

**FILED<sup>3</sup>**

OCT 7 2011

**Missouri Public  
Service Commission**

February 14, 2008

Blake Bastien  
Centerpoint Energy Gas Mktg Co  
470 N. Kirkwood Road  
Suite 200  
St Louis, MO 63122-3912

**RE: Request for Proposal for Firm Gas Supply (Hannibal and Bowling Green, Missouri)  
on Panhandle Eastern Pipeline for April 2008 – March 2009**

Dear Blake:

Atmos Energy Corporation is requesting proposals for firm gas supply requirements on Panhandle Eastern Pipeline for a one year term effective April 1, 2008 through March 31, 2009

Atmos' annual purchase requirements are approximately 1.8 Bcf. Details of Atmos' resources and specifics concerning the RFP are available on the attachments hereto

**Special Conditions**

All bidders are subject to proof of performance experience, creditworthiness and financial strength commensurate with this type and term of arrangement.

Non-performance remedies as well as other terms and conditions will be negotiated and included in the agreement between the parties.

All proposals must be received no later than Wednesday, March 5, 2008 at 4:00 p.m. CST. Atmos reserves the right to reject any and all bids. Please advise if not submitting a proposal at this time. Otherwise, we will assume that we should remove your company from our bid list for suppliers for future requests.

Staff Exhibit No. 4  
Date 9-16-11 Reporter JL  
File No. GPR-2009-0417

Proposals should be returned in the enclosed envelope marked "RFP RESPONSE – PEPL MISSOURI HANNIBAL" and mailed to:

Mike Walker  
Atmos Energy Corporation  
377 Riverside Drive, Suite 201  
Franklin, TN 37064

I look forward to hearing from you

Sincerely,

*Mike Walker*

Mike Walker  
Gas Supply Specialist  
615-261-2249  
[mike.walker@atmosenergy.com](mailto:mike.walker@atmosenergy.com)

Enclosures

**ATMOS ENERGY CORPORATION  
GAS SUPPLY REQUEST FOR PROPOSAL  
FOR NATURAL GAS SUPPLY TO HANNIBAL & BOWLING GREEN,  
MISSOURI SERVICE AREA  
February 14, 2008**

**1.0 RFP Overview**

Atmos Energy Corporation ("Atmos") is seeking proposals from qualified suppliers to provide firm and warranted natural gas commodity only requirements for its Missouri service areas. The term of the agreement will commence on April 1, 2008 and continue through March 31, 2009. Specifics of the pipelines which serve Atmos are detailed below and in the accompanied Exhibits. Pricing should be index-based, with options for fixed price supply for the term of the agreement. Essentially, Atmos is seeking firm, natural gas supply for daily flows up to its maximum firm capacity rights on Panhandle Eastern Pipeline split into first of month and swing components. Please see "Attachment I" for details pertaining to Atmos' request for proposal for commodity only gas supply.

**ALL PROPOSALS MUST BE PREPARED IN ACCORDANCE WITH RFP REQUIREMENTS AND MUST BE RECEIVED IN WRITTEN FORM BY 4:00 p.m. CST, Wednesday, March 5, 2008.**

**2.0 RFP Communication**

Any reasonable request, at Atmos' sole discretion, for additional information not contained in this RFP is required in writing and will be provided to all parties receiving this RFP. The identity of the party requesting additional information will not be divulged. All requests for additional information to be used in your analysis should be submitted in writing via e-mail to [mike.walker@atmosenergy.com](mailto:mike.walker@atmosenergy.com). Any proposal clarification requested by Atmos and the response by the Bidder shall be in writing. During the RFP process, Atmos will not entertain any individual meetings with Bidders relating to this RFP until such time that the RFP has been awarded.

Please advise if not submitting a proposal at this time. Otherwise, it will be assumed that your company should be removed from this bid list for future Requests for Proposals. Atmos reserves the right to reject any and all bids.

### **3.0 Background**

**Service Area I - “Hannibal, Missouri”** The pipeline delivering to this area is Panhandle Eastern Pipeline (“PEPL”).

**Service Area II – “Bowling Green, Missouri”** The pipeline delivering to this area is Panhandle Eastern Pipeline (“PEPL”)

Upstream of our Service Areas, Atmos holds firm transportation on PEPL.

Our annual purchase requirements are approximately 1.8 Bcf. Approximate historical purchase volumes are provided to assist you in the preparation of your proposal. These volumes are informational only and may or may not be indicative of future requirements. (See Attachment I and Gas Supply Plans for further usage details and pipeline contract information)

### **4.0 Supply Requirements**

All bidders are subject to proof of performance experience, creditworthiness and financial strength commensurate with this type and term of arrangement. Non-performance remedies as well as other terms and conditions will be negotiated and included in the agreement between the parties.

### **5.0 Proposal Content**

The following information is required to be considered responsive to this RFP unless the proposing entity can clearly demonstrate that such information is not applicable to its circumstance. Any additional information that the supplier considers useful for Atmos to evaluate its proposal will be considered. Atmos may request additional information at a later date to assist in the decision making process.

#### **5.1 Respondent Information**

- Name and address of supplier
- Name, phone and fax number of contact person for this proposal
- Current annual report
- Evidence of supplier’s knowledge and experience in providing service proposed
- Evidence of the supplier’s financial viability to provide the service proposed
- Business references

## **5.2 Description of Proposal**

Each proposal should provide a description of supply and the price which the supplier is willing to contract for and all other pertinent information. The response should present firm and warranted commodity sales based upon the pricing methodology described in section "5.3 Pricing". Additionally, a summary of the amount of equity gas owned or controlled by the bidder, and other supply data should be provided.

Atmos will nominate first of month gas supplies within five (5) working days before the beginning of any month. Monthly purchase volumes will be confirmed by and based on actual receipts by the transporting pipeline.

## **5.3 Pricing**

- First of the month purchases should be index based using "**Inside FERC's Gas Market Report**", Panhandle Eastern Pipe Line Co., Texas, Oklahoma (mainline), Index price.
- Incremental purchases, in excess of the first of month purchase volumes, would be at a price equal to, plus (+), or minus (-) **Gas Daily**, Daily price survey, Oklahoma, Panhandle, Tx-Okla., Midpoint index price which may or may not include a demand component (Bidders Option).
- In the event of excess first of month purchases, please specify Supplier buybacks at a price equal to, plus (+), or minus (-) **Gas Daily**, Daily price survey, Oklahoma, Panhandle, Tx-Okla., Midpoint index price.
- All charges upstream of ATMOS' pipeline contracts shall be the sole responsibility of the Supplier.
- Intraday purchases will be priced by seller at a mutually agreeable price to buyer and confirmed at time of purchase.
- For more detail, please see Attachment I.

## **5.4 Reliability**

All gas supply is to be **firm and warranted** assuring that natural gas supply services will meet all contractual obligations without fail.

### **5.5 Contract Exceptions**

Attached with this RFP is a list of exceptions to a NAESB contract. As part of your proposal, please review and include any objections to the listed exceptions. Also, please provide any exceptions your company has to the industry standard NAESB contract. If your company will not accept a NAESB contract under the terms described in this RFP, please provide a statement outlining your objections to the NAESB contract and a copy of your company's contract for review. In the event that your proposal is the successful bid, the appropriate exhibit or confirmation will be required as part of the contracting process to be executed by both parties.

### **6.0 Evaluation Criteria**

Proposals will be judged on respondent's ability to meet the economical and reliable natural gas needs of Atmos. The principal criteria to be used are as follows: Total delivered cost of gas supply over the term of the contract, reliability of the supply, and the financial viability of the respondent. Atmos has the right to consider any other factors that may be relevant to its gas supply needs.

### **7.0 Evaluation Duration**

The Proposer shall be prepared to leave the proposal open for a ten (10) business-day evaluation period after the submittal deadline.

### **8.0 Proprietary Data in Proposal**

A proposal may include data which the respondent does not want disclosed to the public or used by Atmos for any purpose other than proposal evaluation. Reasonable care will be exercised so that proposal data is not disclosed or used without the respondent's permission, except to meet regulatory filing requirements. Such data filed for regulatory requests shall be filed as confidential information.

### **9.0 Rejections of Proposal**

Atmos reserves the right to reject any or all proposals and to re-solicit for proposals in the event that all proposals are rejected. Any proposal may be modified prior to the submittal deadline by written request of the Bidder.

#### **10.0 Submittal Instructions**

Proposals must be received via U.S. Mail, Courier Service or hand delivered in a sealed envelope marked as indicated below on or before March 5, 2008 at 4:00 p.m. CST. No other method will be accepted. No proposal will be opened prior to the stated deadline. The proposals received after the stated deadline will be returned unopened.

