2021C Gas Purchase Agreement shall automatically support an invocation of force majeure by Seller under this Contract and shall constitute an event of Seller force majeure."

A new Section 14B is added to the Base Contract:

"Pricing. The Contract Price under this Transaction Confirmation shall be the Index-based price as stated in this Transaction Confirmation. 'Spot Index' means, for a Delivery Point for any Month, the index price per MMBtu, stated in U.S. dollars, as published in the first issue for the Month (including corrections thereto in later issues) in which the event occurred that required calculation of the index price, of *Inside FERC's Gas Market Report*, a publication of S&P Global Platts, a division of S&P Global, in the section "Monthly Bidweek Spot Gas Prices (\$/MMBtu)", under the heading for such Delivery Point as is specified on Exhibit A hereto. If *Inside FERC's Gas Market Report* should cease to publish such first-of-the-month index prices or should cease to be published entirely, the Spot Index Price for a Delivery Point shall be the price per MMBtu, stated in U.S. dollars, for Gas to be delivered at such Delivery Point

during the applicable Month as set forth in an alternative index as determined by Seller related to the Citi 2021C Gas Purchase Agreement.”

A new Section 14C is added to the Base Contract:

"Annual Returns. In addition to the monthly discount applicable to deliveries hereunder, Seller will provide such Annual Refund to Buyer as may be available for distribution following distribution of refunds to Seller by Main Street pursuant to the Indenture. Such Annual Refund, if any, will be paid by Seller to Buyer and the other Project Participants (Seller and other Customers, as defined in the Indenture) as soon as practicable following the receipt of funds for such purpose by Seller from Main Street under the terms of the Indenture. Buyer and the other Project Participants will be allocated a proportionate share of the refunds received by Seller in accordance with each Project Participant's Annualized Daily Quantity as a percentage of the aggregate Annualized Daily Quantities of all Project Participants for the applicable as distributed pursuant to the Indenture.”

A new Section 14D is added to the Base Contract: "Information Provisions:

Buyer shall furnish the following information to the Seller:

- (1) Annual audited financial statements related to Buyer's purchase of gas under this Contract within 180 days after the end of the Buyer's fiscal year (together with a certification of Buyer that it is not aware of any default or Event of Default under this Contract); and
- (2) A full original transcript of authorizing resolutions and executed documents relating to the execution of any amendment, supplement, modification or waiver of this Contract.
- (3) To assist in satisfying certain tax covenants, Buyer will deliver to Seller a compliance certificate in substantially the form attached hereto as Exhibit D by the 15th day of May each year.

A new Section 14E is added to the Base Contract:

"Payments. Payments to Seller pursuant to this Contract shall be made to Seller's Account maintained at Wells Fargo Bank, N.A., as follows:

Wire Transfer or ACH Number:

BANK: Wells Fargo Bank, N.A.

ABA: 121000248

ACCT: 2000132133254"

A new Section 14F is added to the Base Contract:

"Additional Purchases from Seller. Buyer shall use its commercially reasonable efforts to purchase additional Gas supplies from Seller in the future so that Issuer can purchase such Gas from the Prepayment suppliers as necessary such that the interest on the Issuer's bonds shall remain excludable from the gross income of the holder of such bonds under the provisions of the Internal Revenue Code of 1986, as amended.”

A new Section 14G is added to the Base Contract:

"Sale of Buyer's Natural Gas Distribution System and/or Electric System. If the governing body of Buyer sells Buyer's natural gas distribution system and/or electric system to an entity other than a governmental person within the meaning of Section 1.141-1(b) of the Treasury Regulations, as amended, for qualifying tax-exempt uses, Seller's duty to sell and deliver, and Buyer's duty to purchase and receive, Gas to be delivered pursuant to this Contract shall be terminated. Buyer shall notify Seller no later than 60 days prior to the effective date of such sale, or such earlier date

as designated by Seller in a written notice to Buyer, and any such termination shall not constitute a breach of this Contract or a default under this Contract.”

A new Section 14H is added to the Base Contract:

“Index Premium (Discount). The Index Premium (Discount) for each Delivery Point, which shall be established under the Citi 2021C Gas Purchase Agreement and flowed through from Main Street to Seller and from Seller to Buyer, is set forth in Exhibit A and shall remain in effect through the date corresponding to each such Delivery Point. Thereafter, as to each Delivery Point, the Index Premium shall be subject to adjustment no more often than quarterly upon mutual agreement of Main Street and Citi under the Citi 2021C Gas Purchase Agreement, and such Index Premium shall be for a minimum period of at least three months. Seller shall notify Buyer at least 15 Days before the end of each Index Premium period to enable Buyer to participate in the process of establishing the new Index Premium, if any, prior to the beginning of the next Index Premium period. Upon adjustment of the Index Premium as to any Delivery Point, Seller and Buyer shall execute a revised Exhibit B reflecting the new Index Premium, if any.”

A new Section 14I is added to the Base Contract:

“(1) Early Termination Upon Termination of the Citi 2021C Gas Purchase Agreement. Notwithstanding the Delivery Period of this Transaction Confirmation, Buyer acknowledges and agrees that, in the event the Citi 2021C Gas Purchase Agreement terminates prior to the end of the Delivery Period, (i) this Transaction Confirmation shall terminate on the date of early termination of the Citi 2021C Gas Purchase Agreement, and (ii) Seller’s obligation to deliver Gas under this Transaction Confirmation shall terminate on the same date on which the Supplier’s obligation to deliver Gas to Main Street under the Citi 2021C Gas Purchase Agreement terminates; provided, however, that in the event of such early termination, Seller agrees to continue to deliver to Buyer and Buyer agrees to purchase from Seller the Contract Quantity at the applicable Delivery Point for the remainder of the Month during which such early termination has occurred and for the remainder of the Index Premium period currently in effect, at a price equal to the Spot Index Price plus any Index Premium. Seller shall provide notice to Buyer of any early termination of this Transaction Confirmation pursuant to this Section 14I, the date of such termination, and the date on which the obligation to purchase Gas at the Spot Index Price plus any Index Premium shall end.

(2) Early Termination Upon a Remarketing Election at a Reset Period under the Citi 2021C Gas Purchase Agreement.

(i) **Reset Protocol.** The Discount provided in the Contract Price together with the Annual Returns is dependent on the pricing achieved under the Citi 2021C Gas Purchase Agreement. Such pricing is subject to change at the end of a Reset Period. The Initial Reset Period ends on November 31, 2028. For each Reset Period following the Initial Reset Period under the Citi 2021C Gas Purchase Agreement, Seller shall provide to Buyer, at least nine (9) days prior to the applicable deadlines under the Citi 2021C Gas Purchase Agreement, written notice setting forth the duration of such Reset Period and the estimated Discount available and Annual Returns, if any, for such Reset Period.

(ii) **Remarketing Event.** In the event the estimated Discount available (“Estimated Available Discount”) for a Reset Period is less than 23 cents per MMBtu (a “Remarketing Event”), the notice provided pursuant to Section 14I(2)(i) above shall state (i) that a Remarketing Event has occurred and (ii) that Buyer may (A) continue to purchase and receive its Contract Quantity for each Gas Day of each Delivery Month during such Reset Period at a Contract Price that reflects the Discount available for the Reset Period (as finally determined as hereinafter described in Section 14I(2)(iv)), or (B) elect that such Contract Quantity be remarketed for the remainder of the Delivery Period (a “Remarketing Election”) by providing a Remarketing Election Notice (as defined below in Section 14I(2)(iii)) prior to the Remarketing Election Deadline, which shall be set forth in the notice.

(iii) **Remarketing Election; Early Termination.** If Buyer makes a Remarketing Election and thereby elects to have its Contract Quantity remarketed for the remainder of the Delivery Period following the occurrence of a Remarketing Event, Buyer shall provide written notice of such Remarketing Election to Seller (its “Remarketing Election Notice”) not later than the applicable Remarketing Election Deadline. In the event Buyer provides a Remarketing Election Notice on or prior to the applicable Remarketing Election Deadline, the Delivery Period shall terminate as of the end of the last Gas Day of the last Delivery Month of the Reset Period then in effect, and this Transaction Confirmation shall terminate as of the last day of such Reset Period.

(iv) **Final Determination of Available Discount.** Buyer acknowledges and agrees that the final Discount available for any Reset Period following the Initial Reset Period shall be determined under the Citi 2021C Gas Purchase Agreement, and that such Discount may differ from the estimate or estimates of such Discount provided to Buyer prior to the applicable Remarketing Election Deadline, provided that the final Discount shall not be less than 23 cents per MMBtu unless Buyer affirmatively agrees to such a Discount or fails to provide a Remarketing Election Notice prior to the Remarketing Election Deadline.”

A new Section 14J is added to the Base Contract:

“Permanent Load Loss. In the event of permanent load loss on Customer’s system due to the permanent cessation of all or part of the operations of a large industrial customer or natural gas fired electric generation facilities or the sale of the relevant utility system to any entity other than a governmental person, Customer may request the permanent reduction of its Contract Quantity for the remaining term of this Transaction Confirmation. If the Gas Authority consents to such request, which consent will not be unreasonably withheld and subject to Section 14K, the Seller will reduce Customer’s Contract Quantities through the remaining term of this Agreement accordingly.”

A new Section 14K is added to the Base Contract:

“Priority of Gas. The Customer covenants and agrees to take the Contract Quantity delivered by Seller under this Transaction Confirmation (a) in priority over and in preference to all other Gas available to the Customer that is not Priority Gas, and (b) in priority over and in preference to all other Priority Gas that first commences deliveries after the initiation of deliveries under this Transaction Confirmation. Upon a Remediation Fail Event under the Citi 2021C Gas Purchase Agreement with respect to the Contract Quantity, the Gas Purchaser will be relieved of its obligation to purchase and take delivery of Gas under this Agreement as to those quantities of Gas to the extent of the Remediation Fail Event. “Priority Gas” means the Contract Quantities of Gas to be purchased by the Customer hereunder, together with Gas (i) purchased by the Customer, Main Street or a related joint powers authority using the proceeds of bonds, notes, or other obligations the interest on which is excluded from income for federal income tax purposes pursuant to a long-term prepaid gas purchase agreement or (ii) produced from oil and gas reserves in the ground owned by the Gas Purchaser, Main Street or a related joint powers authority that were financed with the proceeds of bonds, notes, or other obligations the interest on which is excluded from income for federal tax purposes.

“Remediation Fail Event” means that Disposition Proceeds have remained for two (2) years or more within the Disposition Proceeds Ledger without having been applied to a Remediation Use, unless there is a Favorable Opinion of Bond Counsel permitting other action.

“Remediation Use” means, with respect to Disposition Proceeds, any of the following:

(i) **Gas Remediation.** (a) the purchase of Gas in an amount equal to such Disposition Proceeds and the sale of such Gas for a Qualifying Use (as evidenced by a Qualifying Use Certificate); or (b) the application of an amount equal to the Disposition Proceeds by Seller to the purchase of Gas which Gas is sold by Seller for a Qualifying Use; or

(ii) **Electric Remediation.** the application of an amount equal to the Disposition Proceeds to the purchase of electricity in compliance with Treasury Regulation Section 1.148-1(e)(2)(iii)(B)(2).”

