

CITY OF LAKE WORTH

AND

FLORIDA GAS UTILITY

GAS SERVICES AGREEMENT

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This Agreement ("Agreement") is entered into this 26th day of July, 1995, by and between Florida Gas Utility ("FGU"), a public body corporate and politic and joint action agency formed under the Florida Interlocal Cooperation Act and the City of Lake Worth ("Member"), a municipal corporation of the State of Florida.

WHEREAS, Florida Gas Transmission Company ("FGT") has received Federal Energy Regulatory Commission ("FERC") approval to effect a restructuring of its services, such that it now provides a number of service options, including transportation service, to its customers and prospective customers; and

WHEREAS, in order to take advantage of perceived opportunities created by this restructuring of service by FGT, FGU was established between and among several Florida municipal entities for the purpose of achieving savings through joint services for, or which benefit, its members; and

WHEREAS, services provided by FGU include, but are not limited to, the following:

1. The coordination and management of firm and/or interruptible transportation entitlements.
2. The purchase of gas for its members and customers.
3. The performance of gas flow balancing between FGU members' and customers' receipt and delivery point(s).
4. The performance of tariff interpretation, accounting services, gas nominations, dispatching, balancing, adjustments to gas and transportation invoices, invoice reconciliation, invoice payments, billing of charges for fuel, transportation, and other related services.

WHEREAS, FGU will, from time to time, have both interruptible contracts and firm contracts in place with gas producers, pipelines, marketers, and others to sell interruptible or firm gas to FGU's members and customers for one month or longer or shorter on notice from any FGU member or customer; and

WHEREAS, FGU has entered into Firm Transportation Service Agreements with FGT (which presently includes FTS-1 and FTS-2) which permit gas to be delivered to specified delivery point(s) serving the municipal systems of its members; and

WHEREAS, FGT's tariff provides its firm transportation customers the right to aggregate with other shippers; and

WHEREAS, FGU has signed an Interruptible Transportation Service (ITS-1) Agreement with FGT and is able to deliver natural gas to Member's delivery point(s); and

WHEREAS, Member desires to receive, and FGU is willing and able to provide, the sales and agency services described herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises contained herein, the Parties agree as follows:

I. Definitions.

In addition to definitions incorporated herein, the following terms when used herein shall have the meanings set forth below:

- 1.1 The term "FTS-1" shall mean Florida Gas Transmission Company's Rate Schedule FTS-1 for Firm Transportation Service as filed with the FERC as changed and adjusted from time to time by Florida Gas Transmission Company.
- 1.2 The term "FTS-2" shall mean Florida Gas Transmission Company's Rate Schedule FTS-2 for Firm Transportation Service as filed with the FERC, as changed and adjusted from time to time by Florida Gas Transmission Company.
- 1.3 The term "PTS" shall mean Florida Gas Transmission Company's Rate Schedule PTS for Preferred Transportation Service as filed with the FERC as changed and adjusted from time to time by Florida Gas Transmission Company.
- 1.4 The term "ITS" shall mean Florida Gas Transmission Company's Rate Schedule ITS for Interruptible Transportation Service as filed with the FERC as changed and adjusted from time to time by Florida Gas Transmission Company.
- 1.5 The term "SFTS" shall mean Florida Gas Transmission Company's Rate Schedule SFTS for Small Firm Transportation Service as filed with the FERC as changed and adjusted from time to time by Florida Gas Transmission Company.
- 1.6 The term "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory agency or body, including the Congress, which has authority to regulate the rates and services of Florida Gas Transmission Company.
- 1.7 The term "Gas" shall mean pipeline quality natural gas which complies with the quality provisions set forth in the General Terms and Conditions of Florida Gas Transmission Company's effective FERC Gas Tariff, Volume No. 1.

- 1.8 The term "Division" shall mean a member of FGU, and the associated delivery point(s) of that member, whose transportation entitlements have been aggregated under one transportation contract held by FGU to which Florida Gas Transmission Company's Tariff Section 11 applies.
- 1.9 The term "Designee" shall mean FGU as the contractually authorized agent of a Member as defined in the general terms and conditions of the FGT Tariff.
- 2.0 The term "FGT Tariff" shall mean the effective tariff of Florida Gas Transmission Company on file at the FERC, as such tariff may be changed from time to time.

II. FGU Transportation Service for Member.

A. Aggregated Transportation Contract(s).

(1) In accordance with the provisions of the FGT Tariff, Member may aggregate all or a portion of its firm transportation entitlements with the firm transportation entitlements of other FGU Members, which shall, for purposes of this Agreement, be referred to as the "Aggregated Transportation Contract(s)."

(2) The administration of the Aggregated Transportation Contract(s) shall be governed solely in accordance with the policies set by the FGU Board of Directors using procedures approved by the FGU Executive Committee.

(3) It is understood that the Aggregated Transportation Contract(s) will be operated in a manner which will preserve to each Division, with Member being a Division, a priority right to the use of the firm transportation entitlements which would have been assigned to it in the absence of the Aggregated Transportation Contract(s). Only when Member's capacity rights are not required to meet the requirements of Member, will they be made available to other Divisions upon approval of Member in accordance with the policies of the Board of Directors. Aggregated Transportation Contract(s) capacity not required by any Division may be temporarily relinquished or otherwise utilized by FGU under the terms of the FGT Tariff in accordance with the policies established by the Board of Directors.

(4) Member shall assume full responsibility for reimbursement of actual transportation charges, including demand charges, incurred by the Aggregated Transportation Contract(s) for the benefit of Member. To the extent another Division or customer of FGU may make actual use of Member's transportation rights, a reassignment of demand costs shall be made by FGU in

accordance with the policies established by the Board of Directors.

(5) It is further understood that Member (or other members or customers) shall be permitted to withdraw all or part of its aggregated firm entitlements from the Aggregated Transportation Contract(s) at any time, without otherwise affecting this Agreement, provided appropriate FGT consent and FERC authorizations have been obtained.

(6) Because Member requirements change from time to time, FGU will assist in acquiring and/or disposing of transportation entitlements for Member. To the extent Member and FGU agree, FGU will request an allocation of such capacity in its own name; provided, however, that a sub-allocation of such incremental transportation entitlement will also be made to the requesting Member's Division, which shall be binding in the event of later withdrawals of membership or entitlements or dissolution.

(7) All contracts involving a substantial change in the burdens or benefits of Member entered into with FGT in the name of the Aggregated Transportation Contract(s) for the benefit of Member shall have been approved in advance by both FGU and Member.

B. Retained Entitlement.

Member may retain its transportation contracts with FGT or other pipeline supplier rather than aggregate some or all of its transportation entitlements as provided above. In this case, the relationship between Member and FGU shall be that of principal and agent and FGU shall in all such cases serve as Designee. FGU shall administer the retained transportation contracts in accordance with its terms as Designee for Member and shall serve in such capacity for the purpose of the administration of such contracts and shall perform the services as provided in Article IV hereof with respect to such transportation contracts, in accordance with instructions received from Member.

III. Gas Supply Service.

A. FGU and Member hereby agree that FGU shall furnish gas supplies for Member's gas requirements acquired pursuant to this Agreement, to the extent such supplies can be transported to Member's delivery point(s) under Member's or FGU's transportation agreements with FGT, including those transportation agreements described in Article II B hereof.

B. The quantity to be supplied by FGU shall be stated on a daily basis and nominated monthly by Member or as otherwise agreed to in accordance with VII A.

C. The General Manager of FGU, in accordance with policies established by the Board of Directors, shall determine the sources from which the gas supply services under this Agreement shall be provided including the proper mix of firm gas supplies, spot gas supplies and long term gas supplies.

D. Upon the termination of this Agreement by Member or in the event of excess gas supply, a determination shall be made by the Board of Directors as to whether an allocable part of such firm or long term gas supply agreements shall remain in the ownership and control of Member and the obligation of Member, or whether such agreements shall remain in the ownership and control of FGU and shall be paid for by FGU. Any right of Member to retain ownership of such allocation shall be subject to the release by the gas supplier of any liability of FGU or other members for such contract.

E. Member shall be obligated for its allocable share of any firm or long term supply of gas. No notification from Member of intent to accept less gas shall be effective with respect to such obligation for such allocable share of Member under any such firm or long term gas supply contracts. FGU shall, however, utilize its best efforts to attempt to dispose of any excess gas supply to the extent not required by Member.

IV. Related Authorizations.

A. FGU shall be responsible, unless otherwise instructed by Member in writing, for obtaining Member's gas supply for transportation under FTS-1, FTS-2, PTS, SFTS, and ITS transportation types, to be transported hereunder to Member's delivery point(s) and for all operational decisions and arrangements associated with the transportation of gas on or upstream of the FGT pipeline, including but not limited to, transportation along pipelines other than FGT, selection of receipt point(s), delivery point(s), scheduling, balancing and dispatching of gas on such pipelines other than FGT as well as on FGT's pipeline.

B. Member and FGU anticipate that FGT and third parties will look to FGU for all purposes connected with servicing the transportation and purchasing of gas, including FTS-1, FTS-2, PTS, SFTS and ITS transportation types, for Member on the FGT system, including, but not limited to, the furnishing and receipt of information concerning daily nominations, scheduling, balancing, receipt point(s), delivery point(s), invoice payment, accounting, third party transportation, and communications with Member, and that

operational conditions may allow limited time for communications concerning such matters. To facilitate this process, and except with respect to services covered by the Aggregated Transportation Contract(s), Member agrees to name FGU, or a representative of FGU, as Member's Designee to perform Member's obligations with respect to nominations, scheduling and payment under the various FGT transportation rate schedules under which Member arranges transportation service for gas purchased from FGU hereunder.

C. It is recognized that Member is not obligated by this Agreement to purchase all of its gas requirements from FGU. Member may elect to enter into gas purchase arrangements directly with one or more third party suppliers. In such event, FGU hereby agrees to serve as agent for Member for purposes of the administration of such gas purchase contract(s), and/or the arrangement of transportation service by FGT in which case Member agrees to pay a service charge pursuant to VI (F) of this Agreement.

V. Engineering Support.

Member will provide engineering information and support as reasonably requested by FGT or FGU in order to assure appropriate design, configuration, and installation of facilities in accordance with generally accepted industry standards necessary to serve Member's delivery point(s).

VI. Reimbursement to FGU for Costs.

A. FGU shall invoice Member monthly for costs incurred by FGU on behalf of Member which shall be reimbursed by Member under this Agreement. Each invoice shall separately identify (i) gas supply costs; (ii) gas transportation charges and related costs, (iii) FGU service charges, and (iv) adjustments.

B. The monthly gas supply costs shall be calculated in accordance with the Pricing Policy adopted by the Board of Directors.

C. The monthly gas transportation charges shall be calculated in accordance with the Pricing Policy adopted by the Board of Directors.

D. Any adjustments or corrections to invoiced gas supplies or transportation charges will be reflected on subsequent FGU invoices to Member.

E. In the event Member requests assignment back to Member of any of its share of Aggregated Transportation Contract(s), Member and FGU intend that Member shall assume and relieve FGU of all obligations for the payment of any charges resulting from such assignment. These charges shall be paid and all settlements

completed, including the release of FGU and its other members from any liability by FGT with respect to the Aggregated Transportation Contract(s), unless other arrangements are agreed to by the Member, the General Manager of FGU and FGT, prior to the date such reassignment is made to Member.

F. In addition to the gas supply and transportation charges described in Paragraphs A, B and C above, Member shall pay FGU the applicable FGU Monthly Service Charge in accordance with the policies adopted by the Board of Directors. In addition to the FGU Service Charges, FGU will charge a one time membership fee in an amount that is in accordance with the policies adopted by the Board of Directors.

VII. Member's Obligation to Notify FGU.

A. It will be Member's responsibility to notify FGU of any variations in Member's daily gas usage rate. Member will provide FGU with its natural gas requirements in such a manner to allow FGU to effectively secure the required gas supply and associated services in a timely and cost effective manner for Member. The actual details of such daily and monthly information requirements will be mutually agreed upon by the parties and may change from time to time to meet varying conditions.

B. Member shall advise FGU of any change in any of the fuel requirements at Member's delivery point(s) (point of sale) as soon as is reasonably possible to allow FGU to make necessary adjustments in Member's or other FGU member or customer's gas volume nominations to avoid imbalances and penalties.

VIII. Notification and Obligation for Operating Conditions.

FGU will promptly notify Member of all pipeline operating conditions, including but not limited to operational flow orders and alert days for which Member may be subject to costs or penalties as a result of noncompliance. If Member does not fully comply with such operational requirements, Member will assume full liability for any noncompliance.

IX. Insulation from Liability for Loss.

Except as otherwise specifically provided in this Agreement, neither Party to this Agreement shall be liable for any loss, injury, or damage resulting to the other or to any other person from the use of any service provided pursuant to this Agreement, or arising from or caused by the interruption or curtailment of the same; provided, however, that this paragraph shall not be deemed to relieve either Party to this Agreement of responsibility imposed by

law for loss or damage which is proximately caused by such Party's own negligence.

X. Risk of Loss; Indemnity.

A. Although FGU may hold title to the gas in order to transport it to Member's delivery point(s) under this Agreement, Member shall bear the risk of loss for all such gas during such transportation by FGU on the FGT system, including but not limited to, any economic or consequential damages to Member for failure to deliver gas or otherwise. FGU will, immediately prior to any such sale or transfer of such gas to Member for further delivery or Member's use, have good title or right to the gas so as to make such conveyance effective and free of adverse claims and liens. Title to the gas transported for Member with its own transportation contracts will pass to such Member upon purchase by FGU from the supplier. Title to gas purchased for utilization by the Aggregate Transportation Contracts, will pass upon delivery by FGU to Member at the Member's Division.

B. Member agrees, to the extent permitted by law, to indemnify and hold FGU harmless from any and all losses or damages sustained by FGU, including any and all suits, actions, damages, losses, and expenses arising out of adverse claims of any persons, including Member, to such gas or the title thereto, or to royalties, taxes, license fees, or charges thereon, and from any and all liability to any persons, including Member, or for any property damage, occasioned by FGU holding title to gas for benefit of Member during transportation on the FGT system.

XI. Disposition of Transportation Entitlements.

If Member is temporarily or permanently unable to utilize all or any portion of its share of the Aggregated Transportation Contract(s), the following provisions shall apply:

(1) Upon request by FGU and approval by Member on each occasion, FGU may utilize that portion of Member's unused capacity which has been approved by Member for use by other FGU members or customers. These other FGU members or customers shall be responsible to FGU for any demand charges and other costs directly associated with such portions of the capacity for the period of time specified by Member for use by those other FGU members or customers, as provided in the Pricing Policy adopted by the Board of Directors.

(2) To the extent FGU is unable to utilize such excess Member capacity, FGU will, as permitted by the FGT Tariff, applicable FERC regulations and agreements, assist and cooperate with

Member to dispose of such excess transportation entitlement so as to avoid or minimize any payment obligations by Member to FGT or others.

(3) Nothing herein shall relieve Member from its obligation to reimburse FGU for costs and expenses incurred by FGU for the released excess capacity for which FGU is not otherwise reimbursed by third parties.

XII. Curtailment.

It is understood that, in the event of a capacity curtailment on the FGT system which causes an interruption of firm, preferred or interruptible service, curtailment shall be implemented in accordance with FGT's currently effective curtailment plan. In the event interruptible service is partially interrupted, FGU shall endeavor to continue deliveries to Member under FGU's FTS-1, FTS-2, PTS, SFTS or ITS contracts, if applicable in accordance with policies and procedures set forth by its Board of Directors.

XIII. Indemnification for Avoidable Costs.

If any act or omission of Member causes FGU to incur producer demands, or pipeline scheduling, imbalance, or overrun penalties, Member will, to the extent permitted by law, indemnify and reimburse FGU for all such amounts. Nothing herein shall be deemed to foreclose FGU from employing other remedies, including cessation of deliveries, and FGU reserves the right to do so, in order to ameliorate any such exposure.

XIV. Termination of Agreement.

This Agreement may be terminated by either Party upon one hundred eighty (180) days written notice to the other or as otherwise approved by the Board of Directors; provided, however, that, before such termination can take effect, provision shall have been made for the reassignment of any capacity rights aggregated in the Aggregated Transportation Contract(s) to FGU (or to its individual members or customers, if preferred by them) and to Member, respectively; and for the payment of all outstanding obligations, or obligations that may arise with respect to firm or long term gas supply contracts by FGU, as provided in Article III C, D and E hereof.

XV. Inducement to Agreement.

The obligations of Member to reimburse FGU for demand charges, transportation charges, gas supply costs and other reasonable costs and taxes, levies or fees expended by FGU and paid to FGT and others to secure gas under favorable terms and costs for delivery to Member's delivery point(s) are essential to the inducement of FGU and Member to enter into this Agreement. Unless specifically provided to the contrary in this Agreement, such obligations shall apply and continue in all events, and irrespective of whether Member actually utilizes or is able to utilize the capacity reserved and the firm or long term gas supply contracts secured by FGU, pursuant to this Agreement, except as this Agreement allows these obligations to be reduced or eliminated.

XVI. Billing.

A. FGU will render an invoice for the service to be provided to Member and for reimbursement of costs and charges which FGU is required to pay to effect the purposes of this Agreement.

B. FGU will provide Member with an invoice by mail, courier or facsimile or other electronic transmission for the amounts due as provided in paragraph A above, for the prior month as soon as the billing information is available, based on scheduled gas consumption. FGU will provide a calendar of invoice and due dates at the beginning of each fiscal year. Payment for all invoices submitted shall be due on or before FGU's published due date. All invoices shall be considered past due if payment is not received by the due date. Interest may be charged on all balances outstanding after the due date at the Prime Rate of interest as published from time to time in the Wall Street Journal and in effect on the calendar month for which the unpaid balance shall be received by FGU, but in no event in excess of the maximum lawful rate in existence from time to time. Failure to pay the full amount due by the due date including the past due amount, interest charges and the current amount due, may result in suspension of gas supply service by FGU until the past due amount and all charges are paid in full. Member shall advise FGU of any dispute in any invoice on or before the due date, provided, however, that payment in full shall be made by Member on or prior to the due date and the parties shall attempt in good faith to resolve the dispute. The billing and payment procedures shall be in accordance with the Billing and Payment Policy as established by the Board of Directors and any conflict with the provisions of this Agreement and such policy shall be governed by such policy.

XVIII. Force Majeure.

A. In the event that either Party, FGU, or Member, is rendered unable, wholly or in part, by force majeure to carry out its obligations under this Agreement or any subsequent service agreement between the Parties contemplated herein, other than the obligation to make payments due, it is agreed that upon such Party giving notice and full particulars of such force majeure in writing to the other Party as soon as possible after the occurrence of the cause relied on, then the obligations of the Party giving such notice (other than the obligation to make payments due), so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused but for no longer period, and such cause shall as far as possible be remedied with all reasonable dispatch. It is further agreed that except for the obligation to make payments due, neither FGU nor Member shall be liable to the other for any damage occasioned by force majeure.

B. In the event of any nonperformance caused by any of the forces described in Subparagraph C the Party affected shall within twenty-four (24) hours promptly notify the other Party verbally and within two (2) working days of nonperformance and provide the other Party with written confirmation of the nature, cause, date of commencement and anticipated extent of such nonperformance. If by reason of such force majeure FGU has a right to terminate any service agreement with FGT or others, FGU will afford Member a comparable right to terminate the corresponding service or agreement under this Agreement.

C. The term "force majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, freezes, washouts, arrests and restraints of governments and people, civil disturbances, explosions, breakage or accidents to machinery or lines of pipe, the necessity for making repairs or alterations to machinery or lines of pipe (other than regularly scheduled or routine maintenance), freezing of wells or lines of pipe, planned or unplanned outages by FGT, Member or other parties in the transportation of the gas, partial or entire failure of source of supply, acts of civil or military authority (including, but not limited to, courts or administrative or regulatory agencies), and any other similar or related cause, whether or not enumerated herein, and whether caused or occasioned by or happening on account of the act or omission of FGU or Member or any other person or concern, not reasonably within the control of the Party claiming suspension and which by the exercise of due diligence such Party is unable to prevent or overcome; such term shall likewise include;

(1) in those instances where either Party is required to obtain servitude, rights of way grants, permits or licenses to enable such Party to fulfill its obligations

hereunder, the inability of such Party to acquire, or the delays on the part of such Party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such servitude, rights of way grants, permits or licenses; and

(2) in those instances where either Party is required to furnish materials and supplies for the purpose of constructing or maintaining facilities or is required to secure grants or permissions from any governmental agency to enable such Party to fulfill its obligations hereunder, the inability of such Party to acquire, or the delays on the part of such Party in acquiring, at reasonable cost and after the exercise of reasonable diligence, such materials and supplies, permits and permissions.

D. The settlement of strikes or lockouts shall be entirely within the discretion of the Party having the difficulty, and the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts by acceding to the demands of the opposing Party when such course is inadvisable in the discretion of the Party having the difficulty.

XVIII. Notices.

All notices, payments and communications with respect to this Agreement shall be in writing and sent by mail, courier or facsimile or other electronic transmission to the addresses stated below, or to any other such addresses as may be hereafter designated in writing.

FGU: Florida Gas Utility
Attn: General Manager
7328 West University Avenue Suite A
Gainesville, Florida 32607

Member: City of Lake Worth
Attn: Steve Abel
1900 2nd Ave., North
Lake Worth, Florida 33461-4298

XIX. Term and Effective Date.

This Agreement shall be effective on the date first written above and unless earlier terminated as provided herein shall continue in full force and effect for a term which is coterminous with that of any Service Agreement with FGT or third parties or as they may be extended, that are entered into by FGU for the benefit of Member, so that FGU's obligation to provide service for Member shall

continue for the full term of this Agreement and the underlying agreements with FGT and third parties. This agreement shall supersede any prior agreement executed between Member and FGU.

XX. FERC Approval.

The obligations of the Parties hereto shall be conditioned on any required FERC approval for the Aggregated Transportation Contract(s) and/or transportation services contemplated hereunder, and the availability of such transportation services to FGU and Member.

XXI. Assignment.

This Agreement shall bind and benefit the successors and assigns of the respective parties hereto; provided, however, neither Party shall assign this Agreement or any of its rights or obligations hereunder without first obtaining the written consent of the other Party, which shall not be unreasonably withheld, and any necessary regulatory authorizations.

XXII. Member Representative.

Member shall appoint from time to time and provide to FGU written notice of the name, mailing address, telephone number and facsimile transmission number of one or more employees or agents with authority to give instructions required by this Agreement and otherwise exercise decisions by Member required under this Agreement (the "Member Representative").

(1) The Member Representative shall represent Member in giving and receiving notices and directives regarding the routine operational decisions, which decisions may be relied upon by FGU and shall be contractually binding upon Member.

(2) The Member Representative or another designated Member Representative may also, if so stated, represent Member in giving and receiving notices and directives regarding all other decisions required or that may be exercisable under this Agreement, which decisions may be relied upon by FGU and shall be contractually binding upon Member.

(3) Notices and directives between the Member Representative(s) and FGU may be transmitted orally when required, provided that such notices and directives shall be promptly confirmed by a written notice as authorized by this Agreement.

XXIII. Governmental Regulations.

This Agreement shall be subject to all valid, applicable and effective laws, orders, rules, regulations and directives of all duly constituted federal, state and local governmental authorities having jurisdiction.

XXIV. Special Projects.

The Board of Directors of FGU may agree to undertake a project involving investment of capital, other than minor capital expenditures and may elect to establish a separate budget or budgets for such projects. All members shall be afforded an opportunity to participate on an equitable basis in any project. When a project is operational, if less than all members are participants, FGU may maintain a separate, subsidiary operating account on each such project which will demonstrate the financial relationship between the project and FGU's general operating budget.

XV. Rate Covenant.

Member shall establish, maintain and collect rates and charges for the services it provides to its customers so as to provide sufficient revenues, together with available system reserves, to enable Member to pay all accounts payable to FGU by Member under this Agreement and all other lawful charges against or liens on the revenues of Member's system. In no event shall Member ever be required to levy ad valorem taxes on any property within its boundaries to make any payments required under this Agreement. No obligations of Member hereunder shall constitute or create a lien, either legal or equitable, on Member's ad valorem taxing power.

THIS AGREEMENT is entered into in mutual consideration of the premises stated herein, and is effective as of the date first written above.

FLORIDA GAS UTILITY

CITY OF LAKE WORTH

By: [Signature]
Title: Chairman

By: [Signature]
Title: MAYOR

Attest: [Signature]
Title: General Manager

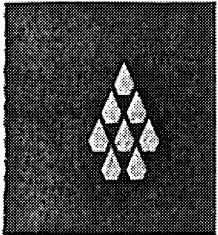
Attest: [Signature]
Title: CITY CLERK

LAK-77617.8



FGU

July 28, 1995



Florida Gas Utility

Mr. Steve Abel
City of Lake Worth
1900 Second Avenue, N.
Lake Worth, FL 33461-4298

RE: GAS SERVICES AGREEMENT

Dear Steve:

Enclosed for your files is one fully executed original of the Gas Services Agreement between the City of Lake Worth and Florida Gas Utility. We appreciate your cooperation in getting this new agreement executed. You are a valued member of FGU and we look forward to providing many years of natural gas management services to the City of Lake Worth.

Sincerely,



Katrina R. Vaughan
General Manager

Encl.

7328 W. University Avenue, Suite A
Gainesville, Florida 32607
Telephone: 904/333-2500
Fax: 904/333-2524



CITY OF **LAKE WORTH**
1900 2ND AVENUE NORTH
LAKE WORTH, FLORIDA 33461-4298

UTILITIES
DEPARTMENT

(407) 586-1666
FAX (407) 586-1702

June 12, 1995

Ms. Kelly Russ, Member Services Representative
Florida Gas Utility
7328 W. University Ave., Suite A
Gainesville, FL 32607

SUBJECT: GAS SERVICES AGREEMENT BETWEEN THE CITY OF
LAKE WORTH AND FLORIDA GAS UTILITY

Dear Kelly:

Enclosed, please find two (2) originals of the subject agreement, executed by the Mayor and City Clerk. Please have both copies executed by the appropriate parties and return one (1) to me.

There is also a copy of a memo from the Utilities Director confirming both approval of the agreement and his appointment as Member Representative.

Please let me know if there is anything else we need to provide to finalize this issue.

Sincerely,

CITY OF LAKE WORTH UTILITIES

Steve Abel
Systems Operation Superintendent

SA:jp

Enclosures

c: Harvey Wildschuetz, Utilities Director
Lloyd Gibb, Power Plant Superintendent
Anatole Bezugly, Assistant Utilities Director

RECEIVED


JUN 15 1995

F G U

Lake Worth Utilities Administration

Memorandum

TO: Steve Abel, System Operations Superintendent

FROM: Harvey F. Wildschuetz, Utilities Director 

SUBJ: Gas Services Agreement between the City of Lake Worth and Florida Gas Utility

DATE: June 7th, 1995

At their regular meeting of Tuesday, June 6, 1995, the City Commission 1) approved the Gas Services Agreement between the City of Lake Worth and Florida Gas Utility and authorized the Mayor and City Clerk to execute the agreement; and 2) appointed the Utilities Director and/or his designee as Member Representative.

Please forward required originals to the City Clerk's Office for execution as soon as possible, and proceed with other appropriate paperwork as required.

/jsm

pc: Anatole Bezugly, Assistant Utilities Director
Jacquie Murray, Executive Secretary
Herb Fein, Internal Auditor
City Clerk