Proposals should be marked externally as "RFP RESPONSE – PEPL MISSOURI HANNIBAL" and mailed to:

Atmos Energy Corporation  
377 Riverside Drive, Suite 201  
Franklin, TN 37064  
Attn: Mike Walker

**ATMOS ENERGY CORPORATION**  
**GAS SUPPLY REQUEST FOR PROPOSAL**  
**FOR NATURAL GAS SUPPLY TO HANNIBAL & BOWLING GREEN,**  
**MISSOURI SERVICE AREA**  
**February 14, 2008**

**Attachment I**

Atmos is seeking proposals from qualified suppliers to provide firm gas supply on Panhandle Eastern Pipeline, Field Zone and Market Zone as shown in the table below. All of this gas will flow on Atmos' firm transportation agreements to our Hannibal, MO and Bowling Green, MO service areas. Haven first of month (FOM) and swing receipts can be at Haven or other points between Haven and Atmos' service area at UNCMO point (Hannibal MO) on Panhandle. Atmos' FOM volume will be specified prior to each month and are anticipated as listed below. Monthly swing volume will be the Total less the nominated FOM. Operational requirements will drive volume changes, not market prices.

We are seeking Firm supplies, including fuel, as follows:

Month	Field FOM Dth/Day	Haven FOM Dth/Day	Haven Swing Dth/Day	Total Dth/Day Up to
April 2008	1,900	4,500	0	6,400
May 2008	3,400	3,000	0	6,400
June 2008	3,500	2,400	0	5,900
July 2008	3,400	2,200	0	5,600
August 2008	1,900	2,300	0	4,200
September 2008	500	2,500	0	3,000
October 2008	400	3,500	0	3,900
November 2008	0	4,600	Up to 6,045	10,645
December 2008	0	5,100	Up to 5,545	10,645
January 2009	0	6,100	Up to 4,545	10,645
February 2009	0	4,700	Up to 5,945	10,645
March 2009	0	4,800	Up to 5,845	10,645



**PEPL (Hannibal/Canton) GAS SUPPLY PLAN FOR MISSOURI**  
**Apr 2008 - Mar 2009**

	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	Jan 2009	Feb 2009	Mar 2009	Totals
Forecasted System Requirements	96,500	54,800	37,600	33,200	34,800	40,500	73,100	174,100	273,400	327,700	251,300	184,600	1,581,600
Less: IOS Storage Withdrawals	0	0	0	0	0	0	0	12,900	32,200	38,600	32,200	12,900	128,800
Less: WS Storage Withdrawals	0	0	0	0	0	0	0	9,700	24,300	29,200	24,300	9,700	97,200
Less: FS Storage Withdrawals	0	0	0	0	0	0	0	36,000	89,900	107,900	89,900	36,000	359,700
Net System Requirements	96,500	54,800	37,600	33,200	34,800	40,500	73,100	115,500	127,000	152,000	104,900	126,000	995,900
Plus: IOS Storage Injections	16,100	19,300	19,300	19,300	19,300	19,300	16,100	0	0	0	0	0	128,700
Plus: WS Storage Injections	12,200	14,600	14,600	14,600	14,600	14,600	12,200	0	0	0	0	0	97,400
Plus: FS Storage Injections	44,900	89,900	89,900	89,900	44,900	0	0	0	0	0	0	0	359,500
Total System Requirements	169,700	178,600	161,400	157,000	113,600	74,400	101,400	115,500	127,000	152,000	104,900	126,000	1,581,500
Fuel Rate Addition 2.240%	4,613	5,216	4,822	4,721	3,408	2,194	2,731	4,264	6,951	8,334	6,445	4,504	58,202
Total Est. Purchase Requirements	174,313	183,816	166,222	161,721	117,009	76,594	104,131	119,764	133,951	160,334	111,345	130,504	1,639,702
20% Colder Daily Requirement	7,000	7,100	6,600	6,300	4,500	3,100	4,000	4,800	5,200	6,200	4,800	5,100	
Avg. Daily Requirement	5,800	5,900	5,500	5,200	3,800	2,600	3,400	4,000	4,300	5,200	4,000	4,200	
20% Warmer Daily Requirement	4,600	4,700	4,400	4,200	3,000	2,000	2,700	3,200	3,500	4,100	3,200	3,400	
<b>Contracts</b>	<b>MDQ</b>	<b>MDWQ</b>	<b>MDIQ</b>	<b>MSQ</b>									
EFT 11671	8,045												
IOS 11661		1,610	805	161,000									
WS 11597		1,080	540	108,000									
FS 14088		9,511	4,438	399,462									
Est IOS Stg Balance on 4/1/08	16,100												
Ending IOS Stg Balance	32,200	51,500	70,800	90,100	109,400	128,700	144,800	131,900	99,700	61,100	28,900	16,000	
	20%	32%	44%	56%	68%	80%	90%	82%	62%	38%	18%	10%	
Est WS Stg Balance on 4/1/08	5,400												
Ending WS Stg Balance	17,600	32,200	46,800	61,400	76,000	90,600	102,800	93,100	68,800	39,600	15,300	5,600	
	16%	30%	43%	57%	70%	84%	95%	86%	64%	37%	14%	5%	
Est FS Stg Balance on 4/1/08	19,973												
Ending FS Stg Balance	64,873	154,773	244,673	334,573	379,473	379,473	379,473	343,473	253,573	145,673	55,773	19,773	
	16%	39%	61%	84%	95%	95%	95%	86%	63%	36%	14%	5%	

**EXHIBIT \_\_\_\_**

**SPECIAL PROVISIONS ATTACHED TO AND FORMING PART OF THE  
BASE CONTRACT FOR SALE AND PURCHASE OF NATURAL GAS**

Dated \_\_\_\_\_, 200\_\_

By and between

\_\_\_\_\_  
("Seller")

and

**Atmos Energy Corporation ("Buyer")**

If the terms of these Special Provisions and the other terms of the Base Contract conflict, the terms of these Special Provisions shall govern. Any definitions used in the Base Contract, unless otherwise defined in these Special Provisions, shall have the same meaning herein.

Any references herein to "General Terms and Conditions" shall mean the document attached to and forming part of the Base Contract entitled "General Terms and Conditions Base Contract for Sale and Purchase of Natural Gas" and setting forth the General Terms and Conditions of the agreement between the parties.

Any reference to a Section in these Special Provisions refers to the same Section of the General Terms and Conditions to the Base Contract.

**SECTION 1. PURPOSE AND PROCEDURES**

The existing Sections 1.2, 1.3 and 1.4 are deleted in their entirety and replaced with the following:

1.2 (a) Transactions entered into Orally: Should the parties come to an understanding regarding a particular transaction, and have agreed to the Contract Price, the Contract Quantity, the Delivery Period and the Delivery Point(s) (the "Minimum Requirements") for such transaction, the transaction will be formed and effectuated between the parties by an oral offer (whether by telephone, in-person, or otherwise) and oral acceptance (whether by telephone, in-person or otherwise). The parties shall be legally bound by each transaction satisfying the Minimum Requirements from the time they agree to its terms and acknowledge that each party will rely thereon in doing business related to the transaction. Any transaction formed and effectuated pursuant to the foregoing shall be considered a "writing" or "In writing" and to have been "signed" by each party.

(b) Taping of Transactions: Each party hereby agrees that the other party or its agents may electronically record all telephone conversations between officers or employees of the consenting party and the officers or employees of the other party who quote on, agree to, or otherwise discuss terms of transactions or potential transactions on behalf of the party. Either party may at each party's respective expense, maintain equipment necessary to record transactions on audiotapes and/or digital recording media ("Transaction Tapes") and retain Transaction Tapes and the electronic evidence of transactions on such Transaction Tapes in such manner and for so long as each party deems necessary in its sole respective discretion, but is not obligated to do so; provided that **NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY MALFUNCTION OF SUCH EQUIPMENT OR THE OPERATION THEREOF IN RESPECT OF ANY TRANSACTION WITHOUT REGARD TO THE CAUSE OR**

**CAUSES RELATED THERETO, INCLUDING WITHOUT LIMITATION, THE SOLE, JOINT, CONCURRENT, CONTRIBUTORY, AND/OR COMPARATIVE NEGLIGENCE (WHETHER GROSS OR SIMPLE, OR ACTIVE OR PASSIVE), STRICT LIABILITY, OR OTHER FAULT OF ANY PARTY.** No transaction shall be invalidated should a Transaction Tape be erased for any reason or a malfunction occur in equipment utilized for recording transactions or retaining Transaction Tapes or the operation thereof. The parties hereby consent to the electronic recording of their oral agreements and related telephone discussions.

(c) Waiver of Statute of Frauds: **THE PARTIES HEREBY WAIVE ALL PROVISIONS OF ANY APPLICABLE STATUTE OF FRAUDS WITH RESPECT TO ANY TRANSACTIONS SUBJECT TO THIS CONTRACT; PROVIDED HOWEVER, AMENDMENTS TO THE CONTRACT MUST BE IN WRITING AND SIGNED BY THE PARTIES.** The parties agree not to contest or assert a defense to the validity or enforceability of transaction entered into orally under laws relating to whether certain agreements are to be in writing or signed by the party to be thereby bound.

**1.3 Confirmation of a Transaction:**

(a) The Confirming Party shall and the other party may confirm the terms of a transaction by transmitting to the other party a written Transaction Confirmation by any reasonable means, including, without limitation, by facsimile (including, without limitation e-fax and/or computer facsimile), hand delivery, courier, or certified mail (return receipt requested) or other mutually agreeable electronic means. Failure by any party to send, or the party to return a Transaction Confirmation shall not invalidate any transaction. Each party adopts its confirming letterhead, or the like, as its signature on any Transaction Confirmation and as the identification and authentication of such party. Notwithstanding the definition of Transaction Confirmation in Section 2, "Transaction Confirmation" means for the purposes of delivery to a receiving party, a writing in any reasonable form containing all of the material terms of the transaction, including, without limitation, the form of Exhibit A attached hereto.

(b) If a sending party's Transaction Confirmation is materially different from the receiving party's understanding of the terms of a transaction, such receiving party shall notify the sending party of any such material differences in writing by the Confirm Deadline, unless such receiving party has previously timely sent a Transaction Confirmation to the sending party before the Confirm Deadline.

(c) Unless the receiving party has previously timely sent a written Transaction Confirmation to the sending party, the failure of the receiving party to so notify the sending party of any such material differences in writing by the Confirm Deadline constitutes the receiving party's acceptance of the description of the terms of the transaction in the sending party's Transaction Confirmation. If there are any material differences between timely sent Transaction Confirmations governing the same transaction or if the receiving party has timely objected to the terms of the sending party's Transaction Confirmation, such transaction remains valid and the parties remain legally bound thereby, however, both parties shall in good faith attempt to resolve such differences. Once such material differences are resolved, either party may transmit a written Transaction Confirmation to the other party, and such Transaction Confirmation shall be accepted (or disputed) pursuant to the provisions of this Section 1.3. The provisions of this Section 1.3 may be repeated as many times as necessary to produce a written Transaction Confirmation that is accepted or deemed accepted by the receiving party.

(d) A written Transaction Confirmation and any other writing related to or in response to a Transaction Confirmation shall be deemed delivered to the receiving party (i) when actually received by the receiving party or (ii) with respect to a written Transaction Confirmation and other writing delivered by facsimile, when the sending party's facsimile machine indicates by an electronic or written facsimile log that the receiving party's facsimile machine received such written Transaction Confirmation.

(e) The sending party shall not be required to maintain or retain a paper-based version of the written Transaction Confirmation delivered to the receiving party. In addition to a paper-based version of the written Transaction Confirmation delivered to the receiving party, the following shall constitute a "written Transaction Confirmation" for all purposes of this Contract: (i) an electronic image of a paper-based version of the written Transaction Confirmation, and/or (ii) data in the sending party's computer system.

(f) In the absence of a written Transaction Confirmation that the parties have signed or are deemed to have accepted, any evidence may be used to establish the terms of a transaction, including, without limitation, a Transaction Tape oral testimony, data in a computer system, trade tickets, and/or notes. If a Transaction Confirmation exists which the parties have signed or are deemed to have accepted, in the event of a conflict between the terms of the written Transaction Confirmation and any other evidence of the terms of a transaction (including, without limitation, a Transaction Tape, oral testimony, data in a computer system, trade tickets, and/or notes), the terms of the written Transaction Confirmation shall control to the extent of any such conflict.

1.4 Transaction Confirmations Do Not Amend Certain Terms: Transaction Confirmations shall not amend the terms of the Contract related to events of default, liquidated damages, settlement or termination payments unless a Transaction Confirmation is in writing and signed by both parties.

## **SECTION 2. DEFINITIONS**

Delete the existing definition in Section 2.11 of "Credit Support Obligation(s)" and substitute the following:

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 performance bond, guaranty or other mutually acceptable form of security.

## **SECTION 3. PERFORMANCE OBLIGATION**

The following new Section 3.5 is added:

3.5 Notwithstanding anything in this Contract to the contrary, in the event: (i) a transaction has a Firm obligation; (ii) as a result from an event of Force Majeure Seller is unable to sell and deliver, or Buyer is unable to purchase and receive, the Contract Quantity for such transaction; (iii) the Delivery Period for such transaction is at least one month; and (iv) the Contract Price is a Fixed Price (as defined below), then

- a. If the FOM Price (as defined below) is above the Fixed Price, Seller will pay Buyer, for each MMBtu of Gas not delivered and/or received, the difference between the FOM Price and the Fixed Price.
- b. If the FOM Price is below the Fixed Price, Buyer will pay Seller, for each MMBtu of Gas not delivered and/or received, the difference between the Fixed Price and the FOM Price.

For purposes of this Section 3.5, the "Fixed Price" means the Contract Price for a transaction that is expressed as a set amount. Fixed Price includes prices that were converted from an index-based price or a NYMEX basis to a set amount upon the agreement of the parties or as a result of a party exercising a price option available to a party under a Transaction Confirmation that resulted in a maximum price or a minimum price.

For purposes of this Section 3.5, the "FOM Price" means the price per MMBtu, stated in the same currency as the transaction subject to such Force Majeure event, for the first of the month of delivery as published in the Inside FERC Gas Market Report (or such other published index as mutually agreed to by the parties), for the geographic location closest in proximity to the Delivery Point.

#### **SECTION 8. TITLE, WARRANTY AND INDEMNITY**

Section 8.3 is supplemented by inserting the following as the last sentence of that section:

Neither party shall be obligated to indemnify, defend, or hold the other party harmless to the extent any liability, suit, action, damage, loss or expense arises out of or in connection with any intentional act, negligent act or failure to act on the part of the other party, its officers, agents, or employees.

#### **SECTION 10. FINANCIAL RESPONSIBILITY**

Delete the existing Sections 10.1 and 10.2 and substitute the following in lieu thereof:

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, which shall not exceed the amount calculated in accordance with the procedure for determining the Net Settlement Amount, as of the date of the demand, as if all transactions had been terminated plus all other outstanding amounts owed or accrued under the Contract. "Adequate Assurance of Performance" means sufficient security in the form, amount and for the term reasonable acceptable to X, including, but not limited to, an irrevocable standby letter of credit, a prepayment, a performance bond or guaranty (including the issuer of any such security). The "occurrence of a material change in the creditworthiness of Y" shall mean that Y (or Y's parent entity) does not have a Credit Rating or such Credit Rating is less than investment grade. "Credit Rating" means, with respect to Y on any date of determination, the respective rating then assigned to its unsecured and unsubordinated long-term debt by both Standard & Poor's Ratings Group,

a division of The McGraw-Hill, Inc. ("S&P") and Moody's Investors Service, Inc. ("Moody's"). If such ratings are assigned by both S&P and Moody's, then its Credit Rating will be the higher of such ratings.

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 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 not later than two Business Days after receipt of a written request by the other party; (viii) not have paid any amount due the other party hereunder on or before the second Business Day following receipt of written Notice that such payment is due; or (ix) fails to deliver or receive Gas if not remedied within three (3) Business Days, unless excused by the other party's non-performance or prevented by Force Majeure; 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.

#### **SECTION 11. FORCE MAJEURE**

Section 11.2(iv) is deleted and the following is substituted in lieu thereof:

(iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, terrorism, insurrections or wars;

#### **SECTION 14. MISCELLANEOUS**

The following new Sections 14.12 and 14.13 are added:

14.12 This Contract shall be considered for all purposes prepared through the joint efforts of the parties and shall not be construed against one party or the other as a result of the manner in which this Contract was negotiated, prepared, drafted or executed.

14.13 If any index used to determine the price under a transaction ceases to be available, the parties agree to promptly negotiate on a good faith basis a mutually satisfactory alternate price or reference publication to take effect as of the date the prior index is unavailable. If the parties cannot agree on an alternative price or reference publication within thirty (30) days of the index ceasing to be available, then the parties shall refer the matter to binding arbitration. Arbitration shall be governed by the Federal Arbitration Act (9 U.S.C. Section 1, *et seq.*) and conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

THE PARTIES DO HEREBY REPRESENT AND WARRANT THAT THE GENERAL TERMS AND CONDITIONS OF THE BASE CONTRACT HAVE NOT BEEN MODIFIED, ALTERED, OR AMENDED IN ANY RESPECT EXCEPT FOR THESE SPECIAL PROVISIONS WHICH ARE ATTACHED TO AND MADE A PART OF THE BASE CONTRACT.

ATMOS ENERGY CORPORATION

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_