A new Section 15A is added to the Base Contract:

“Delivery Point Exchange. Buyer may effectuate an exchange of Delivery Points for Gas Purchased under this Contract on a daily or Monthly basis. With the consent of the Seller, which will not be unreasonably withheld, the seller will exchange Gas delivered at the Delivery Point (“Primary Point”) to a delivery point on the same pipeline or another pipeline on which the Buyer has transportation receipt rights (“Alternate Point”) pursuant to Exhibit A and E hereto.”

Seller: MUNICIPAL GAS AUTHORITY OF GEORGIA

By: 

Title: C.O.O.

Date: 9-8-2021

Buyer: CITY OF CARTERSVILLE, GEORGIA

By: _____

Mayor, Matthew J. Santinni

Date: _____

Attest:

By: _____

City Clerk, Julia Drake

Date: _____

Exhibit A

Volumes (MMBtu/day) and Delivery Points

INDEX – For Primary Delivery Point – Transco St. 85 will be:

Source: Inside FERC’s Gas Market Report, published by S&P Global Platts, a Division of S&P Global, first issue of the month

Heading: Monthly Bidweek Spot Gas Prices – Platts Locations (\$/MMBtu)

Index Point: Transco St. 85

Column: “Index”

Contract Quantity:

Apr – Oct	3,000 MMBtu/day
Nov, Mar	4,000 MMBtu/day
Dec – Feb	5,000 MMBtu/day

Primary Delivery Point: Transco, St. 85

Exchange Request: Effective Date – x 1, 2021 – x xx, 2022

Exchange Summary						
	Primary Delivery Point Transco St. 85			Alternate Delivery Point SN Zone 0 Pool		
Delivery Period	Delivery Point Quantity (MMBtu/day)	Index Point	Exchange Cost	Delivery Point Quantity (MMBtu/day)	Index Point	Index Premium
xx , 2021 – xx, 2022	Apr – Oct MMBtu/day 3,000	Transco, Zone 4	\$0.xx	Same as Primary	SN Zone 0 Pool	\$0.xx
	Nov, Mar MMBtu/day 4,000					
	Dec – Feb MMBtu/day 5,000					

Seller: MUNICIPAL GAS AUTHORITY OF GEORGIA By: _____	Buyer: CITY OF CARTERSVILLE, GEORGIA By: _____
Title: _____	Title: _____
Date: _____	Date: _____

Exhibit B

INDEX PREMIUM

The Index Premium for the period commencing with the first Gas Day of _____ 2021 and continuing through and including the last Gas Day of _____ 2021 is [\$_____].

Following the period set forth above, the Index Premium shall be subject to adjustment as set forth in *Section 14H to the Base Contract*, and the adjusted Index Premium and the period during which such Index Premium shall be in effect shall be set forth on a revised Exhibit B.

Exhibit C

QUALIFIED USE CERTIFICATE

This Qualified Use Certificate is executed in connection with the NAESB Transaction Confirmation dated September 9, 2021 (the "Supply Agreement"), by and between the Municipal Gas Authority of Georgia (the "Gas Authority") and City of Cartersville, Georgia ("Gas Purchaser"). Capitalized terms used and not otherwise defined herein will have the meanings given to them in the Supply Agreement or in the Indenture.

WHEREAS Gas Purchaser acknowledges that Main Street Natural Gas, Inc. has issued the Bonds to fund the prepayment price under the Prepaid Gas Agreement; and

WHEREAS the Bonds are intended to qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended; and

WHEREAS Gas Purchaser's use of Gas acquired pursuant to the Supply Agreement and certain funds and accounts of Gas Purchaser will affect the Bonds' qualification for such tax exemption.

NOW, THEREFORE, GAS PURCHASER HEREBY CERTIFIES AS FOLLOWS:

Gas Purchaser is a Georgia municipal corporation.

Gas Purchaser will resell all of the Gas acquired pursuant to the Supply Agreement to its wholesale municipal gas distribution system customers and its electric joint action agency customer. The specified Gas Purchaser customers will, respectively, resell such Gas to the retail gas distribution system customers within their respective natural gas service areas pursuant to regularly established and generally applicable tariffs or under authorized requirements contracts or utilize such Gas for purposes of electric generation, which will then be sold to customers of the electric joint action agency pursuant to authorized requirements contracts. For purposes of the foregoing sentence, the term "service area" means (x) the area throughout which Gas Purchaser's identified customers provided Gas transmission or distribution service or electric generation at all times during the 5-year period ending on December 31, 2018, and from then until the date of execution of the Service Agreement (the "Closing Date"), and (y) any area recognized as the service area of Gas Purchaser's customers under state or federal law.

The annual average amount during the most recently completed five-year testing period of Gas purchased by the specified customers of Gas Purchaser who are located within the service area of Gas Purchaser is _____ MMBtu. The maximum annual amount of Gas in any year being acquired pursuant to the Supply Agreement is _____ MMBtu. The volumes of Gas being acquired annually pursuant to the Supply Agreement are _____ (___ MMBtu per day). The maximum annual amount of Gas which Gas Purchaser otherwise has a right to acquire, as of the Closing Date, is zero (0). The maximum annual amount of Gas which Gas Purchaser holds in storage as of the Closing Date is _____ MMBtu, and the annual average amount of Gas which Gas Purchaser holds in storage in the past year prior to the Closing Date is _____ MMBtu. The sum of (a) the maximum amount of Gas in any year being acquired pursuant to the Supply Agreement, (b) the amount of Gas which Gas Purchaser otherwise has a right to acquire, and (c) the annual average amount of Gas which Gas Purchaser holds in storage in the year described in the foregoing clause (a) is _____ MMBtu. Accordingly, the amount of Gas to be acquired under the Supply Agreement by Gas Purchaser, supplemented by the amount of Gas otherwise available to Gas Purchaser as of the Closing Date, during any year does not

exceed the sum of (i) ____% of the annual average amount during the testing period of Gas purchased (other than for resale) by customers of Gas Purchaser who are located within the service area of Gas Purchaser, and (ii) the amount of Gas to be used to transport the prepaid Gas to Gas Purchaser during such year. For purposes of this paragraph, the term "testing period" means the 5 calendar years ending December 31, 2018, and the term "service area" means (x) the area throughout which Gas Purchaser's customers provided Gas transmission or distribution service or electric generation at all times during the testing period, (y) any area within a county contiguous to the area described in (x) in which retail customers of Gas Purchaser's customers are located if such area is not also served by another utility providing Gas services, and (z) any area recognized as the service area of Gas Purchaser's customers under state or federal law.

Gas Purchaser expects to pay for Gas acquired pursuant to the Supply Agreement with funds derived from the resale of Gas to its customers as specified herein. Gas Purchaser will pay for other Gas not acquired pursuant to the subject Supply Agreement in accordance with other appropriate contractual arrangements with its customers. Gas Purchaser intends to pay for Gas purchased in accordance with the Gas Supply Agreement. Gas Purchaser does not intend or expect to invest Bond proceeds for purposes of accruing interest, nor otherwise utilize any proceeds of the Bonds, either directly or indirectly, for any purpose other than that for which the Bonds were issued. The representations and warranties contained in the Supply Agreement are true and correct as of the date hereof.

September 9, 2021

/s/ _____

ATTEST:

Matthew J. Santini, Mayor

City of Cartersville, Georgia

/s/ _____

Julia Drake, City Clerk

City of Cartersville, Georgia

Exhibit D



Municipal Gas Authority of Georgia
Periodic Tax Compliance Certificate
Participant Annual Sales or Consumption
Qualified Use Report

Participant Name City of Cartersville
Report Year XXXX

Long Term Transaction Sourced By	Contract Volume Received (MMBtu/Year)	Volumes Sold/Consumed as Qualified Use (MMBtu/Year)	Variance *
Main Street - Citi 2021C			

Totals: 0

* Note: Any volume in the "Variance" column represents a non-qualified use balance and must be reported to the Seller immediately.

INSTRUCTIONS:
 1) Please input Qualified Use volumes in the charts above.
 2) If QU is different than the Contract Volume Received, please input the Variance.
 3) Please sign, date, and email to supply@gasauthority.com by XXX XX, 20XX.

Name: _____
Title: _____
Signature: _____

Date: _____

Exhibit E

Exchange Terms

As provided in Section 15A of the Transaction Confirmation, dated September 9, 2021 (the "Agreement"), between **City of Cartersville, Georgia** ("Gas Purchaser"), and Municipal Gas Authority of Georgia, a public body corporate and politic, a public corporation and an instrumentality created and existing under the laws of the State of Georgia (the "Gas Provider"), as exchange provider, Gas Purchaser may effectuate an exchange of Delivery Points for Gas purchased under the Agreement on a daily or Monthly basis. Upon written request, the Gas Provider will exchange Gas delivered at the Delivery Point ("Primary Point") to a delivery point on another pipeline on which Gas Purchaser has transportation receipt rights ("Alternate Point") pursuant to this Exhibit E and the Agreement.

Gas Purchaser has contracted for the purchase of Gas ("Exchange Quantities"), at Primary Point (as defined in Exhibit A as updated from time to time, and hereby requests that Exchange Provider effect an exchange and deliver equivalent quantities of such Exchange Quantities as set forth in Exhibit A at Alternate Point ("Equivalent Quantities") approximately equivalent to such Exchange Quantities. The terms of the Agreement are incorporated herein by this reference and capitalized terms used herein but not defined have the meaning set forth therein; provided that such terms will apply to transactions contemplated hereby and Equivalent Quantities at Alternate Point in lieu of Exchange Quantities at Primary Point.

Gas Purchaser will deliver or cause to be delivered for the account of Exchange Provider a quantity of gas equal to up to the Exchange Quantity attributable to Gas Purchaser' source of supplies at Primary Point, and Exchange Provider will deliver or cause to be delivered for the account of Gas Purchaser on each day from its sources of supplies such quantity of gas at Alternate Point. Greater or less than Exchange Quantity for any period will be exchanged hereunder upon mutual agreement of the parties.

Unless otherwise mutually agreed, the Exchange Quantity on any given day will be equal to than quantities of gas available to Gas Purchaser at Primary Point and will be equal to quantities and term shown in Exhibit A hereto.

On any day, Exchange Provider may determine in its reasonable judgment how to schedule and allocate gas at any or all of Primary Point for exchange under this Agreement, so long as Gas Purchaser and third parties are not substantially harmed by Exchange Provider's allocation method. Gas Purchaser will provide Gas Provider all downstream contract information necessary so that Exchange Provider may schedule and deliver the gas at Alternate Point.

Gas Purchaser will reimburse actual costs and expenses incurred, e.g., premium and other costs at Alternate Point(s), daily replacement costs, or other costs related to failures by the physical supplier for the Alternate Point, and minus actual benefits achieved in performance of service hereunder (the "Exchange Fee"). In return for this Exchange Fee, Gas Provider will work in good faith with Gas Purchaser respecting all nominations, scheduling, balancing, reporting, and other administrative activities related to this Agreement and each party will keep the other informed on a daily basis of the quantities confirmed as being exchanged under this Agreement.

RESOLUTION NO. _____

RESOLUTION APPROVING THE EXECUTION, DELIVERY AND PERFORMANCE OF A TRANSACTION CONFIRMATION FOR THE PURCHASE OF ADDITIONAL GAS SUPPLIES UNDER ITS EXISTING NAESB BASE CONTRACT FOR SALE AND PURCHASE OF NATURAL GAS FROM THE MUNICIPAL GAS AUTHORITY OF GEORGIA; AND FOR OTHER PURPOSES

WHEREAS, the City of Cartersville, Georgia (the “Participant”) has a need for additional natural gas supplies to serve its customers; and

WHEREAS, Main Street Natural Gas, Inc., a Georgia nonprofit corporation (“Main Street”), (i) has planned and developed projects to acquire long-term gas supplies from Royal Bank of Canada (the “Supplier”) to meet the requirements of Main Street’s customers, including the Municipal Gas Authority of Georgia (the “Gas Authority”), all of which are governmental entities, and (ii) plans to finance said projects (together, the “Prepayment Projects”) from the proceeds of certain tax-exempt bonds; and

WHEREAS, the Gas Authority and Participant are party to a NAESB Base Contract for Sale and Purchase of Natural Gas and Special Provisions to the NAESB Base Contract, each dated as of December 1, 2006, and desire to enter into a new Transaction Confirmation thereunder, all as required by and appropriate to Main Street’s tax-exempt financing of its prepaid deliveries from the Supplier, effective September 1 2021 for a term of approx. 30 years (the “Gas Purchase Agreement”), with terms in substantially as shown in the draft of the Gas Purchase Agreement placed in the Minute File of the Participant (collectively, the “Purchase Terms”); and

WHEREAS, the Participant will pay for gas supplies delivered pursuant to the Gas Supply Agreement only if and as such supplies are delivered;

NOW, THEREFORE, BE IT RESOLVED that the Gas Purchase Agreement, and the Purchase Terms, transactions, purchases and obligations represented thereby, are hereby approved in substantially the form of the draft of the Gas Purchase Agreement placed in the Minute File of the Participant, and Mayor and City Clerk_ (the “Authorized Officers”), or either of them, is hereby authorized, with advice of counsel, to finalize the Gas Purchase Agreement with such changes, additions, and deletions as are required, in their sole discretion, to complete the Gas Purchase Agreement, and the execution of the Gas Purchase Agreement by the Mayor and City Clerk shall be conclusive evidence of any such approval; and

FURTHER, RESOLVED that, when the Gas Purchase Agreement is so finalized, the Authorized Officers, or either of them, is hereby authorized to execute and deliver the Gas Purchase Agreement in as many counterparts as may be required; and

FURTHER RESOLVED that the Authorized Officers, or either of them, is hereby authorized to execute and deliver all such additional certificates, documents and other

instruments reasonably required or desirable to complete the transactions contemplated by the Gas Purchase Agreement, including but not limited to any necessary tax certificates or documents necessary to evidence the Participant's compliance with any tax or continuing disclosure requirements arising as a result of the Participant's execution of the Gas Purchase Agreement.

BE IT AND IT IS HEREBY RESOLVED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CARTERSVILLE, this ____ day of _____, 2021.

/s/ _____

ATTEST:

Matthew J. Santini, Mayor

City of Cartersville, Georgia

/s/ _____

Julia Drake, City Clerk

City of Cartersville, Georgia

[SEAL]

Certificate

NOW COMES the undersigned Julia Drake, City Clerk of the City of Cartersville, Georgia (the "Participant"), keeper of the records and seal thereof, and certifies that the foregoing pages of typewritten matter constitute a true and correct copy of a Resolution adopted at a meeting of the governing body of the Participant properly and lawfully assembled on _____, 2021, which meeting was open to the public at which a quorum was present and acting throughout, the original of which Resolution has been entered in the official records of the Participant and is in my official possession, custody, and control, and that actions undertaken pursuant to such Resolution are in full force and effect as of the date hereinbelow set forth.

This ____ day of _____, 2021.

Its: City Clerk_

[SEAL]

Base Contract for Sale and Purchase of Natural Gas

This Base Contract is entered into as of the following date: December 1, 2006. The parties to this Base Contract are the following:

MUNICIPAL GAS AUTHORITY OF GEORGIA
 Duns Number: 183909514
 Contract Number: _____
 U.S. Federal Tax ID Number: 58-762484

and **CITY OF CARTERSVILLE, GEORGIA**
 Duns Number: 08-435-1477
 Contract Number: _____
 U.S. Federal Tax ID Number: 58-6000534

Notices:

104 TownPark Drive, Kennesaw, GA 30144
 Attn: Tina Smith
 Phone: 678-819-0908 Fax: 678-819-0948

P.O. Box 1390, Cartersville, GA 30120
 Attn: Gary Riggs
 Phone: 770-387-5642 Fax: 770-387-5638

Confirmations:

104 TownPark Drive, Kennesaw, GA 30144
 Attn: Tina Smith
 Phone: 678-819-0908 Fax: 678-819-0948

P.O. Box 1390, Cartersville, GA 30120
 Attn: Gary Riggs
 Phone: 770-387-5642 Fax: 770-387-5638

Invoices and Payments:

104 TownPark Drive, Kennesaw, GA 30144
 Attn: Rhonda Phillips
 Phone: 678-819-0930 Fax: 678-819-0970

P.O. Box 1390, Cartersville, GA 30120
 Attn: Gary Riggs
 Phone: 770-387-5642 Fax: 770-387-5638

Wire Transfer or ACH Numbers (if applicable):

BANK: _____
 ABA: _____
 ACCT: _____

BANK: BB&T
 ABA: 061113415
 ACCT: 5145195553

Other Details: To be specified pursuant to the relevant Transaction Confirmation

Other Details: City of Cartersville Purchasing Account checking account

This Base Contract incorporates by reference for all purposes the General Terms and Conditions for Sale and Purchase of Natural Gas published by the North American Energy Standards Board. The parties hereby agree to the following provisions offered in said General Terms and Conditions. In the event the parties fail to check a box, the specified default provision shall apply. **Select only one box from each section:**

<p>Section 1.2 Transaction Procedure <input type="checkbox"/> Oral (default) <input checked="" type="checkbox"/> Written</p>	<p>Section 7.2 Payment Date <input type="checkbox"/> 23rd Day of Month following Month of delivery (default) <input checked="" type="checkbox"/> 22nd Day of Month following Month of delivery</p>
<p>Section 2.5 Confirm Deadline <input checked="" type="checkbox"/> 2 Business Days after receipt (default) <input type="checkbox"/> _____ Business Days after receipt</p>	<p>Section 7.2 Method of Payment <input checked="" type="checkbox"/> Wire transfer (default) <input type="checkbox"/> Automated Clearinghouse Credit (ACH) <input type="checkbox"/> Check</p>
<p>Section 2.6 Confirming Party <input checked="" type="checkbox"/> Seller (default) <input type="checkbox"/> Buyer</p>	<p>Section 7.7 Netting <input type="checkbox"/> Netting applies (default) <input checked="" type="checkbox"/> Netting does not apply</p>
<p>Section 3.2 Performance Obligation <input checked="" type="checkbox"/> Cover Standard (default) <input type="checkbox"/> Spot Price Standard</p> <p><i>Note: The following Spot Price Publication applies to both of the immediately preceding.</i></p>	<p>Section 10.3.1 Early Termination Damages <input type="checkbox"/> Early Termination Damages Apply (default) <input checked="" type="checkbox"/> Early Termination Damages Do Not Apply</p>
<p>Section 2.26 Spot Price Publication <input checked="" type="checkbox"/> Gas Daily Midpoint (default) <input type="checkbox"/> _____</p>	<p>Section 10.3.2 Other Agreement Setoffs <input type="checkbox"/> Other Agreement Setoffs Apply (default) <input checked="" type="checkbox"/> Other Agreement Setoffs Do Not Apply</p>
<p>Section 5 Taxes <input checked="" type="checkbox"/> Buyer Pays At and After Delivery Point (default) <input type="checkbox"/> Seller Pays Before and At Delivery Point</p>	<p>Section 14.5 Choice Of Law Georgia</p> <p>Section 14.10 Confidentiality <input type="checkbox"/> Confidentiality applies (default) <input checked="" type="checkbox"/> Confidentiality does not apply</p>
<p><input checked="" type="checkbox"/> Special Provisions Number of sheets attached: Four <input type="checkbox"/> Addendum(s): _____</p>	

IN WITNESS WHEREOF, the parties hereto have executed this Base Contract in duplicate.

MUNICIPAL GAS AUTHORITY OF GEORGIA

By: Arthur C. Corbin
 Name: Arthur C. Corbin
 Title: President

CITY OF CARTERSVILLE, GEORGIA
 By: Michael G. Fields
 Name: Michael G. Fields
 Title: Mayor

ATTEST:
 By: Dandra G. Clark
 Title: Clerk

General Terms and Conditions

Base Contract for Sale and Purchase of Natural Gas

SECTION 1. PURPOSE AND PROCEDURES

1.1. These General Terms and Conditions are intended to facilitate purchase and sale transactions of Gas on a Firm or Interruptible basis. "Buyer" refers to the party receiving Gas and "Seller" refers to the party delivering Gas. The entire agreement between the parties shall be the Contract as defined in Section 2.7.

The parties have selected either the "Oral Transaction Procedure" or the "Written Transaction Procedure" as indicated on the Base Contract.

Oral Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Any Gas purchase and sale transaction may be effectuated in an EDI transmission or telephone conversation with the offer and acceptance constituting the agreement of the parties. The parties shall be legally bound from the time they so agree to transaction terms and may each rely thereon. Any such transaction shall be considered a "writing" and to have been "signed". Notwithstanding the foregoing sentence, the parties agree that Confirming Party shall, and the other party may, confirm a telephonic transaction by sending the other party a Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means within three Business Days of a transaction covered by this Section 1.2 (Oral Transaction Procedure) provided that the failure to send a Transaction Confirmation shall not invalidate the oral agreement of the parties. Confirming Party adopts its confirming letterhead, or the like, as its signature on any Transaction Confirmation as the identification and authentication of Confirming Party. If the Transaction Confirmation contains any provisions other than those relating to the commercial terms of the transaction (i.e., price, quantity, performance obligation, delivery point, period of delivery and/or transportation conditions), which modify or supplement the Base Contract or General Terms and Conditions of this Contract (e.g., arbitration or additional representations and warranties), such provisions shall not be deemed to be accepted pursuant to Section 1.3 but must be expressly agreed to by both parties; provided that the foregoing shall not invalidate any transaction agreed to by the parties.

Written Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Should the parties come to an agreement regarding a Gas purchase and sale transaction for a particular Delivery Period, the Confirming Party shall, and the other party may, record that agreement on a Transaction Confirmation and communicate such Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means, to the other party by the close of the Business Day following the date of agreement. The parties acknowledge that their agreement will not be binding until the exchange of nonconflicting Transaction Confirmations or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3.

1.3. If a sending party's Transaction Confirmation is materially different from the receiving party's understanding of the agreement referred to in Section 1.2, such receiving party shall notify the sending party via facsimile, EDI or mutually agreeable electronic means by the Confirm Deadline, unless such receiving party has previously sent a Transaction Confirmation to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's Transaction Confirmation. If there are any material differences between timely sent Transaction Confirmations governing the same transaction, then neither Transaction Confirmation shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the Transaction Confirmations. In the event of a conflict among the terms of (i) a binding Transaction Confirmation pursuant to Section 1.2, (ii) the oral agreement of the parties which may be evidenced by a recorded conversation, where the parties have selected the Oral Transaction Procedure of the Base Contract, (iii) the Base Contract, and (iv) these General Terms and Conditions, the terms of the documents shall govern in the priority listed in this sentence.

