

REQUESTED BY: CITY MANAGER, BILL KOCHER

DATE OF FIRST READING: 11-3-2015 WAIVE RULES? YES ✓ NO

FINAL ACTION DATE: 11-17-2015 VOTE: ✓ YES NO

SUSPENSION OF TWO
READING RULE:

YES	NO
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DENISE LINGO
JAMES WOLF
JENNIFER MOODY
GERALDINE BRANDY
ROBERT PARSONS
JEANNE GEORGE
JUDY PETERSEN

TOTALS

ADOPTION OF
ORDINANCE:

YES	NO
<u>✓</u>	<u> </u>
<u>✓</u>	<u> </u>
<u>✓</u>	<u> </u>
<u>✓</u>	<u> </u>
<u>✓</u>	<u> </u>
<u>ABSENT</u>	<u> </u>
<u>✓</u>	<u> </u>
<u>6</u>	<u>0</u>

ORDINANCE NO. 15-1761

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXECUTE ALL ACTIONS NECESSARY TO SUPPORT THE CONTINUATION OF A GOVERNMENTAL NATURAL GAS AGGREGATION PROGRAM WITH OPT-OUT PROVISIONS PURSUANT TO SECTION 4929.26, OHIO REVISED CODE, DIRECTING THE CITY MANAGER TO EXTEND THE SUPPLY AGREEMENT WITH INTERSTATE GAS SUPPLY, INC. TO CONTINUE A NATURAL GAS AGGREGATION PROGRAM BEYOND MARCH 31, 2016 WHEN THE CURRENT SUPPLY AGREEMENT ENDS AND DECLARING AN EMERGENCY

WHEREAS, the Ohio Legislature has enacted natural gas deregulation legislation ("H.B. No. 9") which authorizes the legislative authorities of Cities to aggregate the retail natural gas loads located in the respective jurisdictions and to enter into service agreements to facilitate for those loads the purchase and sale of natural gas; and

WHEREAS, governmental aggregation provides an opportunity for residential and small business customers collectively to participate in the potential benefits of natural gas deregulation through lower natural gas rates which they would not otherwise be able to have individually; and

WHEREAS, this Council finds and determines that it is in the best interest of the City, its residents, businesses and other Natural Gas consumers located within the limits of the City to continue its Natural Gas Opt-Out Aggregation Program subject to the conditions of a

Natural Gas Supply Agreement Amendment that will take effect on or about April 1, 2016;
and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MT. HEALTHY,
HAMILTON COUNTY, STATE OF OHIO THAT:

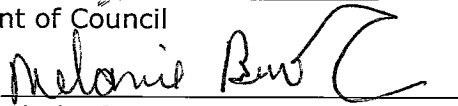
Section 1: The City Manager is hereby authorized to extend the existing Master Services Agreement ("MSA") with Interstate Gas Supply, Inc., (attached hereto and incorporated herein by reference as Exhibit A) to facilitate the sale and purchase of Natural Gas to consumers in the City's opt-out program.

Section 2: That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 3: That this Ordinance is hereby declared to be an emergency measure necessary for the preservation of the public peace, health, safety, and welfare and will take effect immediately upon its passage. The reason for the emergency is to accept the Natural Gas supply renewal offer within the necessary time frame.

Passed this 17 day of November, 2015.

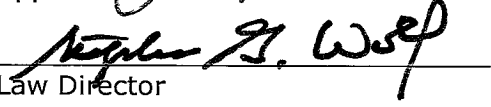

President of Council

Attest: 
Clerk of Council

Approved this 17 day of November, 2015.


Mayor

Approved as to form:


Law Director

MASTER SERVICES AGREEMENT — CITY OF MOUNT HEALTHY

THIS AGREEMENT is made this 10th day of February, 2014 by and between the City of Mount Healthy, an Ohio municipality ("Municipality" or "Aggregator") and Interstate Gas Supply, Inc. ("Supplier" or "IGS"), both acting by and through properly authorized officials. The parties agree to all of the following:

