

**ORDINANCE NO. 923**

**AN ORDINANCE GRANTING A FRANCHISE BY THE CITY OF EDWARDSVILLE, COUNTY OF WYANDOTTE, KANSAS TO ATMOS ENERGY CORPORATION, ITS SUCCESSORS AND ASSIGNS, THE RIGHT TO FURNISH, SELL AND DISTRIBUTE GAS TO THE CITY AND TO ALL PERSONS, BUSINESSES AND INDUSTRIES WITHIN THE CITY AND THE RIGHT TO ACQUIRE, CONSTRUCT, INSTALL, LOCATE, MAINTAIN, OPERATE AND EXTEND INTO, WITHIN AND THROUGH SAID CITY ALL FACILITIES REASONABLY NECESSARY TO FURNISH, SELL AND DISTRIBUTE GAS TO THE CITY AND TO ALL PERSONS, BUSINESSES AND INDUSTRIES WITHIN THE CITY AND IN THE TERRITORY ADJACENT THERETO AND THE RIGHT TO MAKE REASONABLE USE OF ALL STREETS AND OTHER PUBLIC PLACES AS MAY BE NECESSARY, AND FIXING THE TERMS AND CONDITIONS THEREOF.**

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF EDWARDSVILLE, WYANDOTTE COUNTY, KANSAS:**

**ARTICLE I**

**Definitions**

For the purpose of this Franchise, the following words and phrases shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number and words in the singular number include the plural number. The word "shall" is mandatory and "may" is permissive. Words not defined in this Article shall be given their common and ordinary meaning.

1.1 "CCF" shall mean a measurement of natural gas equal to one hundred (100) cubic feet. It is assumed for purposes of this Franchise Ordinance that one CCF equals one hundred thousand (100,000) British Thermal Units.

1.2 "City" refers to and is the City of Edwardsville, Wyandotte County, Kansas, and includes the territory as currently is or may in the future be included within the boundaries of the City of Edwardsville.

1.3 "Company" refers to and is Atmos Energy Corporation and its successors and assigns.

1.4 "Distribution Facilities" refer to and are those facilities reasonably necessary to provide gas within the City.

1.5 "Facilities" refer to and are all facilities reasonably necessary to provide gas into, within and through the City and include plants, works, systems, lines, equipment, pipes, mains, underground links, gas compressors and meters.

1.6 "Gas" or "Natural Gas" refers to and is such gaseous fuels as natural, artificial, synthetic, liquefied natural, liquefied petroleum, manufactured or any mixture thereof.

1.7 "Governing Body" refers to and is the governing body of the City of Edwardsville.

1.8 "Gross Receipts" shall mean all cash, credit refunds, property rights in exchange for gas service, late charges and forfeited discounts, and all fees, or other consideration derived directly or indirectly by the Company for natural gas sold, transported, or delivered within the present or future corporate boundaries of the City of Edwardsville. Gross Receipts shall be adjusted or reduced by any uncollectible sales or bad debt expenses. Gross Receipts shall also include all fees and charges received by the Company for transportation and delivery within its distribution system of natural gas purchased by non-residential consumers within the City from sources and suppliers other than the Company.

1.9 "Kansas Corporation Commission" and/or "KCC" refers to and is the State Corporation Commission of the State of Kansas or other authority succeeding to the regulatory powers of the KCC.

1.10 "MCF" shall mean a measurement of natural gas equal to one thousand (1,000) cubic feet. It is assumed for purposes of this Franchise Ordinance that one MCF equals one million (1,000,000) British Thermal Units. Further, for purposes of this Franchise Ordinance,

the City will accept Franchise fee payments from Franchisee expressed by converting MCF of natural gas to comparable CCF of natural gas.

1.11 "Right-of-Way" shall mean present and future streets, alleys, viaducts, bridges, roads, lanes, easements, public ways and other public places in said City.

1.12 "Settlement Prices" shall mean the settlement prices for natural gas futures contracts traded on the New York Mercantile Exchange (NYMEX) on the fifteenth (15<sup>th</sup>) day of each month as published daily in the *Wall Street Journal* (WSJ), or other nationally recognized publication, on the following business day (or the next day in which a Settlement Price is published).

1.13 "Transport Gas" shall mean all natural gas transported by the Company, but not sold by the Company, to any consumer or user within the City through the Facilities of the Company in the Right-of-Way.

1.14 "Volumetric Rate" shall mean that sum measured in cents per CCF as determined by the Company (and confirmed by the City) as may be hereafter adjusted according to the provisions of this Section. The Volumetric Rate Calculation Form incorporated herein as Attachment A shall be used for the recalculation of the Volumetric Rate. The recalculation shall be effective each January 1 and shall be based on Settlement Prices for the twelve (12) month period beginning in July of the second preceding year and ending in June of the preceding year. For the fifteenth (15<sup>th</sup>) day of each month during said twelve (12) month period, the Settlement Prices for the next twelve (12) months will be summed and divided by twelve (12) to determine an average Settlement Price. The average Settlement Prices for each of the twelve (12) months shall then be summed and divided by twelve (12) and multiplied by 5% to obtain the Volumetric Rate to be effective January 1 of the next succeeding year. The Volumetric Rate shall be calculated by the Company in accordance with the procedures in Attachment A and filed with the City Clerk by July 31 of each year.

## ARTICLE II

### Grant of Franchise

2.1 Grant of Franchise. The City hereby grants to the Company, for the period specified and subject to the conditions, terms and provisions contained in this Ordinance, the

right to furnish, sell and distribute gas to the City and to all persons, businesses and industries within the City, the right to acquire, construct, install, locate, maintain, operate and extend into, within and through the City all facilities reasonably necessary to provide gas to the City and to all persons, businesses and industries within the City and in the territory adjacent thereto; and the right to make reasonable use of Right-of-Way as may be necessary to carry out the terms of the Ordinance.

## 2.2 Term of Franchise.

A. The term of this Franchise shall be for a period of five (5) years from the date of its final passage and approval; provided, this Franchise and all rights and privileges herein provided shall be extended for three (3) successive periods of five (5) years unless the City by notice given to the Company at least ninety (90) days before the end of each such term of five (5) years, shall declare such termination effective.

B. Upon written request of either the City or the Company, the Franchise shall be reopened and renegotiated at any time upon any of the following events:

1. Change in federal, state or local law, regulation, or order which materially affects any rights or obligation of either the City or Company, including but not limited to the scope of the grant to the Company or the compensation to be received by the City.

2. Change in the structure or operation of the natural gas industry which materially affects any rights or obligations of either the City or Company, including but not limited to the scope of the grant to the Company or the compensation to be received by the City.

3. Action by the KCC with respect to this Franchise Ordinance and any amendments thereto, which precludes Company from recovering from its customers any costs or fees provided for hereunder.

4. Any other material and unintended change or shift in the economic benefit the City or the Company relied upon and anticipated upon entering into this Franchise.

## ARTICLE III

### Franchise Fee

3.1 Franchise Fee. In consideration for the grant of this Franchise, the Company shall collect and remit to the City:

A. A sum equal to five percent (5%) of the Gross Receipts received from the distribution of natural gas in the City; and

B. A sum equal to the Volumetric Rate multiplied by the number of CCF of Transport Gas.

The sums in A and B above shall be adjusted for uncollectible receivables and for uncollectible receivables which are later collected.

The Franchise fee prescribed herein shall be paid to the City quarterly on or before the 30th day after the end of each calendar quarter after the effective date of the Franchise. Payments at the beginning and end of the Franchise shall be prorated. Concurrent with submission of the payment described herein, the Company shall also submit an itemized report that shall detail the Gross Receipts and the volume of Transport Gas as defined herein, along with the calculation of the payment. Payments received after the due date shall be Subject to interest charged at the minimum interest rate paid on security deposits authorized by K.S.A. 12-822, its successor statute or any amendments thereto, as ordered and published by the Commission at the time the payment is made. Payments due and owing as the result of an audit of Franchise fee payments shall be Subject to interest charged at the minimum interest rate paid on security deposits authorized by K.S.A. 12-822, its successor statute or any amendments thereto, as ordered and published by the Commission at the time the payment is made; provided such late payment charges shall 1) begin to accrue forty-five (45) days after notice is mailed to the Company; and 2) the late payment charge shall only apply to audit-generated payments agreed to by the City and the Company.

In the event the accounting rendered to the City by the Company is found to be incorrect, then payment shall be made on the corrected amount, it being agreed that the City may accept any amount offered by the Company, but the acceptance thereof by the City shall not be deemed a settlement of such item if the amount is in dispute or later found to be incorrect. The Company agrees that all of its books, records, and documents and all of its contracts and agreements as may be reasonably necessary for an effective compliance review of this Franchise Ordinance shall at all reasonable times be opened to the inspection and examination of the officers of the City and its duly authorized agents, auditor, and employees for the purpose of verifying said accounting, or for any other lawful purpose. Notwithstanding the obligations herein, the Company shall have the right to request the reasonable protection of proprietary information of the Company so long as such request does not unreasonably frustrate the purposes of this subsection. The Company shall have no obligation, however, to make payment upon Transport Gas for which the Company has not been paid. The Company shall provide notice to the City of such delinquent accounts within ninety (90) days and the City shall hold the Company harmless from the cost or liability for the collection of Franchise fees and late payment charges on such delinquent accounts.

3.2 Franchise Fee Payment in Lieu of Other Fees. The payments and compensation herein provided shall be in lieu of all other bonds, licenses, taxes, charges, and fees, except that the usual general property taxes and special ad valorem property assessments, sales, and excise taxes or charges made for privileges, which are not connected with the natural gas business, will be imposed on the Company and are not covered by the payments herein. From and after the date hereof, however, the permit fees required of the Company by any ordinance presently in effect or hereafter adopted for a permit to excavate in or adjacent to any street, alley, or other public place shall be deemed a part of the compensation paid in Section 2 and shall not be separately assessed or collected by the City; in no event, however, shall this provision be interpreted to waive the requirement of notice to the City and the procedural requirements of such ordinance.

ARTICLE IV  
Conduct of Business

4.1 Conduct of Business. The Company may establish, from time to time, such rules, regulations, terms and conditions governing the conduct of its business as shall be reasonably necessary to enable the Company to exercise its rights and perform its obligations under this Franchise; provided, however, that such rules, regulations, terms and conditions shall not be in conflict with the laws of the state of Kansas.

4.2 Tariffs on File. The Company shall keep on file in its nearest office copies of all its tariffs currently in effect and on file with the KCC. Said tariffs shall be available for inspection by the public.

4.3 Compliance with KCC Regulations. The Company shall comply with all rules and regulations adopted by the KCC.

4.4 Compliance with Company Tariffs. The Company shall furnish gas within the City to the City and to all persons, businesses and industries within the City at the rates and under the terms and conditions set forth in its tariffs on file with the KCC.

4.5 Applicability of Company Tariffs. The City and the Company recognize that the lawful provisions of the Company's tariffs on file and in effect with the KCC are controlling over any inconsistent provision in this Franchise dealing with the same subject matter.

ARTICLE V  
Construction, Installation & Operation of Company Facilities

5.1 Location of Facilities. Subject to the provisions of this Contract Franchise, Company shall have the right to construct, maintain, and operate its Facilities along, across, upon and under the public Right-of-Way. Such facilities shall be so constructed and maintained as to not obstruct or hinder the usual travel or public safety on such public ways or obstruct the legal use of the public Right-of-Way by other utilities, Company facilities shall not interfere with the City's water mains, sewer mains or other municipal use of streets and other public places. Company facilities shall be located so as to cause minimum interference with public use of streets and other public places and shall be maintained in good repair and condition. The

Company's use of the public Right-of-Way shall always be subject and subordinate to the reasonable public health, safety and welfare requirements and regulations of the City. The Governing Body acknowledges that as of the date of this Ordinance, the Company and its facilities are in compliance with the provisions of this Section 5.1.

5.2 Excavation and Construction. All construction, excavation, maintenance and repair work done by the Company shall be done in a timely and expeditious manner that minimizes the inconvenience to the public and individuals. All such construction, excavation, maintenance and repair work done by the Company shall comply with all applicable state and federal codes. All public and private property whose use conforms to restrictions in easements disturbed by Company construction or excavation activities shall be restored as soon as practicable by the Company at its expense to substantially its former condition. The Company shall comply with the City's requests for reasonable and prompt action to remedy all damage to private property adjacent to streets or dedicated easements where the Company is performing construction, excavation, maintenance or repair work. The City reserves the right to restore property and remedy damages caused by Company activities at the expense of the Company in the event the Company fails to perform such work within a reasonable time after notice from the City.

5.3 Relocation of Company Facilities. If at any time the City requests the Company to relocate any distribution gas main or service connection installed or maintained in streets or other public places in order to permit the City to change street grades, pavements, sewers, water mains or other City works, such relocation shall be made by the Company at its expense. The Company is not obligated hereunder to relocate any facilities at its expense that were installed in private easements obtained by the Company the underlying fee of which was, at some point subsequent to installation, transferred to the City. Following relocation, the Company, at its expense, shall restore all property to substantially its former condition.

5.4 Service to New Areas. If during the term of this Franchise the boundaries of the City are expanded, the Company may, subject to the terms of Company's applicable tariff provisions for main extensions, extend service to the newly incorporated areas. Service to annexed areas shall be in accordance with the terms of this Franchise agreement. The City will promptly notify Company in writing of any geographic areas annexed by the City during the term hereof ("Annexation Notice"). Any such Annexation Notice shall be sent to Company by



certified mail, return receipt requested, and shall contain the effective date of the annexation, maps showing the annexed area and such other information as Company may reasonably require in ascertaining whether there exist any customers of Company receiving natural gas service in said annexed area. To the extent there are such Company customers therein, then the Gross Receipts of Company derived from the sale and distribution of natural gas to such customers shall become Subject to the Franchise fee provisions hereof effective on the first day of Company's billing cycle immediately following Company's receipt of the Annexation Notice. The failure by the City to advise Company in writing through proper Annexation Notice of any geographic areas which are annexed by the City shall relieve Company from any obligation to remit any Franchise fees to City based upon Gross Receipts derived by Company from the sale and distribution of natural gas to customers within the annexed area until City delivers an Annexation Notice to Company in accordance with the terms hereof.

5.5 Restoration of Service. In the event the Company's gas system, or any part thereof, is partially or wholly destroyed or incapacitated, the Company shall use due diligence to restore its system to satisfactory service within the shortest practicable time.

5.6 Supply and Quality of Service. The Company shall make available an adequate supply of gas to provide service in the City. The Company's facilities shall be of sufficient quality, durability and redundancy to provide adequate and efficient gas service to the City.

5.7 Safety Regulations by the City. The City reserves the right to adopt, from time to time, reasonable regulations in the exercise of its police power which are necessary to ensure the health, safety and welfare of the public, provided that such regulations are not destructive of the rights granted herein. The Company agrees to comply with all such regulations, in the construction, maintenance and operation of its facilities and in the provision of gas within the City.

5.8 Inspection, Audit and Quality Control. The City shall have the right to inspect, at all reasonable times, any portion of the Company's system used to serve the City and its residents. The City also shall have the right to inspect and conduct an audit of Company records relevant to compliance with any terms of this Ordinance at all reasonable times at Company's principal offices where said records are kept and maintained. The Company agrees to cooperate with the City in conducting the inspection and/or audit and to correct any discrepancies affecting the City's interest in a prompt and efficient manner.

## ARTICLE VI

### Assignment: Saving Clause

6.1 Assignment. Nothing in this Ordinance shall prevent the Company from assigning its rights under this Franchise.

6.2 Saving Clause. If any portion of this Franchise Ordinance is declared illegal or void by a court of competent jurisdiction, the remainder of the Ordinance shall survive and not be affected thereby.

## ARTICLE VII

### Force Majeure

7.1 This non-exclusive Franchise, grant, and privilege is granted under and subject to all applicable laws and under and subject to all of the orders, rules, and regulations now or hereafter adopted by governmental bodies now or hereafter having jurisdiction. However, Company shall not be required to perform any covenant or obligation in this Ordinance, or to be liable in damages to City, so long as the performance or non-performance of the covenant or obligation is delayed, caused or prevented by an act of God, force majeure or by the other party. An "act of God" or "force majeure" is defined for purposes of this Ordinance as strikes, lockouts, sit-downs, material or labor restrictions by any governmental authority, unusual transportation delays, riots, floods, washouts, explosions, earthquakes, fire, storms, weather (including wet grounds or inclement weather which prevents construction), acts of the public enemy, wars, terrorism, insurrections, and/or any other cause not reasonably within the control of Company or which by the exercise of due diligence Company is unable wholly or in part, to prevent or overcome.

## ARTICLE VIII

### Indemnity & Hold Harmless

8.1 Company Responsibilities. It shall be the responsibility of Company to take adequate measures to protect and defend its Facilities in the public Right-of-Way from harm or damage. If Company fails to accurately or timely locate Facilities when requested, in accordance with the Kansas Underground Utility Damage Prevention Act, K.S.A 66-1801 et. seq., it has no claim for costs or damages against the City and its authorized contractors unless such parties are responsible for the harm or damage by their negligence or intentional conduct. The City and its authorized contractors shall be responsible to take reasonable precautionary measures including calling for utility locations and observing marker posts when working near Company's Facilities.

8.2 City Indemnity. Company shall indemnify and hold the City and its officers and employees harmless against any and all claims, lawsuits, judgments, costs, liens, losses, expenses, fees (including reasonable attorney fees and costs of defense), proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including personal or bodily injury (including death), property damage or other harm for which recovery of damages is sought, to the extent that it is found by a court of competent jurisdiction to be caused by the negligence of Company, any agent, officer, director, representative, employee, affiliate or subcontractor of Company, or its respective officers, agents, employees, directors or representatives, while installing, repairing or maintaining Facilities in the public Right-of-Way.

8.3 City Negligence. The indemnity provided by this subsection does not apply to any liability resulting from the negligence of the City, its officers, employees, contractors or subcontractors. If Company and the City are found jointly liable by a court of competent jurisdiction, liability shall be apportioned comparatively in accordance with the laws of this state without, however, waiving any governmental immunity available to the City under state law and without waiving any defenses of the parties under state or federal law. This section is solely for the benefit of the City and Company and does not create or grant any rights, contractual or otherwise, to any other person or entity.

8.4 Notice. Company and City shall promptly advise the other in writing of any known claim or demand against Company or the City related to or arising out of Company's or the City's activities in the public Right-of-Way.

ARTICLE IX  
Insurance Requirements

9.1 Minimum Insurance. During the term of this Contract Franchise, Company shall obtain and maintain insurance coverage at its sole expense, with insurers maintaining an AM Best rating of A-:X or higher and which are authorized or permitted to do business in the state of Kansas. Should Company elect to use the services of an affiliated captive insurance company for this purpose, that company shall possess a certificate of authority from the Kansas Insurance Commissioner. Company shall provide not less than the following insurance:

A. Workers' compensation as provided for under any worker's compensation or similar law in the jurisdiction where any work is performed equal to the amount required by Kansas law;

B. Employers' liability limit with a limit of \$1,000,000 each accident/disease/policy limit law; and

C. Commercial general liability, including coverage for contractual liability and products completed operations liability on an occurrence basis and not a claims made basis, with a limit of not less than Six Million Dollars (\$6,000,000) combined single limit per occurrence for bodily injury and property damage liability, including personal Injury, The City shall be included as an additional insured as its interest may appear with respect to liability arising from Company's operations under this Contract Franchise.

9.2 Self Insurance. As an alternative to the requirements of subsection 9.1, Company may demonstrate to the satisfaction of the City that it is self-insured and as such Company has the ability to provide coverage in an amount not less than Ten Million Dollars (\$10,000,000) in aggregate, to protect the City from and against all claims by any person whatsoever for loss or damage from personal injury, bodily injury, death or property damage occasioned by Company,

or alleged to so have been caused or occurred. The Company's self-insurance of its obligations and risks undertaken pursuant to this Franchise will be under a Company approved plan of self-insurance maintained in accordance with sound accounting and risk-management practices.

9.3 Insurance Certificate. Company shall, as a condition of this Contract Franchise, prior to the commencement of any work and within ten (10) days of any renewal thereof, deliver to the City a certificate of insurance or evidence of self-insurance, reasonably satisfactory in form and content to the City, evidencing that the above insurance is in force. The Company shall endeavor to provide thirty (30) days prior written notice of intent to non-renew, cancellation or material adverse change to City. Upon request by the City, Company shall make Company's policies or parts thereof as requested available for the City's review. Upon completion of such review, the policies will be returned to the Company.

## ARTICLE X

### Revocation & Termination

10.1 In case of failure on the part of Company to comply with any of the material provisions of this Franchise, or if Company should do or cause to be done any act or thing prohibited by or in violation of the material terms of this Franchise, Company shall forfeit all rights, privileges and Franchise granted herein, and all such rights, privileges and Franchise hereunder shall cease, terminate and become null and void, and this Franchise shall be deemed revoked or terminated, provided that said revocation or termination, shall not take effect until the City has completed the following procedures: Before the City proceeds to revoke and terminate this Franchise, it shall first serve a written notice upon Company, setting forth in detail the neglect or failure complained of, and Company shall have sixty (60) days thereafter in which to comply with the conditions and requirements of this Franchise. If at the end of such sixty (60) day period the City deems that the conditions have not been complied with, the City shall take action to revoke and terminate this Franchise by an affirmative vote of the Governing Body present at the meeting and voting, setting out the grounds upon which this Franchise is to be revoked and terminated; provided, to afford Company due process, Company shall first be provided reasonable notice of the date, time and location of the Governing Body's consideration, and shall have the right to address the Governing Body regarding such matter; and further

provided, if the nature of the default is such that it cannot be reasonably cured within the above said sixty (60) day period, and the Governing Body believes the Company has in good faith timely commenced its cure and is diligently pursuing the completion of the same, Company shall be given a reasonable additional period of time to complete its cure. Nothing herein shall prevent either party from invoking any other remedy that may otherwise exist at law. Upon any determination by the Governing Body to revoke and terminate this Franchise, Company shall have thirty (30) days to appeal such decision to the District Court of Wyandotte County, Kansas. This Franchise shall be deemed revoked and terminated at the end of this thirty (30) day period, unless Company has instituted such an appeal. If Company does timely institute such an appeal, such revocation and termination shall remain pending and subject to the court's final judgment. Provided, however, that the failure of Company to comply with any of the provisions of this Franchise or the doing or causing to be done by Company of anything prohibited by or in violation of the terms of this Franchise shall not be a ground for the revocation or termination thereof when such act or omission on the part of Company is due to any cause or delay beyond the control of Company or to bona fide legal proceedings.

## ARTICLE XI

### Rights and Duties of Company Upon Expiration of Franchise

11.1 Upon expiration of this Franchise Ordinance, whether by lapse of time, by agreement between the City and the Company, or by forfeiture thereof, the Company shall have the right to remove any and all of its mains and pipes, laterals, appurtenances, and equipment used in its business within a reasonable time and after such expiration, but in such event, it shall be the duty of the Company, immediately upon and during such removal, to restore the streets, avenues, alleys, parks, and other public ways and grounds from which said pipes, laterals, and other equipment have been removed, to the equivalent condition as the same were before said removal was effected.

## ARTICLE XII

### Failure to Enforce

12.1 The failure of either the City or the Company to insist in any one or more instances upon the strict performance of any one or more of the terms or provisions of this Franchise Ordinance shall not be construed as a waiver or relinquishment of the future of any such term or provision, and the same shall continue in full force and effect. No waiver or relinquishment shall be deemed to have been made by the City or the Company unless said waiver or relinquishment is in writing and signed by both the City and the Company subject to the provisions of the laws of the state of Kansas.

## ARTICLE XIII

### Payment of Costs

13.1 The Company shall be responsible for payment of all costs and expense of publishing this Franchise Ordinance and any amendments thereof.

## ARTICLE XIV

### Point of Contact and Notices

14.1 Company shall at all times maintain with the City a point of contact who shall be available at all times to act on behalf of Company in the event of an emergency. Company shall provide the City with said contact's name, address, telephone number, fax number and email address. Emergency notice by Company to the City may be made by telephone to the City Clerk. All other notices between the parties shall be in writing and shall be made by personal delivery, depositing such notice in the U.S. Mail, Certified Mail, return receipt requested, or overnight delivery by a nationally recognized courier. All written notices shall be deemed delivered upon actual receipt or refusal of delivery.

The City:  
City of Edwardsville, Kansas  
690 S. 4<sup>th</sup> Street  
P.O Box 690  
Edwardsville, KS 66113  
Attn: City Clerk  
Fax: (913) 441-3805 Phone: (913) 441-3707 x12

Company:  
Atmos Energy Corporation  
25090 W. 110<sup>th</sup> Terrace  
Olathe, KS 66061  
Attn: Manager, Public Affairs  
Fax: (913) 254-6399 Phone: (913) 254-6321

or, to replacement addresses that may be later designed in writing.

## ARTICLE XV

### Acceptance of Terms by Company

15.1 Within thirty (30) days after the final passage, approval, and publication of this ordinance, the Company shall file with the City Clerk of the City its acceptance in writing of the provisions, terms and conditions of this ordinance, which acceptance shall be duly acknowledged before some officer authorized by law to administer oaths and when so accepted, the ordinance and acceptance shall constitute a contract between the City and Company.

## ARTICLE XVI

### Repeal of Conflicting Ordinances

16.1 Ordinance No. 592, which heretofore granted a non-exclusive Franchise to the Company, and which became a contract between the City and the Company in accordance with its terms and all other ordinances and resolutions or parts thereof inconsistent or in conflict with the terms hereof, are hereby canceled, annulled repealed, and set aside as of the effective date of this Franchise Ordinance.



ARTICLE XVII

Effective Date of Ordinance

17.1 This Franchise Ordinance shall take effect and be in force from and after its passage and approval by the Governing Body of the City, conditioned upon its acceptance by the Company, and publication as required by law.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF EDWARDSVILLE, KANSAS ON THIS 8<sup>th</sup> DAY OF JULY, 2013.**

SIGNED by the Mayor this 8<sup>th</sup> day of July, 2013.



CITY OF EDWARDSVILLE, KANSAS

A large, stylized handwritten signature in black ink, which appears to read "John 'Tiny' McTaggart".

John "Tiny" McTaggart, Mayor

ATTESTED BY:

A handwritten signature in black ink, which appears to read "Tamara A. Harris".

Tamara A. Harris, City Clerk

APPROVED AS TO FORM:

A handwritten signature in black ink, which appears to read "David K. Duckers".

David K. Duckers, City Attorney

**The City of Edwardsville**  
**Volumetric Rate Calculation Form**  
**For the Transportation of Natural Gas in Pipelines Located in the City of Edwardsville**  
**Based on the NYMEX settlement prices for the dates shown**

Month	Last Year 15-Jul	Last Year 15-Aug	Last Year 15-Sep	Last Year 17-Oct	Last Year 15-Nov	Last Year 15-Dec	This Year 17-Jan	This Year 15-Feb	This Year 15-Mar	This Year 16-Apr	This Year 15-May	This Year 15-Jun
Aug Last Year	4.546											
Sep Last Year	4.520	4.024										
Oct Last Year	4.535	4.039	3.878									
Nov Last Year	4.639	4.184	3.981	3.688								
Dec Last Year	4.816	4.411	4.199	3.903	3.404							
Jan Current Year	4.914	4.505	4.323	4.037	3.542	3.127	2.488					
Feb Current Year	4.912	4.508	4.342	4.052	3.558	3.177	2.528	2.425				
Mar Current Year	4.864	4.474	4.313	4.020	3.545	3.208	2.617	2.616	2.420			
Apr Current Year	4.770	4.432	4.289	4.008	3.561	3.266	2.690	2.738	2.537	2.016		
May Current Year	4.788	4.459	4.319	4.044	3.607	3.311	2.690	2.834	2.635	2.108	2.500	
Jun Current Year	4.816	4.494	4.361	4.086	3.653	3.356	2.744	2.906	2.687	2.222	2.568	2.467
July Current Year	4.856	4.535	4.406	4.131	3.702	3.409	2.797	2.906	2.635	2.305	2.624	2.514
Aug Current Year		4.558	4.431	4.155	3.731	3.436	2.824	2.951	2.687	2.346	2.659	2.551
Sept Current Year			4.434	4.156	3.732	3.440	2.830	2.964	2.714	2.432	2.735	2.635
Oct Current Year				4.192	3.769	3.474	2.877	3.023	2.763	2.709	3.004	2.883
Nov Current Year					3.915	3.609	3.048	3.212	3.000	3.061	3.337	3.171
Dec Current Year						3.877	3.359	3.521	3.342	3.224	3.488	3.320
Jan Next Year							3.501	3.661	3.478	3.236	3.501	3.338
Feb Next Year								3.673	3.487	3.213	3.486	3.316
Mar Next Year									3.468	3.213	3.466	3.288
Apr Next Year										3.194	3.466	3.288
May Next Year											3.502	3.325
Jun Next Year												3.368

Avg Settlement Price	4.748	4.385	4.273	4.039	3.643	3.391	2.859	3.044	2.903	2.672	3.073	3.015
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July 2011 through June 2012 settlement price average	3.504
X Bundled Franchise Fee Rate	5%
= Volumetric Rate/MCF for 2013	0.1752

Note: If the 15th of the month falls on a week-end or holiday, then use the next business day settlement price.