1.4. The parties agree that each party may electronically record all telephone conversations with respect to this Contract between their respective employees, without any special or further notice to the other party. Each party shall obtain any necessary consent of its agents and employees to such recording. Where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, the parties agree not to contest the validity or enforceability of telephonic recordings entered into in accordance with the requirements of this Base Contract. However, nothing herein shall be construed as a waiver of any objection to the admissibility of such evidence.

SECTION 2. DEFINITIONS

The terms set forth below shall have the meaning ascribed to them below. Other terms are also defined elsewhere in the Contract and shall have the meanings ascribed to them herein.

2.1. "Alternative Damages" shall mean such damages, expressed in dollars or dollars per MMBtu, as the parties shall agree upon in the Transaction Confirmation, in the event either Seller or Buyer fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer.

2.2. "Base Contract" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein and any Special Provisions and addendum(s) as identified on page one.

2.3. "British thermal unit" or "Btu" shall mean the International BTU, which is also called the Btu (IT).

- 2.4. "Business Day" shall mean any day except Saturday, Sunday or Federal Reserve Bank holidays.
- 2.5. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Transaction Confirmation is received or, if applicable, on the Business Day agreed to by the parties in the Base Contract; provided, if the Transaction Confirmation is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.
- 2.6. "Confirming Party" shall mean the party designated in the Base Contract to prepare and forward Transaction Confirmations to the other party.
- 2.7. "Contract" shall mean the legally-binding relationship established by (i) the Base Contract, (ii) any and all binding Transaction Confirmations and (iii) where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, any and all transactions that the parties have entered into through an EDI transmission or by telephone, but that have not been confirmed in a binding Transaction Confirmation.
- 2.8. "Contract Price" shall mean the amount expressed in U.S. Dollars per MMBtu to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a transaction.
- 2.9. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as agreed to by the parties in a transaction.
- 2.10. "Cover Standard", as referred to in Section 3.2, shall mean that if there is an unexcused failure to take or deliver any quantity of Gas pursuant to this Contract, then the performing party shall use commercially reasonable efforts to (i) if Buyer is the performing party, obtain Gas, (or an alternate fuel if elected by Buyer and replacement Gas is not available), or (ii) if Seller is the performing party, sell Gas, in either case, at a price reasonable for the delivery or production area, as applicable, consistent with: the amount of notice provided by the nonperforming party; the immediacy of the Buyer's Gas consumption needs or Seller's Gas sales requirements, as applicable; the quantities involved; and the anticipated length of failure by the nonperforming party.
- 2.11. "Credit Support Obligation(s)" shall mean any obligation(s) to provide or establish credit support for, or on behalf of, a party to this Contract such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature.
- 2.12. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Receiving Transporter in a particular transaction.
- 2.13. "Delivery Period" shall be the period during which deliveries are to be made as agreed to by the parties in a transaction.
- 2.14. "Delivery Point(s)" shall mean such point(s) as are agreed to by the parties in a transaction.
- 2.15. "EDI" shall mean an electronic data interchange pursuant to an agreement entered into by the parties, specifically relating to the communication of Transaction Confirmations under this Contract.
- 2.16. "EFP" shall mean the purchase, sale or exchange of natural Gas as the "physical" side of an exchange for physical transaction involving gas futures contracts. EFP shall incorporate the meaning and remedies of "Firm", provided that a party's excuse for nonperformance of its obligations to deliver or receive Gas will be governed by the rules of the relevant futures exchange regulated under the Commodity Exchange Act.
- 2.17. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; provided, however, that during Force Majeure interruptions, the party invoking Force Majeure may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.
- 2.18. "Gas" shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.
- 2.19. "Imbalance Charges" shall mean any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balance and/or nomination requirements.
- 2.20. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability, except such interrupting party may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by Transporter.
- 2.21. "MMBtu" shall mean one million British thermal units, which is equivalent to one dekatherm.
- 2.22. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.
- 2.23. "Payment Date" shall mean a date, as indicated on the Base Contract, on or before which payment is due Seller for Gas received by Buyer in the previous Month.
- 2.24. "Receiving Transporter" shall mean the Transporter receiving Gas at a Delivery Point, or absent such receiving Transporter, the Transporter delivering Gas at a Delivery Point.
- 2.25. "Scheduled Gas" shall mean the quantity of Gas confirmed by Transporter(s) for movement, transportation or management.
- 2.26. "Spot Price" as referred to in Section 3.2 shall mean the price listed in the publication indicated on the Base Contract, under the listing applicable to the geographic location closest in proximity to the Delivery Point(s) for the relevant Day; provided, if there is no single price published for such location for such Day, but there is published a range of prices, then the Spot Price shall be the average

of such high and low prices. If no price or range of prices is published for such Day, then the Spot Price shall be the average of the following: (i) the price (determined as stated above) for the first Day for which a price or range of prices is published that next precedes the relevant Day; and (ii) the price (determined as stated above) for the first Day for which a price or range of prices is published that next follows the relevant Day.

2.27. "Transaction Confirmation" shall mean a document, similar to the form of Exhibit A, setting forth the terms of a transaction formed pursuant to Section 1 for a particular Delivery Period.

2.28. "Termination Option" shall mean the option of either party to terminate a transaction in the event that the other party fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer for a designated number of days during a period as specified on the applicable Transaction Confirmation.

2.29. "Transporter(s)" shall mean all Gas gathering or pipeline companies, or local distribution companies, acting in the capacity of a transporter, transporting Gas for Seller or Buyer upstream or downstream, respectively, of the Delivery Point pursuant to a particular transaction.

SECTION 3. PERFORMANCE OBLIGATION

3.1. Seller agrees to sell and deliver, and Buyer agrees to receive and purchase, the Contract Quantity for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm or Interruptible basis, as agreed to by the parties in a transaction.

The parties have selected either the "Cover Standard" or the "Spot Price Standard" as indicated on the Base Contract.

Cover Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the positive difference, if any, between the purchase price paid by Buyer utilizing the Cover Standard and the Contract Price, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller for such Day(s); or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in the amount equal to the positive difference, if any, between the Contract Price and the price received by Seller utilizing the Cover Standard for the resale of such Gas, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually taken by Buyer for such Day(s); or (iii) in the event that Buyer has used commercially reasonable efforts to replace the Gas or Seller has used commercially reasonable efforts to sell the Gas to a third party, and no such replacement or sale is available, then the sole and exclusive remedy of the performing party shall be any unfavorable difference between the Contract Price and the Spot Price, adjusted for such transportation to the applicable Delivery Point, multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller and received by Buyer for such Day(s). Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

Spot Price Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the Contract Price from the Spot Price; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the applicable Spot Price from the Contract Price. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

3.3. Notwithstanding Section 3.2, the parties may agree to Alternative Damages in a Transaction Confirmation executed in writing by both parties.

3.4. In addition to Sections 3.2 and 3.3, the parties may provide for a Termination Option in a Transaction Confirmation executed in writing by both parties. The Transaction Confirmation containing the Termination Option will designate the length of nonperformance triggering the Termination Option and the procedures for exercise thereof, how damages for nonperformance will be compensated, and how liquidation costs will be calculated.

SECTION 4. TRANSPORTATION, NOMINATIONS, AND IMBALANCES

4.1. Seller shall have the sole responsibility for transporting the Gas to the Delivery Point(s). Buyer shall have the sole responsibility for transporting the Gas from the Delivery Point(s).

4.2. The parties shall coordinate their nomination activities, giving sufficient time to meet the deadlines of the affected Transporter(s). Each party shall give the other party timely prior Notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of Gas to be delivered and purchased each Day. Should either party become aware that actual deliveries at the Delivery Point(s) are greater or lesser than the Scheduled Gas, such party shall promptly notify the other party.

4.3. The parties shall use commercially reasonable efforts to avoid imposition of any Imbalance Charges. If Buyer or Seller receives an invoice from a Transporter that includes Imbalance Charges, the parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Buyer's receipt of quantities of Gas greater than or less than the Scheduled Gas, then Buyer shall pay for such Imbalance Charges or reimburse Seller for such Imbalance Charges paid by Seller. If the Imbalance Charges were incurred as a result of Seller's delivery of quantities of Gas greater than or less than the Scheduled Gas, then Seller shall pay for such Imbalance Charges or reimburse Buyer for such Imbalance Charges paid by Buyer.

SECTION 5. QUALITY AND MEASUREMENT

All Gas delivered by Seller shall meet the pressure, quality and heat content requirements of the Receiving Transporter. The unit of quantity measurement for purposes of this Contract shall be one MMBtu dry. Measurement of Gas quantities hereunder shall be in accordance with the established procedures of the Receiving Transporter.

SECTION 6. TAXES

The parties have selected either "Buyer Pays At and After Delivery Point" or "Seller Pays Before and At Delivery Point" as indicated on the Base Contract.

Buyer Pays At and After Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas at the Delivery Point(s) and all Taxes after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

Seller Pays Before and At Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s) and all Taxes at the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

SECTION 7. BILLING, PAYMENT, AND AUDIT

7.1. Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged. If the actual quantity delivered is not known by the billing date, billing will be prepared based on the quantity of Scheduled Gas. The invoiced quantity will then be adjusted to the actual quantity on the following Month's billing or as soon thereafter as actual delivery information is available.

7.2. Buyer shall remit the amount due under Section 7.1 in the manner specified in the Base Contract, in immediately available funds, on or before the later of the Payment Date or 10 Days after receipt of the invoice by Buyer; provided that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date. In the event any payments are due Buyer hereunder, payment to Buyer shall be made in accordance with this Section 7.2.

7.3. In the event payments become due pursuant to Sections 3.2 or 3.3, the performing party may submit an invoice to the nonperforming party for an accelerated payment setting forth the basis upon which the invoiced amount was calculated. Payment from the nonperforming party will be due five Business Days after receipt of invoice.

7.4. If the invoiced party, in good faith, disputes the amount of any such invoice or any part thereof, such invoiced party will pay such amount as it concedes to be correct; provided, however, if the invoiced party disputes the amount due, it must provide supporting documentation acceptable in industry practice to support the amount paid or disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section.

7.5. If the invoiced party fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

7.6. A party shall have the right, at its own expense, upon reasonable Notice and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Contract. This right to examine, audit, and to obtain copies shall not be available with respect to proprietary information not directly relevant to transactions under this Contract. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under- or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two years after the Month of Gas delivery. All retroactive adjustments under Section 7 shall be paid in full by the party owing payment within 30 Days of Notice and substantiation of such inaccuracy.

7.7. Unless the parties have elected on the Base Contract not to make this Section 7.7 applicable to this Contract, the parties shall net all undisputed amounts due and owing, and/or past due, arising under the Contract such that the party owing the greater amount shall make a single payment of the net amount to the other party in accordance with Section 7; provided that no payment required to be made pursuant to the terms of any Credit Support Obligation or pursuant to Section 7.3 shall be subject to netting under this Section. If the parties have executed a separate netting agreement, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 8. TITLE, WARRANTY, AND INDEMNITY

8.1. Unless otherwise specifically agreed, title to the Gas shall pass from Seller to Buyer at the Delivery Point(s). Seller shall have responsibility for and assume any liability with respect to the Gas prior to its delivery to Buyer at the specified Delivery Point(s). Buyer shall have responsibility for and any liability with respect to said Gas after its delivery to Buyer at the Delivery Point(s).

8.2. Seller warrants that it will have the right to convey and will transfer good and merchantable title to all Gas sold hereunder and delivered by it to Buyer, free and clear of all liens, encumbrances, and claims. EXCEPT AS PROVIDED IN THIS SECTION 8.2 AND IN SECTION 14.8, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE, ARE DISCLAIMED.

8.3. Seller agrees to indemnify Buyer and save it harmless from all losses, liabilities or claims including reasonable attorneys' fees and costs of court ("Claims"), from any and all persons, arising from or out of claims of title, personal injury or property damage from said Gas or other charges thereon which attach before title passes to Buyer. Buyer agrees to indemnify Seller and save it harmless from all Claims, from any and all persons, arising from or out of claims regarding payment, personal injury or property damage from said Gas or other charges thereon which attach after title passes to Buyer.

8.4. Notwithstanding the other provisions of this Section 8, as between Seller and Buyer, Seller will be liable for all Claims to the extent that such arise from the failure of Gas delivered by Seller to meet the quality requirements of Section 5.

SECTION 9. NOTICES

9.1. All Transaction Confirmations, invoices, payments and other communications made pursuant to the Base Contract ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time.

9.2. All Notices required hereunder may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.

9.3. Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered five Business Days after mailing.

SECTION 10. FINANCIAL RESPONSIBILITY

10.1. If either party ("X") has reasonable grounds for insecurity regarding the performance of any obligation under this Contract (whether or not then due) by the other party ("Y") (including, without limitation, the occurrence of a material change in the creditworthiness of Y), X may demand Adequate Assurance of Performance. "Adequate Assurance of Performance" shall mean sufficient security in the form, amount and for the term reasonably acceptable to X, including, but not limited to, a standby irrevocable letter of credit, a prepayment, a security interest in an asset or a performance bond or guaranty (including the issuer of any such security).

10.2. In the event (each an "Event of Default") either party (the "Defaulting Party") or its guarantor shall: (i) make an assignment or any general arrangement for the benefit of creditors; (ii) file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; (iii) otherwise become bankrupt or insolvent (however evidenced); (iv) be unable to pay its debts as they fall due; (v) have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; (vi) fail to perform any obligation to the other party with respect to any Credit Support Obligations relating to the Contract; (vii) fail to give Adequate Assurance of Performance under Section 10.1 within 48 hours but at least one Business Day of a written request by the other party; or (viii) not have paid any amount due the other party hereunder on or before the second Business Day following written Notice that such payment is due; then the other party (the "Non-Defaulting Party") shall have the right, at its sole election, to immediately withhold and/or suspend deliveries or payments upon Notice and/or to terminate and liquidate the transactions under the Contract, in the manner provided in Section 10.3, in addition to any and all other remedies available hereunder.

10.3. If an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right, by Notice to the Defaulting Party, to designate a Day, no earlier than the Day such Notice is given and no later than 20 Days after such Notice is given, as an early termination date (the "Early Termination Date") for the liquidation and termination pursuant to Section 10.3.1 of all transactions under the Contract, each a "Terminated Transaction". On the Early Termination Date, all transactions will terminate, other than those transactions, if any, that may not be liquidated and terminated under applicable law or that are, in the reasonable opinion of the Non-Defaulting Party, commercially impracticable to liquidate and terminate ("Excluded Transactions"), which Excluded Transactions must be liquidated and terminated as soon thereafter as is reasonably practicable, and upon termination shall be a Terminated Transaction and be valued consistent with Section 10.3.1 below. With respect to each Excluded Transaction, its actual termination date shall be the Early Termination Date for purposes of Section 10.3.1.

The parties have selected either "Early Termination Damages Apply" or "Early Termination Damages Do Not Apply" as indicated on the Base Contract.

Early Termination Damages Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, (i) the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract and (ii) the Market Value, as defined below, of each Terminated Transaction. The Non-Defaulting Party shall (x) liquidate and accelerate each Terminated Transaction at its Market Value, so that each amount equal to the difference between such Market Value and the Contract Value, as defined below, of such Terminated Transaction(s) shall be due to the Buyer under the Terminated Transaction(s) if such Market Value exceeds the Contract Value and to the Seller if the opposite is the case; and (y) where appropriate, discount each amount then due under clause (x) above to present value in a commercially reasonable manner as of the Early Termination Date (to take account of the period between the date of liquidation and the date on which such amount would have otherwise been due pursuant to the relevant Terminated Transactions).

For purposes of this Section 10.3.1, "Contract Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the Contract Price, and "Market Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the market price for a similar transaction at the Delivery Point determined by the Non-Defaulting Party in a commercially reasonable manner. To ascertain the Market Value, the Non-Defaulting Party may consider, among other valuations, any or all of the settlement prices of NYMEX Gas futures contracts, quotations from leading dealers in energy swap contracts or physical gas trading markets, similar sales or purchases and any other bona fide third-party offers, all adjusted for the length of the term and differences in transportation costs. A party shall not be required to enter into a replacement transaction(s) in order to determine the Market Value. Any extension(s) of the term of a transaction to which parties are not bound as of the Early Termination Date (including but not limited to "evergreen provisions") shall not be considered in determining Contract Values and Market Values. For the avoidance of doubt, any option pursuant to which one party has the right to extend the term of a transaction shall be considered in determining Contract Values and Market Values. The rate of interest used in calculating net present value shall be determined by the Non-Defaulting Party in a commercially reasonable manner.

Early Termination Damages Do Not Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract.

The parties have selected either "Other Agreement Setoffs Apply" or "Other Agreement Setoffs Do Not Apply" as indicated on the Base Contract.

Other Agreement Setoffs Apply:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff (i) any Net Settlement Amount owed to the Non-Defaulting Party against any margin or other collateral held by it in connection with any Credit Support Obligation relating to the Contract; or (ii) any Net Settlement Amount payable to the Defaulting Party against any amount(s) payable by the Defaulting Party to the Non-Defaulting Party under any other agreement or arrangement between the parties.

Other Agreement Setoffs Do Not Apply:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff any Net Settlement Amount owed to the Non-Defaulting Party against any margin or other collateral held by it in connection with any Credit Support Obligation relating to the Contract.

10.3.3. If any obligation that is to be included in any netting, aggregation or setoff pursuant to Section 10.3.2 is unascertained, the Non-Defaulting Party may in good faith estimate that obligation and net, aggregate or setoff, as applicable, in respect of the estimate, subject to the Non-Defaulting Party accounting to the Defaulting Party when the obligation is ascertained. Any amount not then due which is included in any netting, aggregation or setoff pursuant to Section 10.3.2 shall be discounted to net present value in a commercially reasonable manner determined by the Non-Defaulting Party.

10.4. As soon as practicable after a liquidation, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the Net Settlement Amount, and whether the Net Settlement Amount is due to or due from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of such amount, provided that failure to give such Notice shall not affect the validity or enforceability of the liquidation or give rise to any claim by the Defaulting Party against the Non-Defaulting Party. The Net Settlement Amount shall be paid by the close of business on the second Business Day following such Notice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the Net Settlement Amount shall accrue from the date due until the

date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

10.5. The parties agree that the transactions hereunder constitute a "forward contract" within the meaning of the United States Bankruptcy Code and that Buyer and Seller are each "forward contract merchants" within the meaning of the United States Bankruptcy Code.

10.6. The Non-Defaulting Party's remedies under this Section 10 are the sole and exclusive remedies of the Non-Defaulting Party with respect to the occurrence of any Early Termination Date. Each party reserves to itself all other rights, setoffs, counterclaims and other defenses that it is or may be entitled to arising from the Contract.

10.7. With respect to this Section 10, if the parties have executed a separate netting agreement with close-out netting provisions, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 11. FORCE MAJEURE

11.1. Except with regard to a party's obligation to make payment(s) due under Section 7, Section 10.4, and Imbalance Charges under Section 4, neither party shall be liable to the other for failure to perform a Firm obligation, to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 11.2.

11.2. Force Majeure shall include, but not be limited to, the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption and/or curtailment of Firm transportation and/or storage by Transporters; (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars; and (v) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, regulation, or policy having the effect of law promulgated by a governmental authority having jurisdiction. Seller and Buyer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance.

11.3. Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary Firm transportation unless primary, in-path, Firm transportation is also curtailed; (ii) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship, to include, without limitation, Seller's ability to sell Gas at a higher or more advantageous price than the Contract Price, Buyer's ability to purchase Gas at a lower or more advantageous price than the Contract Price, or a regulatory agency disallowing, in whole or in part, the pass through of costs resulting from this Agreement; (iv) the loss of Buyer's market(s) or Buyer's inability to use or resell Gas purchased hereunder, except, in either case, as provided in Section 11.2; or (v) the loss or failure of Seller's gas supply or depletion of reserves, except, in either case, as provided in Section 11.2. The party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges.

11.4. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the party experiencing such disturbance.

11.5. The party whose performance is prevented by Force Majeure must provide Notice to the other party. Initial Notice may be given orally; however, written Notice with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written Notice of Force Majeure to the other party, the affected party will be relieved of its obligation, from the onset of the Force Majeure event, to make or accept delivery of Gas, as applicable, to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

11.6. Notwithstanding Sections 11.2 and 11.3, the parties may agree to alternative Force Majeure provisions in a Transaction Confirmation executed in writing by both parties.

SECTION 12. TERM

This Contract may be terminated on 30 Day's written Notice, but shall remain in effect until the expiration of the latest Delivery Period of any transaction(s). The rights of either party pursuant to Section 7.6 and Section 10, the obligations to make payment hereunder, and the obligation of either party to indemnify the other, pursuant hereto shall survive the termination of the Base Contract or any transaction.

SECTION 13. LIMITATIONS

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE.

TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

SECTION 14. MISCELLANEOUS

14.1. This Contract shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties hereto, and the covenants, conditions, rights and obligations of this Contract shall run for the full term of this Contract. No assignment of this Contract, in whole or in part, will be made without the prior written consent of the non-assigning party (and shall not relieve the assigning party from liability hereunder), which consent will not be unreasonably withheld or delayed; provided, either party may (i) transfer, sell, pledge, encumber, or assign this Contract or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements, or (ii) transfer its interest to any parent or affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any such assignment, transfer and assumption, the transferor shall remain principally liable for and shall not be relieved of or discharged from any obligations hereunder.

14.2. If any provision in this Contract is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Contract.

14.3. No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach.

14.4. This Contract sets forth all understandings between the parties respecting each transaction subject hereto, and any prior contracts, understandings and representations, whether oral or written, relating to such transactions are merged into and superseded by this Contract and any effective transaction(s). This Contract may be amended only by a writing executed by both parties.

14.5. The interpretation and performance of this Contract shall be governed by the laws of the jurisdiction as indicated on the Base Contract, excluding, however, any conflict of laws rule which would apply the law of another jurisdiction.

14.6. This Contract and all provisions herein will be subject to all applicable and valid statutes, rules, orders and regulations of any governmental authority having jurisdiction over the parties, their facilities, or Gas supply, this Contract or transaction or any provisions thereof.

14.7. There is no third party beneficiary to this Contract.

14.8. Each party to this Contract represents and warrants that it has full and complete authority to enter into and perform this Contract. Each person who executes this Contract on behalf of either party represents and warrants that it has full and complete authority to do so and that such party will be bound thereby.

14.9. The headings and subheadings contained in this Contract are used solely for convenience and do not constitute a part of this Contract between the parties and shall not be used to construe or interpret the provisions of this Contract.

14.10. Unless the parties have elected on the Base Contract not to make this Section 14.10 applicable to this Contract, neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction to a third party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, provided such persons shall have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, or (iv) to the extent such information is delivered to such third party for the sole purpose of calculating a published index. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation. Subject to Section 13, the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

In the event that disclosure is required by a governmental body or applicable law, the party subject to such requirement may disclose the material terms of this Contract to the extent so required, but shall promptly notify the other party, prior to disclosure, and shall cooperate (consistent with the disclosing party's legal obligations) with the other party's efforts to obtain protective orders or similar restraints with respect to such disclosure at the expense of the other party.

14.11 The parties may agree to dispute resolution procedures in Special Provisions attached to the Base Contract or in a Transaction Confirmation executed in writing by both parties.

DISCLAIMER: The purposes of this Contract are to facilitate trade, avoid misunderstandings and make more definite the terms of contracts of purchase and sale of natural gas. Further, NAESB does not mandate the use of this Contract by any party. NAESB DISCLAIMS AND EXCLUDES, AND ANY USER OF THIS CONTRACT ACKNOWLEDGES AND AGREES TO NAESB'S DISCLAIMER OF, ANY AND ALL WARRANTIES, CONDITIONS OR REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THIS CONTRACT OR ANY PART THEREOF, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE (WHETHER OR NOT NAESB KNOWS, HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. EACH USER OF THIS CONTRACT ALSO AGREES THAT UNDER NO CIRCUMSTANCES WILL NAESB BE LIABLE FOR ANY DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY USE OF THIS CONTRACT.

**TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY**

EXHIBIT A

Letterhead/Logo	Date: January 1, 2007 Transaction Confirmation #: _____
This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated as of December 1, 2006. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.	
SELLER: MUNICIPAL GAS AUTHORITY OF GEORGIA 104 TownPark Drive, Kennesaw, GA 30144 Attn: <u>Tina Smith</u> Phone: <u>678-819-0908</u> Fax: <u>678-819-0948</u> Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	BUYER: CITY OF CARTERSVILLE P.O. Box 1390, Cartersville, GA 30150 Attn: <u>Gary Riggs</u> Phone: <u>770-387-5642</u> Fax: <u>770-387-5638</u> Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____
Contract Price: _____	
Delivery Period: Begin: _____ End: _____	
Performance Obligation and Contract Quantity: Firm (Fixed Quantity): _____	
Delivery Point(s): (If a pooling point is used, list a specific geographic and pipeline location): _____	
Special Conditions: _____	
Seller: MUNICIPAL GAS AUTHORITY OF GEORGIA By: _____ Title: _____ Date: _____	Buyer: By: _____ Title: _____ Date: _____

SPECIAL PROVISIONS TO THE NAESB BASE CONTRACT
between
MUNICIPAL GAS AUTHORITY OF GEORGIA
and
CITY OF CARTERSVILLE, GEORGIA
Dated as of
December 1, 2006

Municipal Gas Authority of Georgia ("Seller") and City of Cartersville, Georgia ("Buyer") hereby agree effective this 1st day of December 2006, to modify and supplement the NAESB Standard 6.3.1 Base Contract for the Sale and Purchase of Natural Gas (the "Base Contract") with the special provisions contained herein ("Special Provisions"). The Base Contract, including the General Terms and Conditions thereto, as modified by the Special Provisions, shall apply to all confirmed transactions between the parties for the purchase and sale of Gas unless otherwise specifically stated in a written confirmation executed by both parties. All capitalized terms not otherwise defined herein shall have the meaning set forth in the Base Contract.

SECTION 14. MISCELLANEOUS

A new Section 14.12 is added:

"This Contract is entered into for the sale of Gas by Seller to Buyer that Seller has purchased from Main Street Natural Gas, Inc. ("Main Street"), which Gas has been purchased from certain suppliers from time to time. Main Street intends to prepay the purchase price of the Gas purchased from such suppliers pursuant to gas purchase agreements (the "Prepayment") from the proceeds of its bonds issued from time to time (any such date, with respect to any such series of bonds, the "Issue Date") with the intention that the interest on such bonds will be excludable from the gross income of the holder, of such Bonds under the provisions of the Internal Revenue Code of 1986, as amended (the "Code"). Accordingly, Buyer represents and warrants that:

- (a) it is a "governmental person" within the meaning of § 1.141-1(b) of the Treasury Regulations, as amended, that is authorized to purchase Gas under this Contract.
- (b) it is acquiring Gas under this Contract either (i) for resale by a utility or utilities owned by Buyer or another governmental unit or units that provide Gas transmission or distribution services or (ii) for the generation of electricity by a utility or utilities owned by Buyer or another governmental unit or units providing electricity distribution services (each such utility referred to herein as the "Utility").
- (c) the amount of Gas permitted to be acquired under the Contract by the Utility during any year does not exceed:
 - (i) the annual average amount of Gas purchased (other than for resale) during the most recent 5 calendar years ended prior to the Issue Date (the "Testing Period") by customers of the Utility located in the Utility's service area, provided that (x) Gas used to generate electricity shall be taken into account only to the extent that the electricity is sold (other than for resale) to customers of the Utility located in the Utility's service area, and (y) the amount taken into account under this clause (i) shall not exceed the annual amount of Gas reasonably expected to be purchased (other than for resale) by persons who are located within the Utility's service area and who, as of the Issue Date, are customers of the Utility, plus

- (ii) the amount of Gas to be used to transport the Gas acquired under the Contract to the Utility during such year, less
- (iii) the Gas held by the Utility on the Issue Date allocable to such year if such Gas were allocated ratably over the period to which the Prepayment relates, less
- (iv) the Gas (not taken into account in clause (iii)), which the Utility has a right to acquire during such year, determined as of the Issue Date.

For purposes of this paragraph (c), the Utility's service area means (i) any area throughout which the Utility provided Gas transmission or distribution services (or, in the case of an electric utility, electricity distribution services), at all times during the Testing Period; (ii) any area within a county contiguous to the area described in clause (i) in which retail customers of the Utility are located if such area is not also served by another utility providing natural gas or electricity services, as the case may be, and (iii) any area recognized as the service area of the Utility under State or Federal law. Buyer shall cooperate with Seller to furnish such information, certificates and representations as may be reasonably requested to establish and demonstrate that this Contract is a "qualified natural gas supply contract" within the meaning of Code § 148(b)(4).

(d) the Gas purchased under this Contract will be:

- (i) furnished to retail Gas customers of the Utility located in the Utility's service area (other than Gas used to produce electricity for sale), or
- (ii) used by the Utility to produce electricity that will be furnished to retail electric customers of the Utility located in the Utility's service area, or
- (iii) used by the Utility to produce electricity that will be sold to a utility that is owned by a governmental person and furnished to retail electric customers of that utility who are located in that utility's service area, or
- (iv) sold to a utility that is owned by a governmental person and used by such utility in a manner described in clause (i), (ii) or (iii), or
- (v) used to fuel the pipeline transportation of the Gas purchased under this Contract.

For purposes of this paragraph (d), a utility's service area consists of (i) any area throughout which the utility provided gas transmission or distribution services (or, in the case of an electric utility, electricity distribution services), at all times during the 5-year period ending on the Issue Date, and (ii) any area recognized as the service area of the utility under state or Federal law, and a retail customer is a customer that purchases other than for resale. Buyer shall cooperate with Seller to furnish such information, certificates and representations as may be reasonably requested to establish and demonstrate that this Contract is described in § 1.148-1(e)(2)(iii)(A) of the Treasury Regulations, as amended.

(e) the Gas purchased under this Contract will not be resold to persons who are not governmental persons except for (i) Gas resold to retail customers on the basis of rates that are generally applicable and uniformly applied, (ii) Gas resold to retail customers pursuant to contracts other than take contracts, or take or pay contracts, under which a customer agrees to purchase all or part of its output requirements, provided that such requirements contracts do not obligate the purchaser to have output requirements or to make payments that are not contingent on its output requirements (other than provisions requiring the purchaser to pay reasonable and customary damages in the event of a default, or permitting the purchaser to pay a specified amount to terminate the contract while the purchaser has requirements, so long as the amount of such payments is reasonably related to the

purchaser's obligation to buy requirements that is discharged thereby), or (iii) other arrangements approved in a Favorable Opinion of Bond Counsel (as such term shall be defined in the Trust Indenture relating to any bonds of Seller as described herein). Buyer shall cooperate with Seller to furnish such information, certificates and representations as may be reasonably requested to establish and demonstrate that the arrangements for the sale of Gas purchased under this Contract do not meet the private business tests under § 1.141-3 or § 1.141-7(c)(1) of the Treasury Regulations, as amended.

(f) this Contract constitutes the valid and binding obligation of Buyer enforceable against it in accordance with its terms;

(g) the execution, delivery, and performance of this Contract will not cause Buyer to be in violation of any other agreement or any law, regulation, order, or court process or decision to which it is a party or by which it or its properties are bound or affected;

(h) no litigation, action, or proceeding by or before any governmental authority has been instituted or threatened against Buyer which might restrain, prohibit, or invalidate this Contract or the performance by Buyer of its obligations hereunder; and

(i) each representation and warranty under this Contract shall survive any delivery and payment under and termination of this Contract."

A new Section 14.13 is added:

"The Buyer shall provide to the Seller, in such form as shall be reasonably requested by the Seller, any and all documents, releases, financial statements and other information necessary to enable the Seller to comply with any disclosure or other reporting requirement, including but not limited to Rule 15c2-12 of the Securities and Exchange Commission, now or hereafter imposed by the United States of America, the State of Georgia, or any political subdivision or agency of either having jurisdiction over the Buyer, the Seller or the issuance and sale of the Seller's bonds or other debt obligations, by law, judicial decision, regulation, rule or policy. Such information shall be provided by the Buyer from time to time as requested by the Seller, but in any case, no less frequently than shall enable the Seller to comply with any such law, judicial decision, regulation, rule or policy."

A new Section 14.14 is added:

"The Buyer hereby agrees that it shall at all times maintain rates, fees and other charges for its gas supply or electricity services to its members or customers as shall be sufficient to provide revenues in each fiscal year, together with other available funds, to pay all amounts due as they come due under this Contract, together with all other obligations of Buyer, and Buyer shall promptly enforce the payment of all material accounts due and owing to Buyer."

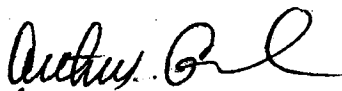
A new Section 14.15 is added:

"The Buyer hereby agrees that all amounts payable by the Buyer hereunder shall constitute costs of purchased gas and, as such, an operating expense of the Buyer, payable ahead of revenue obligations of the Buyer having a lien on Buyer's net gas revenues."

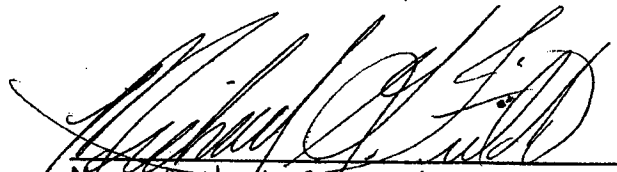
IN WITNESS WHEREOF, the parties have executed these Special Provisions in duplicate.

MUNICIPAL GAS AUTHORITY OF GEORGIA

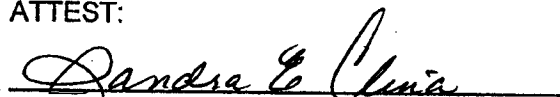
CITY OF CARTERSVILLE, GEORGIA



Name:
Title:
Date:


Name: Michael G. Fields
Title: Mayor
Date: 12/21/2006

ATTEST:


Title: Clerk
Date: 12/21/2006

TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY

Date: January 9, 2007

Transaction Confirmation #: _____

This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated as of December 1, 2006. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.

SELLER:

MUNICIPAL GAS AUTHORITY OF GEORGIA
104 TownPark Drive, Kennesaw, GA 30144

Attn: Tina Smith

Phone: 678-819-0908

Fax: 678-819-0948

Base Contract No. _____

Transporter: _____

Transporter Contract Number: _____

BUYER:

CITY OF CARTERSVILLE, GEORGIA
P.O. Box 1390, Cartersville, GA 30120

Attn: Gary Riggs

Phone: 770-387-5642

Fax: 770-387-5638

Base Contract No. _____

Transporter: _____

Transporter Contract Number: _____

Contract Price: Spot Index - 30¢/MMBtu

Delivery Period: Begin: February 1, 2007

End: January 31, 2022

Performance Obligation and Contract Quantity:

Firm (Fixed Quantity):

See Exhibit A hereto for volumes and delivery points.

*Pursuant a certain NAESB Base Contract for Sale and Purchase of Natural Gas and Special Provisions to the NAESB Base Contract, each dated as of December 1, 2006, between Seller and Main Street Natural Gas, Inc. ("Main Street"), and a Transaction Confirmation thereunder, for each of the 180 months of the Delivery Period specified above, 50% of the volumes to be delivered to Buyer hereunder will be sourced from Main Street's Gas Purchase Agreement with J.P. Morgan Ventures Energy Corporation, and 50% of the volumes to be delivered to Buyer hereunder will be sourced from Main Street's Gas Purchase Agreement with Merrill Lynch Commodities, Inc.

Delivery Point(s):

(If a pooling point is used, list a specific geographic and pipeline location):

See Exhibit A hereto for volumes and delivery points.

Special Conditions:

The following Special Conditions shall apply to the transaction set forth in this Transaction Confirmation:

Amendment to Section 7.1:

Section 7.1 is hereby amended by deleting the first sentence and inserting in lieu thereof a new first sentence to read in its entirety as follows:

"Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged, on the 15th day of each Month."

Amendment to Section 7.4:

Section 7.4 is hereby amended by deleting Section 7.4 in its entirety and inserting in lieu thereof new Section 7.4 to read as follows:

"The invoiced party shall pay the invoice in full, including any disputed amounts. After such payment, if the invoiced party disputes the amount due, it must provide supporting documentation acceptable in industry practices to support the amount paid and disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy at law or in equity, including but not limited to mandamus, to enforce its rights pursuant to this Section. The payment obligations

of the Buyer under this Contract shall be absolute and unconditional without right of recoupment or setoff, and without regard to the existence of any claim, defense, reduction, abatement or other right to which the Buyer may have at any time against the Seller, including without limitation any defense related to force majeure."

Amendment to Section 10.2

Section 10.2 is hereby amended by deleting the period at the end thereof and inserting the following language:

"; provided, however, that with respect to any Event of Default described in clauses (i) through (viii) above where Buyer is the Defaulting Party, Seller shall notify Buyer on the 22nd Day of the Month that Seller shall, on the tenth Business Day following such Notice, withhold and/or suspend deliveries or payments and terminate or liquidate the transactions under the Contract in the manner provided in Section 10.3 of this Contract."

Amendment to Section 14.7

Section 14.7 is hereby amended by deleting said section in its entirety.

A new Section 14A is added:

"This Transaction Confirmation is entered into for the sale of gas by Seller to Buyer that Seller has purchased from Main Street, which Main Street has purchased from (i) J.P. Morgan Ventures Energy Corporation ("JPMorgan") under a certain Agreement for Purchase and Sale of Natural Gas, between Main Street and JPMorgan, dated as of December 1, 2006 (the "JPMorgan Gas Purchase Agreement"), and (ii) Merrill Lynch Commodities, Inc. ("Merrill Lynch," and together with JPMorgan, the "Suppliers" and each, a "Supplier") under a certain Agreement for Purchase and Sale of Natural Gas, between Main Street and Merrill Lynch, dated as of December 1, 2006 (the "Merrill Lynch Gas Purchase Agreement," and together with the JPMorgan Gas Purchase Agreement, the "Gas Purchase Agreements"). Main Street shall pay the purchase price of the gas under the respective Gas Purchase Agreements from the proceeds of its Gas Project Revenue Bonds, Series 2006A and Gas Project Revenue Bonds, Series 2006B (collectively, the "Bonds") issued, respectively, pursuant to (i) a Trust Indenture, dated as of December 1, 2006, between Main Street and The Bank of New York Trust Company, N.A., as trustee (the "Trustee") and (ii) a Trust Indenture, dated as of December 1, 2006 (together, the "Trust Indentures"), between Main Street and the Trustee, as trustee (together, the "Trustees"). The Seller's duty to deliver Gas to be delivered by Main Street from either Supplier pursuant to this Contract shall be terminated by Seller, in whole or in part, upon the occurrence of an early termination of the applicable Gas Purchase Agreement, in whole or in part, notwithstanding any other provision herein to the contrary, and any such termination by Seller shall not constitute a breach of this Contract or a default under this Contract, such that in any such event, no early termination damages shall be owed by either Seller or Buyer under Section 10.3.1. In addition, any invocation of force majeure by a Supplier under either Gas Purchase Agreement shall automatically support an invocation of force majeure by Seller under this Contract and shall constitute an event of Seller force majeure."

A new Section 14B is added:

"The Contract Price under this Transaction Confirmation shall be the Index-based price as stated in this Transaction Confirmation. 'Spot Index' means the first-of-the month index price per MMBtu (dry) as published in the McGraw-Hill Companies Inc.'s publication entitled *Platts Inside FERC's Gas Market Report*, in the first issue of the month for the month of delivery, as listed in the table entitled 'Prices of Spot Gas Delivered to Pipelines' for the applicable pipeline and delivery zone, leg or area. To the extent that the McGraw-Hill Companies issues a revised edition of the *Platts Inside FERC's Gas Market Report* for the first-of-the-month index prices that affects the Spot Index, the revised edition shall be used. If *Platts Inside FERC's Gas Market Report* should (i) cease to publish such first of the month Spot Index price, or there is a temporary interruption in the publication of such first of the month Spot Index prices, or (ii) cease to publish entirely, the Spot Index shall be (i) the price per MMBtu, stated in U.S. dollars, for gas to be delivered at the aforementioned Delivery Points during the applicable Month as set forth in a mutually agreed upon alternative index or (ii) if the parties do not agree within three Business Days, the Commodity Reference Price determined pursuant to each of Main Street's and Supplier's Swap Agreement entered into in connection with the Gas Purchase Agreements (as such capitalized terms are defined there); provided that if the provisions of either Swap Agreement with respect to Commodity Reference Price have been amended after the date of this Transaction Confirmation without the consent of the other party, such other party shall have the right of approval of such determination."

A new Section 14C is added:

"The economic benefit that Main Street determines to share on an annual basis with its customers at the close of Main Street's fiscal year (designated as the Annual Return), which is subject to approval by Main Street's Board of Directors, shall also be returned to Buyer in the same form and rate as approved by Main Street's Board of Directors for Seller. This economic benefit shall vest only at the conclusion of Main Street's fiscal year."

A new Section 14D is added:

"Information Provisions:

Buyer shall furnish the following information to the Seller:

- (1) Annual audited financial statements related to Buyer's purchase of gas under this Contract within 180 days after the end of the Buyer's fiscal year (together with a certification of the Buyer that it is not aware of any default or Event of Default under this Contract); and
- (2) A full original transcript of authorizing resolutions and executed documents relating to the execution of any amendment, supplement, modification or waiver of this Contract.:

A new Section 14E is added:

"Payments to Seller pursuant to this Contract shall be made to Seller's Account maintained at Wachovia Bank, N.A., as follows:

Wire Transfer or ACH Numbers:

BANK: Wachovia Bank, N.A.
ABA: 061000227
ACCT: 2000132133254"

[SIGNATURE PAGE FOLLOWS]

Seller: MUNICIPAL GAS AUTHORITY OF GEORGIA

Buyer: CITY OF CARTERSVILLE, GEORGIA

By: Arthur Gil

By: [Signature]

Title: _____

Title: Michael G. Fields, Mayor

Date: _____

Date: 12/21/06

ATTEST:

By: Dandra E. Clina

Title: Clerk

Date: 12/21/06

Vertical text on the right edge of the page, likely a scanning artifact or page number.

Exhibit A
Volumes and Delivery Points
[Attached]

Exhibit A

Monthly Contract Quantities

	Southern Tier 1 Pool
2007	
January	
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2008	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2009	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2010	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000

Cartersville

Exhibit A
Monthly Contract Quantities

	Southern Tier 1 Pool
2011	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2012	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2013	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2014	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000

Cartersville

Exhibit A
Monthly Contract Quantities

	Southern Tier 1 Pool
2015	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2016	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2017	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2018	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000

Cartersville

Exhibit A

Monthly Contract Quantities

	Southern Tier 1 Pool
2019	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2020	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2021	
January	5,000
February	5,000
March	4,000
April	3,000
May	3,000
June	3,000
July	3,000
August	3,000
September	3,000
October	3,000
November	4,000
December	5,000
2022	
January	5,000

Main Street Prepayment - Daily Contract Quantity by Delivery Point and Customer

Exhibit A

2016	Southern Tier-1 Pool										Transco Station 65				Transco Station 85				FGT Zone 3		Tetco ELA			
	Municipal Gas Authority of Georgia (a)		Municipal Gas Authority of Georgia (c)		Municipal Gas Authority of Georgia (e)		LaGrange, Georgia		Southeast Alabama Gas District		Total		Municipal Gas Authority of Georgia		Patriots Energy Group		Total		Southwest Alabama Gas District		Municipal Gas Authority of Georgia		Total Volumes	
	Municipal Gas Authority of Georgia (a)	Municipal Gas Authority of Georgia (c)	Municipal Gas Authority of Georgia (e)	LaGrange, Georgia	Southeast Alabama Gas District	Total	Municipal Gas Authority of Georgia	Patriots Energy Group	Total	Municipal Gas Authority of Georgia	Patriots Energy Group	Total	Municipal Gas Authority of Georgia	Patriots Energy Group	Total	Southwest Alabama Gas District	Municipal Gas Authority of Georgia	Total	Southwest Alabama Gas District	Municipal Gas Authority of Georgia	Total	Total Volumes		
January	2,500	2,500	500	1,750	0	7,250	9,750	1,500	11,250	9,750	2,446	12,196	9,750	0	9,750	2,500	4,500	2,500	4,500	4,500	37,696			
February	5,000	2,500	500	1,750	0	9,750	7,500	1,250	8,750	7,500	2,196	9,696	7,500	0	7,500	2,500	4,000	2,500	4,000	4,000	34,696			
March	3,500	2,000	375	1,000	0	6,875	5,500	687	6,187	5,500	1,883	7,383	5,500	0	5,500	2,500	2,750	2,500	2,750	2,750	25,696			
April	5,500	1,500	250	750	0	8,000	3,000	0	3,000	0	446	446	0	0	0	0	1,250	0	1,250	0	12,696			
May	5,500	1,500	125	750	0	7,875	500	0	500	0	446	446	0	0	0	0	750	0	750	0	9,571			
June	5,500	1,500	125	500	0	7,625	500	0	500	0	446	446	0	0	0	0	750	0	750	0	13,249			
July	5,500	1,500	125	500	0	7,625	0	0	0	0	0	0	0	0	0	0	750	0	750	0	15,010			
August	5,500	1,500	125	500	0	7,625	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14,618			
September	5,500	1,500	125	500	0	7,625	2,500	0	2,500	0	446	446	0	0	0	1,250	0	1,250	0	13,446				
October	5,500	1,500	250	750	1,250	9,250	4,750	625	5,375	4,750	1,821	6,571	4,750	0	4,750	2,500	2,500	2,500	2,500	2,500	27,321			
November	7,000	2,000	375	1,000	0	10,375	4,750	625	5,375	4,750	1,821	6,571	4,750	0	4,750	2,500	2,500	2,500	2,500	2,500	34,820			
December	3,000	2,500	500	1,500	0	7,500	8,500	1,437	9,937	8,500	2,383	10,883	8,500	0	8,500	2,500	4,000	2,500	4,000	4,000	37,696			
2017	2,500	2,500	500	1,750	0	7,250	9,750	1,500	11,250	9,750	2,446	12,196	9,750	0	9,750	2,500	4,500	2,500	4,500	4,500	37,696			
January	5,000	2,500	500	1,750	0	9,750	7,500	1,250	8,750	7,500	2,196	9,696	7,500	0	7,500	2,500	4,000	2,500	4,000	4,000	34,696			
February	3,500	2,000	375	1,000	0	6,875	5,500	687	6,187	5,500	1,883	7,383	5,500	0	5,500	2,500	2,750	2,500	2,750	2,750	25,696			
March	5,500	1,500	250	750	0	8,000	3,000	0	3,000	0	446	446	0	0	0	0	1,250	0	1,250	0	12,696			
April	5,500	1,500	125	750	0	7,875	500	0	500	0	446	446	0	0	0	0	750	0	750	0	9,571			
May	5,500	1,500	125	500	0	7,625	500	0	500	0	446	446	0	0	0	0	750	0	750	0	10,461			
June	5,500	1,500	125	500	0	7,625	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12,296			
July	5,500	1,500	125	500	0	7,625	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,766			
August	5,500	1,500	125	500	0	7,625	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13,446			
September	5,500	1,500	125	500	0	7,625	2,500	0	2,500	0	446	446	0	0	0	1,250	0	1,250	0	1,250	27,321			
October	5,500	1,500	250	750	1,250	9,250	4,750	625	5,375	4,750	1,821	6,571	4,750	0	4,750	2,500	2,500	2,500	2,500	2,500	34,820			
November	7,000	2,000	375	1,000	0	10,375	4,750	625	5,375	4,750	1,821	6,571	4,750	0	4,750	2,500	2,500	2,500	2,500	2,500	37,696			
December	3,000	2,500	500	1,500	0	7,500	8,500	1,437	9,937	8,500	2,383	10,883	8,500	0	8,500	2,500	4,000	2,500	4,000	4,000	37,696			
2018	2,500	2,500	500	1,750	0	7,250	9,750	1,500	11,250	9,750	2,446	12,196	9,750	0	9,750	2,500	4,500	2,500	4,500	4,500	37,696			
January	5,000	2,500	500	1,750	0	9,750	7,500	1,250	8,750	7,500	2,196	9,696	7,500	0	7,500	2,500	4,000	2,500	4,000	4,000	34,696			
February	3,500	2,000	375	1,000	0	6,875	5,500	687	6,187	5,500	1,883	7,383	5,500	0	5,500	2,500	2,750	2,500	2,750	2,750	25,696			
March	5,500	1,500	250	750	0	8,000	3,000	0	3,000	0	446	446	0	0	0	0	1,250	0	1,250	0	12,696			
April	5,500	1,500	125	750	0	7,875	500	0	500	0	446	446	0	0	0	0	750	0	750	0	9,571			
May	5,500	1,500	125	500	0	7,625	500	0	500	0	446	446	0	0	0	0	750	0	750	0	10,461			
June	5,500	1,500	125	500	0	7,625	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12,296			
July	5,500	1,500	125	500	0	7,625	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,766			
August	5,500	1,500	125	500	0	7,625	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13,446			
September	5,500	1,500	125	500	0	7,625	2,500	0	2,500	0	446	446	0	0	0	1,250	0	1,250	0	1,250	27,321			
October	5,500	1,500	250	750	1,250	9,250	4,750	625	5,375	4,750	1,821	6,571	4,750	0	4,750	2,500	2,500	2,500	2,500	2,500	34,820			
November	7,000	2,000	375	1,000	0	10,375	4,750	625	5,375	4,750	1,821	6,571	4,750	0	4,750	2,500	2,500	2,500	2,500	2,500	37,696			
December	3,000	2,500	500	1,500	0	7,500	8,500	1,437	9,937	8,500	2,383	10,883	8,500	0	8,500	2,500	4,000	2,500	4,000	4,000	37,696			

Main Street Prepayment - Daily Contract Quantity by Delivery Point and Customer

Exhibit A

2019	Southern Tier 1 Pool				Transco Station 65				Transco Station 85				FGT Zone 3				Tetco ELA	
	Municipal Gas Authority of Georgia (a)	Municipal Gas Authority of Georgia (c)	Municipal Gas Authority of Georgia (a)	LaGrange, Georgia	Southwest Alabama Gas District	Total	Municipal Gas Authority of Georgia	Patriots Energy Group	Total	Municipal Gas Authority of Georgia	Municipal Electric Authority of Georgia	Patriots Energy Group	Total	Southwest Alabama Gas District	Total	Southwest Alabama Gas District	Municipal Gas Authority of Georgia	Total
January	2,500	2,500	500	1,750	0	7,250	9,750	1,500	11,250	9,750	0	2,446	12,196	2,500	12,196	2,500	4,600	37,696
February	5,000	2,500	500	1,750	0	9,750	7,500	1,250	8,750	7,500	0	2,196	9,696	2,500	9,696	2,500	4,000	34,696
March	3,500	2,000	375	1,000	0	6,875	5,500	687	6,187	5,500	0	1,883	7,383	2,500	7,383	2,500	2,750	25,696
April	5,500	1,500	250	750	0	8,000	3,000	0	3,000	0	0	446	446	0	446	0	1,250	12,696
May	5,500	1,500	125	750	0	7,875	500	0	500	0	0	446	446	0	446	0	750	9,571
June	5,500	1,500	125	500	0	7,625	500	0	500	0	0	446	446	0	446	0	750	10,680
July	5,500	1,500	125	500	0	7,625	0	0	0	0	0	446	446	0	446	0	750	12,710
August	5,500	1,500	125	500	0	7,625	0	0	0	0	0	446	446	0	446	0	0	12,627
September	5,500	1,500	125	500	0	7,625	0	0	0	0	0	446	446	0	446	0	0	9,920
October	5,500	1,500	250	750	1,250	9,250	2,500	625	5,375	4,750	625	1,821	6,571	2,500	6,571	2,500	2,500	27,321
November	7,000	2,000	375	1,000	0	10,375	4,750	1,437	9,375	8,500	0	2,383	10,883	2,500	10,883	2,500	4,000	34,820
December	3,000	2,500	500	1,500	0	7,500	8,500	1,437	9,375	8,500	0	2,383	10,883	2,500	10,883	2,500	4,000	34,820
2020																		
January	2,500	2,500	500	1,750	0	7,250	9,750	1,500	11,250	9,750	0	2,446	12,196	2,500	12,196	2,500	4,600	37,696
February	5,000	2,500	500	1,750	0	9,750	7,500	1,250	8,750	7,500	0	2,196	9,696	2,500	9,696	2,500	4,000	34,696
March	3,500	2,000	375	1,000	0	6,875	5,500	687	6,187	5,500	0	1,883	7,383	2,500	7,383	2,500	2,750	26,696
April	5,500	1,500	250	750	0	8,000	3,000	0	3,000	0	0	446	446	0	446	0	1,250	12,696
May	5,500	1,500	125	750	0	7,875	500	0	500	0	0	446	446	0	446	0	750	9,571
June	5,500	1,500	125	500	0	7,625	500	0	500	0	0	446	446	0	446	0	750	10,644
July	5,500	1,500	125	500	0	7,625	0	0	0	0	0	446	446	0	446	0	750	12,796
August	5,500	1,500	125	500	0	7,625	0	0	0	0	0	446	446	0	446	0	0	12,647
September	5,500	1,500	125	500	0	7,625	0	0	0	0	0	446	446	0	446	0	0	10,003
October	5,500	1,500	250	750	1,250	9,250	2,500	625	5,375	4,750	625	1,821	6,571	2,500	6,571	2,500	2,500	27,321
November	7,000	2,000	375	1,000	0	10,375	4,750	1,437	9,375	8,500	0	2,383	10,883	2,500	10,883	2,500	4,000	34,820
December	3,000	2,500	500	1,500	0	7,500	8,500	1,437	9,375	8,500	0	2,383	10,883	2,500	10,883	2,500	4,000	34,820
2021																		
January	2,500	2,500	500	1,750	0	7,250	9,750	1,500	11,250	9,750	0	2,446	12,196	2,500	12,196	2,500	4,600	37,696
February	5,000	2,500	500	1,750	0	9,750	7,500	1,250	8,750	7,500	0	2,196	9,696	2,500	9,696	2,500	4,000	34,696
March	3,500	2,000	375	1,000	0	6,875	5,500	687	6,187	5,500	0	1,883	7,383	2,500	7,383	2,500	2,750	26,696
April	5,500	1,500	250	750	0	8,000	3,000	0	3,000	0	0	446	446	0	446	0	1,250	12,696
May	5,500	1,500	125	750	0	7,875	500	0	500	0	0	446	446	0	446	0	750	9,571
June	5,500	1,500	125	500	0	7,625	500	0	500	0	0	446	446	0	446	0	750	10,711
July	5,500	1,500	125	500	0	7,625	0	0	0	0	0	446	446	0	446	0	750	12,881
August	5,500	1,500	125	500	0	7,625	0	0	0	0	0	446	446	0	446	0	0	12,771
September	5,500	1,500	125	500	0	7,625	0	0	0	0	0	446	446	0	446	0	0	10,090
October	5,500	1,500	250	750	1,250	9,250	2,500	625	5,375	4,750	625	1,821	6,571	2,500	6,571	2,500	2,500	27,321
November	7,000	2,000	375	1,000	0	10,375	4,750	1,437	9,375	8,500	0	2,383	10,883	2,500	10,883	2,500	4,000	34,820
December	3,000	2,500	500	1,500	0	7,500	8,500	1,437	9,375	8,500	0	2,383	10,883	2,500	10,883	2,500	4,000	34,820
2022																		
January	2,500	2,500	500	1,750	0	7,250	9,750	1,500	11,250	9,750	0	2,446	12,196	2,500	12,196	2,500	4,600	37,696