BACKGROUND

1. Municipality has enacted legislation to establish an "opt-out" natural gas aggregation program (the "Natural Gas Aggregation Program" or the "Program") pursuant to Ohio Revised Code (ORC) Section 4929.26, for eligible residents, businesses and other natural gas consumers in Municipality ("Buying Group"), defined below, and for that purpose, to take greater control over natural gas purchasing decisions for the Municipality and Buying Group members, with the desire to take advantage of the collective purchasing power of the Municipality for the benefit of the Buying Group.
2. The required ballot question passed on November 5, 2013 pursuant to ORC 4929.26, enacting the Program for the Municipality and its qualifying residents, for an automatic aggregation program. Automatic aggregation, subject to the opt-out process as detailed in the Ohio Revised and Administrative Codes, will include members of the Buying Group who are currently supplied by Duke Energy Company (the "Utility" or "LDC"). In addition, it is the desire of the Municipality for consumers who are otherwise not eligible to participate in the Natural Gas Aggregation Program to have the ability to enroll through a separate endorsement program, as may be agreed to by Supplier from time to time. The enacted legislation authorizes the Municipality, or its designated representative, to direct the procurement of natural gas with a certified natural gas supplier through the Program.
3. The Municipality represents that it has satisfied all statutory and PUCO requirements to engage in the Program. The Municipality has also retained the consulting services of a PUCO certified natural gas broker and aggregator to assist in managing this Program (the "Consultant" as referenced in Section 11.7(B), which may be amended from time to time upon receipt of written notice by IGS).
4. Subsequent to community approval of the Program, Municipality sought proposals for the supply of retail natural gas ("Gas") pursuant to the Program to the members of the Buying Group.
5. Through the request-for-proposal process, Municipality has determined that the proposal of IGS best meets the needs of the Municipality and Buying Group and has selected IGS as the exclusive supplier of Gas to the Program from the commencement of the Program through the March 2016 LDC billing period, which includes an opportunity, as the incumbent, to continue beyond said period, as further detailed herein.
6. The Municipality consists of approximately 2,700 residential Gas accounts using on average 1,000 Ccf per year each. The Buying Group shall consist of all retail natural gas loads, except mercantile customers, that are located within the Municipality and for which there is a choice of supplier of that service.
7. Supplier is familiar with government aggregations and has relayed to Municipality that there are material time constraints and limitations inherent with the opt-out process, and as such, from time

to time it will be necessary to move quickly to secure the best prices for the Municipality's Buying Group.

SECTION 1 GENERAL PROVISIONS

1.1 Governmental Aggregator

Aggregator represents that it is, or will become, duly certified by the Public Utilities Commission of Ohio ("PUCO") to provide natural gas aggregation services to its residents and accordingly, has the authority to designate, and does designate, Supplier, as its natural gas supplier and agent for procurement of natural gas supplies for Municipality's Program-eligible consumers. The Aggregator shall maintain its certification at all times through the term of this Agreement and any extension(s). IGS shall be the sole and exclusive provider of retail natural gas services for all of the customers of the Buying Group who do not opt-out of the Program.

Aggregator does not assume the credit risk for non-payment by any member of the Buying Group.

1.2 Supplier

Supplier represents that it is duly certified by the PUCO, and as such is authorized to provide competitive natural gas services to serve the Municipality's residential and small commercial customers who do not opt out of its Program.

Supplier shall be acting as an independent contractor to Aggregator, and shall not be deemed an employee or representative of Aggregator.

1.3 Consumer

The end users of Supplier's natural gas services are the Program-eligible residential and non-mercantile customers in Aggregator's political boundaries that do not opt-out of the program ("Consumer" or "Customer"). On behalf of Consumer, Aggregator is authorized to approve Supplier's Terms and Conditions for Supplier's contract with the Consumer.

1.4 Utility

For purposes of this Agreement, the Utility shall be the local distribution company and will provide local distribution services for all commodity supplied under this Agreement.

SECTION 2 SCOPE OF WORK

Supplier will undertake, perform and complete the services described below as well as those identified throughout this Agreement.

2.1 Supplier is responsible for the costs of obtaining the eligible customer list from the LDC and/or from any other resource they deem useful in creation of an accurate list. Municipality will share its resources to help mitigate the cost of assembling and verifying the list and will request the eligible customer list from LDC. It is the joint responsibility of the Municipality and Supplier to approve the list to be used in any opt-out or endorsement program for the Municipality. Upon notification and request to Supplier by a Customer who was eligible at the time of the initial opt-out notification and who

remains eligible, Supplier shall enroll any such Customer wishing to join the Program. If an ineligible Customer receives an opt-out notice and is enrolled in the Program, upon knowledge of or notice to Supplier, Supplier shall take immediate steps to return Customer to the Utility for service. Supplier will also be responsible to reimburse any switching fee and negative differential charges resulting from the switch of such ineligible consumer, if notified by the consumer with what is in the good faith judgment of Supplier deemed a legitimate grievance.

2.2 Supplier shall perform and Aggregator will cooperate in the necessary list scrubbing/cleaning to ensure that only those customers who are eligible to participate are included on the list. Supplier and Aggregator acknowledge that the list acquired from the Utility is represented by the Utility to be a list properly cleansed to include only those Customers that are eligible for a government aggregation as detailed in Ohio Revised Code Section 4929.26, et. seq. To the extent the Utility fails to provide such a list, the parties hereto shall hold each other harmless from any claim by the other resulting from such failure by the Utility.

2.3 Supplier shall print and mail opt-out notice packets to Customers that appear on the cleansed list. The packet shall contain an opt-out notice approved by the Aggregator, a Terms and Conditions page outlining Consumer contract provisions, scripted by Supplier and approved by Aggregator, and may also include other information as agreed upon by Aggregator and Supplier. Supplier shall bear the costs associated with preparing, printing and mailing the opt-out notice packets.

2.4 Supplier shall receive and organize the opt-out responses and prepare a final listing of those Customers to be enrolled in the program. Supplier will also handle the information sharing/verification process with the Utility for the transfer of accounts.

2.5 Supplier will utilize its customer call center resources to handle customer calls and concerns. Supplier maintains a toll free telephone number that will be provided in all written correspondence with Customers, as well as the IGS website, that can be used by Customers to answer frequently asked questions. IGS understands that Aggregator is not equipped to handle large volumes of Customer calls and will be dependent on Supplier for this function. Aggregator will remain available to answer questions regarding customer inquiries as needed by IGS.

2.6 Once the timing is finalized between the Municipality and IGS, IGS will conduct opt-out processes as required by pertinent regulatory rule through the term of this Agreement. IGS may also conduct additional opt-outs at various times throughout the term of this Agreement, as agreed upon by Supplier and Aggregator ("Interim Opt-outs"). The purpose of the Interim Opt-outs is to provide an opportunity for newly eligible opt-out Customers to take advantage of the Program. Such Interim Opt-outs will occur at times mutually agreed upon by Aggregator and Supplier.

2.7 Notwithstanding anything to the contrary herein, IGS agrees that, upon notification by former customer of the Buying Group and once provided with appropriate documentation, IGS shall re-enroll any Customer who is in the Program that moves to a new location within the Municipality and within the LDC's service territory back into the Program, if eligible. Appropriate documentation shall include a signed agreement, telephone verification of enrollment or internet enrollment into the Program. The price, terms and conditions, once re-enrolled shall continue for the remainder of the Customer's initial term at the customer's prior address, although in no event shall the term exceed the term of this Agreement. In addition, IGS shall permit any new entrant into the Municipality, within the LDC service territory that moves into any facility existing at the time of execution of this Agreement, to enroll in the Program, at the then current terms and conditions for the Program, for the remaining term of the

Program as specified in this Agreement. Newly constructed facilities that are eligible will be permitted to enroll in the Program during Interim Opt-out notifications, and may, in IGS' sole discretion, be permitted to enroll in the Program from time to time.

2.8 If the LDC charges a switching fee for all Customers choosing a new supplier under the Choice program, IGS agrees to pay this fee.

2.9 Supplier's arrangements regarding natural gas supply shall comply with the Natural Gas Choice Program in the state of Ohio. IGS will supply and manage deliveries to meet 100 percent of the Buying Group's natural gas requirements. Pricing shall not include LDC charges, fees or expenses, or applicable taxes.

2.10 In the event the Public Utility Commission of Ohio ("PUCO") requires information or documents regarding the Aggregation, Supplier agrees to assist in compiling such information, for all information in the possession or control of Supplier.

SECTION 3 TIME OF PERFORMANCE AND TERM OF CONTRACT

3.1 Supplier shall begin the flow of natural gas to participating Consumers at a mutually agreed upon time, after proper opt-out notifications are provided by IGS to eligible Customers. This Agreement and IGS' obligations under the Program shall terminate at the conclusion of the March 2016 LDC billing period and can be extended for additional term(s) by mutual written agreement of both Aggregator and Supplier.

3.2 Aggregator shall have the right to begin negotiations with IGS and other natural gas suppliers during the term of this Agreement to ensure a seamless transition and continuation of the program at the end of any term. If the Municipality chooses a new supplier following the initial term, IGS shall cooperate with Aggregator and new supplier in a timely manner. This would include providing a list of Customers, who according to IGS' records are participating in the Program at the time such request is made.

3.3 Based on an acceptable level of performance during the Initial Term, the Municipality may grant IGS a "last-look" option, wherein IGS could continue as the supplier to the Municipality aggregation. If the "last-look" option is granted, IGS would need to match or beat the price, terms and conditions, as determined by the Municipality, of all other legitimate reasonable firm offers obtained in a competitive bid process.

3.4 Should this Agreement terminate at the end of the Initial Term and a new supplier is not chosen, IGS will take all actions necessary to return any opt-out Program Customers to the LDC upon expiration of the Program term, as elsewhere defined herein.

SECTION 4 SALE AND PURCHASE

4.1 Supplier shall deliver and sell firm natural gas supplies to Customers at the price or pricing structure agreed to and described in Appendix A of this Agreement (the "Price"). Supplier shall follow the Utility and PUCO rules and guidelines associated with Customer Choice gas supplies. Customers shall purchase gas supplies as indicated at the Price set forth in the Appendix A. Supplier shall invoice Customers through the Utility. All payments for gas delivered under this

agreement shall come from the Utility. Aggregator takes no responsibility for payment hereunder for any amounts owed by the Utility or Customers to Supplier.

SECTION 5 PRICE

5.1 Supplier's monthly charges shall appear on the Utility invoice and shall be for all natural gas supplied at a price and process as described in Appendix A.

The Parties to this Agreement acknowledge that IGS will, from time to time, provide suggestions or opinions regarding market conditions, NYMEX pricing and related information. Further, the Parties agree that the natural gas market is volatile, and price opportunities and advantages that exist at one point may not exist at another point. The information being provided by IGS is for informational purposes only, and any and all decisions regarding the timing, pricing and programs are ultimately and exclusively the decisions of the Municipality. IGS has no liability for information or opinions provided. The Parties will, from time to time, hedge gas when it is believed that such hedges may result in a desired outcome. However, the strategies or policies are guidelines only and can be amended, suspended or disregarded from time to time at the discretion of the Parties and the Parties agree that even if implemented, they may not achieve the desired results. Therefore, the pricing for Customers will vary from time to time, and may be either fixed or variable, or a combination of fixed and variable pricing, and may contain summer and winter pricing, when such pricing is determined to be advantageous. Further, IGS shall have the right to offer a Customer a Aggregator-endorsed fixed price at any time.

SECTION 6 DELIVERIES

6.1 Natural gas deliveries by Supplier shall be firm deliveries, utilizing primary firm transport and firm gas storage to such delivery points as determined by IGS, in accordance with the Utility's delivery guidelines ("Point of Delivery"). Supplier shall provide Aggregator with the right to verify, with the Utility or interstate pipelines, its level of firm primary delivery point entitlements, firm storage levels, and scheduled quantities.

6.2 Supplier shall comply with all Operational Flow Orders ("OFO's") as issued by the Utility. Non-compliance with OFO's shall expose Supplier for its pro-rata share of any and all costs associated with such failure, including but not limited to, penalties from interstate pipelines.

SECTION 7 BILLING AND PAYMENT

Supplier shall delegate the billing obligations to the Utility.

SECTION 8 NON-PERFORMANCE/TERMINATION

8.1 Non-Performance

If Supplier fails to meet its obligations to deliver firm gas under this Agreement, and its failure is not excused by any provision under this Agreement, then Supplier shall reimburse Customer for the difference between the Price as defined in Section 5.1 of this Agreement and the price that customer pays for replacement gas supplies as necessary to meet Customers' needs due to Supplier's failure to perform.

8.2 Financial Guaranty

If, based upon a material change in the creditworthiness of Supplier, Aggregator has reasonable grounds for insecurity regarding Supplier's performance of any material obligation under this Agreement, Aggregator may demand Adequate Assurance of Performance, which in the aggregate may not exceed \$300,000. "Adequate Assurance of Performance" shall mean sufficient security in the form, amount and for the term reasonably acceptable to Aggregator, including, but not limited to, a standby letter of credit, a performance bond, or guaranty

In the event Supplier fails to provide Adequate Assurance of Performance, as described above, within 15 business days of a written demand from Aggregator, then Aggregator shall have the right, after written notice, to terminate this agreement and have Supplier transfer all program Customers back to the Utility with the corresponding end-of-service notification.

8.3 Termination

A party may terminate this Agreement prior to its natural expiration for a material breach of this Agreement, or in accordance with the following regulatory contingencies ("Regulatory Event"):

A. **Illegality.** If, due to the adoption of, or change in, any applicable law, or in the interpretation of any applicable law by any judicial or governmental authority, it becomes unlawful to perform any obligation under this Agreement.

B. **Adverse Government Action.** If any regulatory agency or court having jurisdiction over this Agreement: i) requires a material change to the terms of this Agreement that materially and adversely affects a Party, or ii) adversely and materially impacts a Party's ability to perform or otherwise provide the services described herein.

Upon the occurrence of a Regulatory Event, the adversely affected Party shall notify the other Party that such an event has occurred. The Parties shall attempt to agree to an amendment to remedy the effects of the event. If no such agreement is reached then either party may terminate the contract by 30-day written notice and Supplier will take all actions necessary to return all Program Customers back to the Utility and will send all Customers in Aggregator's Program an end-of-service notification in accordance with PUCO rules.

SECTION 9 FORCE MAJEURE

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

9.2 Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary firm transportation unless primary, in-path, firm transportation is also curtailed; (ii) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship, to include, without limitation, Supplier's ability to sell Gas at a higher or more advantageous price than the Price, Aggregator's ability to purchase Gas at a lower or more advantageous price than the Price, or a regulatory agency disallowing, in whole or in part, the pass through of costs resulting from this Agreement; (iv) the loss or failure of Supplier's gas supply or depletion of reserves, except, in either case, as provided in Section 9.1.

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

SECTION 10 APPLICABLE LAW

10.1 This Contract and all provisions herein will be interpreted under Ohio laws. Any and all litigation between Supplier and Aggregator related to this agreement shall be brought in either a state or federal court located within the State of Ohio.

SECTION 11 MISCELLANEOUS

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

11.2 No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach.

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

11.4 Aggregator and Supplier each represent and warrant that they have full and complete authority to enter into and perform this Agreement. Each person who executes this Agreement on behalf of either party represents and warrants that he has full and complete authority to do so and that such party will be bound thereby.

11.5 Neither party may assign or transfer rights and obligations under this Agreement without the written consent of the other party, which consent will not be unreasonably withheld or delayed. Notwithstanding the foregoing, Supplier may assign this Agreement in connection with the sale of all

or substantially all of Supplier's assets. If this occurs, Supplier shall provide Aggregator with five business day's notice.

11.6 Supplier and Aggregator agree that the Price offered during the term of this Agreement includes an administrative fee of \$0.005 per Ccf, payable by Supplier to the Municipality's consultant on all gas consumed by verified Consumers enrolled and actively participating in the Program.

11.7 Any notices, requests or demands regarding the services provided under this Agreement shall be sent to the following parties:

- | | |
|----------------|--|
| A. AGGREGATOR | ATTN: Bill Kocher, City Manager
City of Mount Healthy
7700 Perry Street
Mount Healthy, Ohio 45231
Ph: 513 931-8840
Fax: 513 728-3189
Email: bkocher@mthealthy.org |
| B. CONSULTANT: | Office Manager
Independent Energy Consultants, Inc.
215 W. Garfield Rd.
Suite 210
Aurora, Ohio 44202
Ph: 330 995-2675
Fax: 800 574-4508
Email: mburns@naturalgas-electric.com |
| C. SUPPLIER | Doug Austin
Interstate Gas Supply, Inc.
6100 Emerald Parkway
Dublin, Ohio 43016
Ph: 614-659-5000
Fax: 614-659-5010
Email: daustin@igsenergy.com |

11.8 Compliance with Worker's Compensation

The Supplier shall provide the Municipality a copy of the Worker's Compensation certificate prior to any work commencing and a current certificate shall be kept on file for the duration of the Agreement.

11.9 Compliance with Anti-discrimination Laws

The Supplier agrees to both of the following:

(a) That in the hiring of employees for the performance of work under the Agreement or any subcontract, no contractor shall, by reason of race, color, religion, sex, age, handicap, national origin, or ancestry, discriminate against any citizen of this state in the employment of a person qualified and available to perform the work to which the Agreement relates; and

(b) That no contractor, subcontractor, or any person acting on behalf of any contractor or subcontractor shall, in any manner, discriminate against, intimidate, or retaliate against any employee hired for the performance of work under the Agreement on account of race, color, religion, sex, age, handicap, national origin, or ancestry.

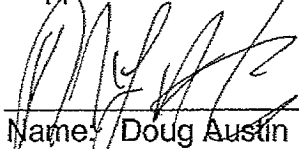
11.10 Interest of Members of Municipality

No member of the governing body of the Municipality, and no other officer or employee, of the Municipality who exercises any functions or responsibilities in connection with the carrying out of the project to which this Agreement pertains, shall have any personal interest, direct or indirect, in this Agreement.

IN WITNESS WHEREOF, MUNICIPALITY AND SUPPLIER have caused this Agreement to be executed as of the date first mentioned above.

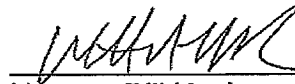
Supplier: Interstate Gas Supply, Inc.

Municipality: City of Mount Healthy



Name: Doug Austin

Title: Vice President



Name: Bill Kocher

Title: City Manager

APPENDIX A — Pricing

Supplier's monthly charges shall be determined by 104% of the NYMEX price of gas plus \$0.074 per Ccf. The Consultant, acting on behalf of the Municipality, has the right to determine the NYMEX price by directing IGS to purchase ("Trigger") actively trading NYMEX futures contracts at any time with the exception of the prompt NYMEX trading month, which Municipality acknowledges will be Triggered before or at the NYMEX close on the 15th day of the then-current month (If the 15th day of the month falls on a holiday or a weekend, then it would be the next business day). For example, unless Triggered otherwise, the price to appear on the Customer invoice from the Utility for April would be 104% of the closing Nymex price of gas on March 15th plus \$0.074 per Ccf. Any and all Supplier charges for BTU conversion, shrinkage, etc., are included in the calculation of the NYMEX price. In order to Trigger actively trading Nymex future contracts, Consultant must contact IGS in writing (which can be via e-mail or fax) and direct IGS to execute a NYMEX futures purchase. Upon receiving such directive, IGS shall act upon such directive in what would be considered timely according to industry standards. All Parties acknowledge that the execution of a NYMEX futures purchase becomes a final purchase only upon IGS sending to Consultant an e-mail or fax confirmation of such Trigger directive having been completed. The e-mail or fax confirmation may be in a form of a spreadsheet, which includes all purchases (current and historical), as of the time of the confirmation.

FIRST AMENDMENT TO MASTER AGREEMENT

Aggregator: City of Mount Healthy
Supplier: Interstate Gas Supply, Inc.
Master Agreement: Master Agreement to Provide Certified Natural Gas Services to a Governmental Aggregator, dated February 10, 2014
Date: October ____, 2015

In consideration of the mutual promises below, Aggregator and Supplier agree to modify their Master Agreement, but only to the extent set forth in this Amendment.

1. This Amendment constitutes the "mutual written agreement of both Aggregator and Supplier" (as contemplated in Section 3.1 of the Master Agreement) to extend the duration of the Master Agreement, with all modifications under this Amendment, to an additional term beginning with Duke's April 2016 billing period and terminating at the end of Duke's March 2018 billing period.
2. The first sentence of Appendix A - Pricing of the Master Agreement is hereby deleted and replaced by: "Supplier's monthly charges shall appear on the Duke invoice and shall be for all natural gas supplied at a price to be determined by the Nymex price for gas multiplied by the applicable Duke BTU conversion rate for that month plus \$0.092 per Ccf."
3. The third sentence of Appendix A - Pricing of the Master Agreement is hereby deleted and replaced by: "For example, unless Triggered otherwise, the price to appear on the Customer invoice from Duke for April would be the closing Nymex price of gas on March 15th multiplied by the applicable Duke BTU conversion rate for April plus \$0.092 per Ccf."

All other terms and conditions stated in the original Master Agreement continue in full force and effect.

AGREED:

Aggregator:
CITY OF MOUNT HEALTHY

Supplier:
INTERSTATE GAS SUPPLY, INC.

Name:
Title:

Name:
Title: