



DELIVERING STRATEGIC SOLUTIONS ACCA'S 2000 ANNUAL MEETING

FORM PREPARED FOR ACCA ANNUAL MEETING 2000

Natural Gas Purchase and Sales Agreement

Between

_____ (SELLER)

and

_____ (BUYER)

THIS NATURAL GAS PURCHASE AND SALES AGREEMENT is made effective _____ ("Effective Date") by and between _____ ("Seller") and _____ ("Buyer"). Buyer desires to purchase natural gas from Seller according to the terms of this agreement outlined below and in Exhibit A.

I. TERM

The initial term of this agreement will be from _____ through _____. Thereafter, this Agreement shall remain in effect month to month until the later of: (1) all transactions evidenced by a signed Confirmation have expired or (2) either party gives the other party sixty (60) days prior written notice of its intent to terminate this Agreement.

II. QUANTITY OBLIGATIONS

Buyer agrees to purchase and Seller agrees to sell and deliver to the Delivery Point, the Daily Contract Quantities (DCQ) set out in the Confirmation. The Confirmation will indicate the level of gas service being provided and the associated obligations of each party.

III. QUANTITY RECONCILIATION

The parties recognize that due to weather considerations, Buyer's actual gas consumption will not exactly match the delivery contract quantities (DCQ) set out in the Confirmation. For Buyer's facilities connected to firm utility transportation, Buyer and Seller agree to reconcile variations between Buyer's actual consumption and the DCQ according to the provisions of the applicable utility tariffs. Reconciliation will be based on prevailing gas prices at the time of reconciliation. Further, Buyer and Seller recognize that the reconciliation will result in a debit or credit to Buyer's account.

IV. DELIVERY POINT(S) AND TITLE

The Delivery Point for all gas sold hereunder is the point of interconnection between the transporting interstate pipeline and the local distribution company in whose territory Buyer is located (Delivery Point). Seller will schedule gas to the Delivery Point for Buyer's account. Title to all natural gas will pass from Seller

to Buyer at the Delivery Point. Seller warrants that it has good and marketable title to the natural gas delivered under this Agreement.

V. TRANSPORTATION AND BALANCING

Delivery of gas to Buyer's facilities shall be by separate transportation agreement between Buyer and Buyer's utility. Each party will notify the other party of changes that will affect the delivery and consumption of gas. Seller may adjust gas sales at the Delivery Point up or down to minimize Buyer's imbalance. To the extent either party's actions result in an imbalance penalty being assessed by Buyer's utility, the party causing the penalty will be responsible for paying any such penalty. This provision is subject to the applicable tariffs of Buyer's utility.

VI. AGENT PROVISION

Buyer appoints Seller to act as Buyer's agent and authorizes Seller to obtain usage data from Buyer's utility, to make nominations, to aggregate Buyer's usage with that of Seller's other customers for purposes of balancing, to obtain Buyer's credit and payment information, and to perform any other duties necessary to operate and maintain delivery of gas to Buyer's facilities.

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VII. BILLING, PAYMENT AND CREDIT

A. Monthly Billing: Seller or its agent shall bill Buyer monthly for purchases made under this Agreement. Buyer shall pay the bill within 20 days of the date of the bill. Seller will be responsible for all taxes assessed prior to the Delivery Point. Buyer will be responsible for all taxes assessed at the Delivery Point and thereafter, including any gross receipt taxes or sales taxes levied on the sale of natural gas.

B. Late Payment: Bills not paid within 20 days shall bear interest at a rate of 1% per month. Seller reserves the right to terminate this Agreement for non-payment without written notice. Buyer shall be liable for all costs, including legal fees, associated with the collection of outstanding balances.

C. Credit: Buyer agrees to provide Seller any financial information and/or financial assurances that Seller deems reasonable to ensure Buyer's full performance of the obligations hereunder. Buyer represents and warrants that all information supplied is correct and that Buyer is financially able to continue its business, is unaware of any situation which would alter its financial abilities and has not filed, planned to file or have had filed any bankruptcy proceedings.

VIII. LOCAL UTILITY, TRANSPORTATION TARIFFS AND REGULATIONS

This Agreement is subject to all applicable federal, state and local laws, rules and regulations, including but not limited, to regulations and tariffs promulgated under the authority of the applicable public service commission, the Federal Energy Regulatory Commission, and the transporting pipelines. Further this Agreement is contingent upon the continuation of all necessary regulatory approvals and authorizations. This Agreement shall become void or terminate, as appropriate, if any necessary regulatory approval(s) or authorization(s) are/is not continued or changes in any regulation or utility tariff make this transaction uneconomic for Seller. Buyer will be responsible for paying all charges to its utility associated with transporting natural gas from the Delivery Point to Buyer's Facility. Buyer's utility and appropriate rate schedule are defined in Confirmation.

IX. CONFIRMATION

From time to time the parties hereto will verbally agree to terms and conditions for the sale and purchase of natural gas. Seller will send Buyer a Confirmation in the form attached as Exhibit "A". The Confirmation will document the agreement as to price, quantity, level of sales service, and term of price. Buyer and Seller will execute the Confirmation indicating their acceptance of the terms and conditions therein.

X. MISCELLANEOUS

A. Force Majeure. In the event of Force Majeure, Buyer and Seller shall use due diligence to restore its ability to meet its obligations under this Agreement. The term Force Majeure shall include but not be limited to the breakdown of equipment, making of repairs or alterations to malfunctioning equipment, or any other mechanical difficulties not reasonably within the control of the Buyer or Seller, non-performance by third-party transporters, acts of God, changes in governmental regulations or any other events beyond the reasonable control of the party in question.

B. Non-performance. The parties agree that damages under this Agreement shall be limited to the cost of cover, and that in no event shall Seller be liable for any special, punitive, indirect, incidental or consequential damages, including but not limited to any liability for lost profits or interruption of business.

C. Exit Fee. If Buyer fails to maintain Delivery Service with Buyer's utility during the term of this Agreement, Buyer agrees to pay an exit fee of \$ _____ if such event occurs in the first 6 months and \$ _____ if such an event occurs thereafter. This exit fee is in addition to any other remedies Seller may have including the cost of reselling any gas at prices below the price evidenced in any Confirmation (cost of cover).

D. Authority. Buyer represents and warrants that it has the contractual authority to bind any third party for whom the gas supply hereunder is being purchased.

E. Integration of Agreement. This Agreement constitutes the entire agreement between Seller and Buyer. No statement, promise or inducement made by either party which is not contained in this Agreement shall be valid or binding.

F. Severability. If any part, term or provision of this Agreement is specifically held to be illegal or in conflict with any applicable law, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of Seller and Buyer shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision so held to be illegal or in conflict.

G. Assignability. There shall be no assignment, transfer, or subcontracting of this Agreement, nor of any interest in this Agreement, nor delegation of duties hereunder, except upon written consent of the Seller and Buyer, which shall not be unreasonably withheld. This Agreement shall inure to the benefit of, and be binding upon, the heirs, executors, administrators, and successors of the respective parties.

H. Waiver. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. Notwithstanding anything in this Agreement to the contrary, all remedies afforded in this Agreement shall be taken and construed as cumulative in addition to every other remedy provided herein or by law.

XI. BUYER INFORMATION

Full legal name of Buyer:

Buyer Entity: _____ Corporation _____ Limited Liability Corp. _____ Non-profit Corporation _____ Sub Chapter

S Corporation

___ General Partnership ___ Limited Partnership ___ Sole Proprietorship

Buyer's Representative: Title:

Buyer's Telephone: Telefax: _____

Buyer's Billing Address:

XII. SELLER INFORMATION

Full legal name of Seller:

Seller's Representative: Title: _____

Seller's Telephone: Telefax: _____

Seller's Address:

Seller: _____

Buyer:

By: By:

Title: _____ Title:

Date: Date:

Exhibit A

CONFIRMATION —

THIS CONFIRMATION is effective the _____ by and between _____ ("Seller") and _____ ("Buyer") and is subject to the terms and conditions of the Natural Gas Purchase and Sales Agreement.

CUSTOMER USAGE PROFILE

The following Daily Contract Quantities (DCQ) are the best natural gas usage estimates supplied by the local distribution company serving the customer. The estimates are the aggregation of all properties being served under this agreement.

Month, Year to Month, Year Daily Quantities (therms/day)

_____ See Attachment

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Firm Gas Service: Seller is obligated to deliver and Buyer is obligated to purchase the quantities listed above and delivered to the Delivery Point(s) under all circumstances except Force Majeure.

(A) Term: _____

(B) Price: per therm (Fixed Price)

OR

Price: NYMEX plus \$. per therm (Basis)

OR

Price: Index plus \$. per therm (Basis)

Note: Customer can elect to fix its costs by taking the NYMEX strip and adding it to the fixed Interstate Transportation Costs (basis) to arrive at a fixed price.

Note: All prices quoted are subject to change prior to acceptance by both parties. All prices are quoted at the Delivery Point (city-gate), in cents per dry therm (unless otherwise noted), and prior to adjustments made by Utility for lost and unaccounted-for gas and a wet to dry measurement basis. In the event Utility revises its firm delivery service tariff to shift the Utility balancing charge to the Seller instead of the Buyer, said balancing charge shall be charged to the Buyer by the Seller as a pass through item (with no net financial impact on the Buyer).

TAX STATUS

Applicable taxes will be collected on all gas sales made under this agreement unless Buyer provides Seller with a valid tax exemption certificate. All accounts are subject to any applicable Gross Receipts Tax, which is not included in the quoted prices.

Buyer's Utility: _____ **Transportation Rate Schedule(s):** Firm

Seller: _____

Buyer:

By: _____ By:

Title: _____ Title:

Date: _____ Date: