

GAS SUPPLY AGREEMENT

BY AND BETWEEN

THE BLACK BELT ENERGY GAS DISTRICT

AND

CITY OF PENSACOLA, FLORIDA, D/B/A PENSACOLA ENERGY

DATED AS OF SEPTEMBER 1, 2021

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GAS SUPPLY AGREEMENT

PREAMBLE

This Gas Supply Agreement (this “Agreement”), dated as of September 1, 2021 (the “Effective Date”), is made and entered into by and between the City of Pensacola, Florida (“Gas Purchaser”), and The Black Belt Energy Gas District (“Issuer”). Gas Purchaser and Issuer are sometimes hereinafter referred to in this Agreement collectively as the “Parties” or individually as a “Party”.

RECITALS

WHEREAS, Issuer is a public corporation organized as a gas district under the laws of the State of Alabama; and

WHEREAS, Gas Purchaser is a municipal government entity organized and validly existing under the laws of the State of Florida; and

WHEREAS, Issuer has planned and developed a project to acquire long-term Gas supplies from Aron Energy Prepay 6 LLC, a Delaware limited liability company (“Prepaid Gas Supplier”) (hereinafter referred to as “Prepay LLC”) (“Prepay LLC”), pursuant to a Prepaid Natural Gas Sales Agreement (the “Prepaid Gas Agreement”) to meet a portion of the Gas supply requirements of Gas Purchaser and other municipal utilities and joint action agencies that elect to participate (together, the “Project Participants”) through a gas prepayment project (the “Prepaid Project”); and

WHEREAS, Gas Purchaser desires to enter into an agreement with Issuer for the purchase of Gas supplies from the Prepaid Project; and

WHEREAS, Issuer will finance the prepayment under, and the other costs of, the Prepaid Project by issuing Bonds; and

WHEREAS, Gas Purchaser desires to enter into an agreement with Issuer for the purchase of Gas supplies that Issuer acquires under the Prepaid Project for sale to a retail industrial customer in its service area at a plant owned and operated by International Paper Company (“International Paper”), known as the Cantonment Plant (the “International Paper Plant”), or to any successor entity to International Paper operating the International Paper Plant, or, if International Paper ceases to purchase Gas supplies from Gas Purchaser, to any other industrial customer whose facilities are located in Gas Purchaser’s service area (for purposes of this Agreement, the International Paper Plant and any other such facilities shall be referred to as the “Plant”) to meet a portion of International Paper’s gas requirements for operations at the Plant, under the terms and conditions set forth in this Agreement (for purposes of this Agreement, International Paper, any successor entities or industrial customers shall be referred to as “Downstream Customer”); and

WHEREAS, Gas Purchaser owns and operates a municipal gas distribution system under authority of the laws of the State of Florida for the distribution, sale, and delivery of Gas to retail Gas consumers within its service area; and

WHEREAS, Gas Purchaser is agreeable to purchasing Gas from Issuer under the terms and conditions set forth in this Agreement for sale to Downstream Customer for its consumption at the Plant and Issuer is agreeable to selling to Gas Purchaser such supplies of Gas under the terms and conditions set forth in this Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Issuer and Gas Purchaser agree as follows.

ARTICLE I

DEFINITIONS AND CONSTRUCTION

1.1. Construction of this Agreement. The Preamble and the Recitals set forth above are incorporated into this Agreement for all purposes. References to Articles, Sections, and Exhibits throughout this Agreement are references to the corresponding Articles, Sections, and Exhibits of this Agreement unless otherwise specified. All Exhibits are incorporated into this Agreement for all purposes. References to the singular are intended to include the plural and vice versa. The word “including” and related forms thereof are intended to be interpreted inclusively, whether or not the phrase “but not limited to” follows such word or words. The words “will” and “shall” indicate mandatory requirements of the Parties except in the Recitals.

1.2. Definitions. Unless another definition is expressly stated in this Agreement, the following terms and abbreviations, when used in this Agreement, are intended to and shall mean as follows:

- (a) “Agreement” is defined in the Preamble.
- (b) “Alternate Delivery Point” has the meaning specified in Section 3.1.
- (c) “Annual Refund” means the annual refund, if any, provided to Gas Purchaser and calculated pursuant to the procedures specified in Section 4.5.
- (d) “Applicable Rating Agencies” means, at any given time, each Rating Agency then rating the Bonds.
- (e) “Available Discount” means, for each Reset Period, the amount, expressed in cents per MMBtu (rounded down to the nearest one-half cent), determined by the Calculation Agent pursuant to the Re-Pricing Agreement for such Reset Period. The Available Discount shall equal the sum of the Monthly Discount and any anticipated Annual Refunds for the applicable Reset Period.
- (f) “Board of Directors” means the Board of Directors of Issuer.

(g) “Bond Closing Date” means the date on which the Bonds are issued pursuant to the Bond Indenture.

(h) “Bond Indenture” means the Trust Indenture for the Bonds, dated as of _____ 1, 2021, between Issuer and the Trustee, providing for the issuance of and security for the Bonds, together with any other trust indenture providing for the issuance of and security for any refunding Bonds, in each case as the same may be amended from time to time.

(i) “Bonds” means Issuer’s Gas Supply Revenue Bonds, Series 2021 (including multiple sub-series), issued to finance Issuer’s purchase of Gas from Prepay LLC under the Prepaid Gas Agreement and costs associated therewith, and any Refunding Bonds issued by Issuer under the Bond Indenture.

(j) “Bond Year” means for the Bonds, the twelve month period beginning on January 2 in any year and ending on January 1 of the following year; provided that the first Bond Year for the Bonds shall commence on their date of issuance, _____, 2021, and end on January 1, 2023.

(k) “Btu” means one British thermal unit, the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit at 60 degrees Fahrenheit, and is the International Btu. The reporting basis for Btu is 14.73 pounds per square inch absolute and 60 degrees Fahrenheit; provided, however, that the definition of Btu as determined by the operator of the relevant Delivery Point shall be deemed conclusive in accordance with Article VI of the Prepaid Gas Agreement; and provided further that in the event of an inconsistency in the definition of “Btu” between this definition and the definition of “Btu” in the Prepaid Gas Agreement, the definition in the Prepaid Gas Agreement shall apply.

(l) “Business Day” means (i) with respect to payments and general notices required to be given under this Agreement, any day other than (a) a Saturday or Sunday, (b) a Federal Reserve Bank holiday, (c) any day on which commercial banks located in either New York, New York, or the State of Alabama are required or authorized by law or other governmental action to close, or (d) any other day excluded pursuant to the Bond Indenture, and (ii) with respect to Gas deliveries and notices with respect thereto, any day.

(m) “Calculation Agent” has the meaning specified in the Re-Pricing Agreement.

(n) “Central Prevailing Time” or “CPT” means Central Daylight Savings Time when such time is applicable and otherwise means Central Standard Time.

(o) “Cf” means cubic foot of Gas, defined as the amount of Gas required to fill a cubic foot of space when the Gas is at an absolute pressure of 14.73 pounds per square inch absolute and at a temperature of 60 degrees Fahrenheit.

(p) “Code” means the Internal Revenue Code of 1986, as amended, 26 U.S.C. §1 *et seq.* References herein to the Code or a section of the Code include the U.S. Treasury Regulations thereunder.

(q) “Commercially Reasonable” or “Commercially Reasonable Efforts” means, with respect to any decision, purchase, sale or other action required to be made, attempted or taken by a Party under this Agreement, such decision or efforts as a reasonably prudent Person would make or undertake, as the case may be, for the protection of its own interest under the conditions affecting such decision, purchase, sale or other action. For the avoidance of doubt, the reasonableness of any action taken by a Party under this Agreement shall be determined at the time of such action, taking into full account the facts, circumstances and competitive environment surrounding such action.

(r) “Commodity Swap” means (i) the transaction confirmation entered into under the ISDA Master Agreement, with respect to the Prepaid Project, by Issuer and the Commodity Swap Counterparty, and (ii) each replacement commodity swap entered into pursuant to the Prepaid Gas Agreement.

(s) “Commodity Swap Counterparty” means Issuer’s counterparty under the Commodity Swap, which initially shall be BP Energy Company.

(t) “Contract Price” has the meaning specified in Section 4.1.

(u) “Daily Contract Quantity” or “DCQ” means, for each Month, the quantity of Gas in MMBtu scheduled to be delivered by Issuer to Gas Purchaser and received by Gas Purchaser from Issuer each Gas Day during such Month, as set forth in Exhibit B.

(v) “Daily Gas Obligation” means, for each Gas Day for which a Daily Remarketing Amount accrued, an amount equal to the Contract Price for such Gas Day multiplied by the result of (A) the Daily Contract Quantity, less (B) the quantity of Gas remarketed by Gas Purchaser.

(w) “Daily Remarketing Amount” means, for each Gas Day on which Gas Purchaser remarkets Gas received under this Contract in a manner that does not comply with the Qualifying Use Requirements, an amount equal to the index price that would have applied to such Gas under Exhibit C multiplied by the quantity of Gas remarketed by Gas Purchaser.

(x) “Delivery Period” means the period beginning April 1, 2021 and continuing through March 31, 2052 unless the Contract is terminated early pursuant to Article V.

(y) “Delivery Point” is defined in Section 3.1.

(z) “Delivery Year” means a period of 12 consecutive Months beginning at the beginning of the first day of November each year and ending immediately prior to the beginning of the first day of November in the next calendar year.

(aa) “Downstream Customer” is defined in the Recitals.

(bb) “Downstream Supply Agreement” means the Natural Gas Service Agreement, dated as of _____, 2021, between Gas Purchaser and International Paper, as it may be amended from time to time, and shall also include any successor or extended Agreement for the sale of the Gas purchased by Gas Purchaser under this Contract between Gas Purchaser and Downstream Customer.

(cc) “Event of Insolvency” means with respect to any Person the occurrence and continuance of one or more of the following events: (a) the issuance, under the laws of the state or other jurisdiction having primary regulatory authority over such Person or any successor provision thereto (or any other law under which such Person is at the time organized), of an order for relief, rehabilitation, reorganization, conservation, liquidation or dissolution of such Person that is not dismissed within 30 days; (b) the commencement by such Person of a voluntary case or other proceeding seeking an order for relief, liquidation, rehabilitation, conservation, reorganization or dissolution with respect to itself or its debts under the laws of the state or other jurisdiction of incorporation or formation of such Person or any bankruptcy, insolvency or other similar law now or hereafter in effect including, without limitation, the appointment of a trustee, receiver, liquidator, custodian or other similar official for itself or any substantial part of its property; (c) the consent of such Person to any relief referred to in the preceding clause (b) in an involuntary case or other proceeding commenced against it; (d) the appointment of a trustee, receiver, liquidator, custodian or other similar official for such Person or any substantial part of its property by a Government Agency or authority having the jurisdiction to do so; (e) the making by such Person of an assignment for the benefit of creditors; (f) the failure of such Person generally to pay its debts or claims as they become due; (g) the Person shall admit in writing its inability to pay its debts when due; (h) the declaration of a moratorium with respect to the payment of the debts of such Person; or (i) the initiation by such Person of any action to authorize any of the foregoing.

(dd) “Failed Remarketing” has the meaning specified in the Bond Indenture.

(ee) “FERC” means the Federal Energy Regulatory Commission and any successor thereto.

(ff) “FERC Gas Tariff” means the interstate pipeline tariff filed by a Transporter pursuant to FERC regulations and approved by FERC, as amended from time to time.

(gg) “Firm” means that performance by a Person may be interrupted without liability only to the extent that such performance is prevented by reasons of Force Majeure with respect to such Person asserting Force Majeure.

(hh) “Force Majeure” is defined in Section 13.2.

(ii) “Gas” means natural gas or any other mixture of hydrocarbon gases, or of hydrocarbons and liquids or liquefiables, or of hydrocarbons and non-combustible gases, consisting predominantly of methane.

(jj) “Gas Day” means a period of 24 consecutive hours beginning at 9:00 a.m. CPT on a calendar day and ending at 9:00 a.m. CPT on the next calendar day. The date of the Gas

Day shall be the date at its beginning. If, through standardization of business practices in the industry or for any other reason, a Transporter, or the FERC with general applicability, changes the definition of Gas Day, such change shall apply to the definition of Gas Day in this Agreement with respect to such Transporter or generally, as applicable.

(kk) “Gas Delivery Termination Date” shall mean the date on which gas deliveries terminate under the Prepaid Gas Agreement following a Gas Delivery Termination Event under the Prepaid Agreement.

(ll) “Gas Delivery Termination Event” shall have the meaning specified in the Prepaid Gas Agreement.

(mm) “Gas Purchaser” is defined in the Preamble.

(nn) “Gas Purchaser’s Transporter” means the Transporter receiving Gas on Gas Purchaser’s behalf at a Delivery Point.

(oo) “Government Agency” means the United States of America, any state or commonwealth thereof, any local jurisdiction, any political subdivision of any of the foregoing, and any other division of government of any of the foregoing, including but not limited to courts, administrative bodies, departments, commissions, boards, bureaus, agencies, municipalities, or instrumentalities.

(pp) “Imbalance Charges” means any fees, penalties, costs or other charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter’s balancing, scheduling and/or nomination requirements based on such Transporter’s FERC Gas Tariff.

(qq) “Initial Period” means the period from and including the date on which the Delivery Period begins to and including [____].

(rr) “Issuer” is defined in the Preamble.

(ss) “Maturity Date of the Bonds” means the Final Maturity Date of the Bonds, as defined in the Bond Indenture.

(tt) “Mcf” means 1,000 Cf of Gas.

(uu) “Minimum Discount” means 35 (\$0.35) cents per MMBtu for the Initial Period and thereafter no less than 20 (\$0.20) cents per MMBtu. Both amounts are inclusive of any projected Annual Refund and are prior to payment of the Project Administration Fee.

(vv) “MMBtu” means 1,000,000 Btu, which is equivalent to one dekatherm.

(ww) “Month” means the period beginning at the beginning of the first Gas Day of a calendar month and ending at the beginning of the first Gas Day of the next calendar month. The term “Monthly” shall be construed accordingly.

(xx) “Monthly Discount” means (i) for the Initial Period, an amount (when taken together with any Annual Refund) that is not less than the Minimum Discount and is specified in Exhibit D, which Exhibit D shall be provided by Issuer to Gas Purchaser on the Bond Closing Date, and (ii) for each subsequent Reset Period, a portion of the Available Discount for such Reset Period determined by the Calculation Agent pursuant to the Re-Pricing Agreement and set forth in an updated Exhibit D provided by Issuer after such determination.

“

(yy) “Municipal Utility” means any Person that (i) is a governmental person as defined in the implementing regulations under Section 141 of the Code and any successor provision, (ii) owns either or both a Gas distribution utility or an electric distribution utility (or provides Gas or electricity at wholesale to, or that is sold to entities that provide Gas or electricity at wholesale to, governmental Persons that own such utilities), and (iii) agrees in writing to use the Gas purchased by it (or cause such Gas to be used) for a qualifying use as defined in U.S. Treas. Reg. § 1.148-1(e)(2)(iii).

(zz) “Net Remarketing Proceeds” means (i) the actual amounts, if any, received by Issuer from the sale of Gas that Issuer is able to remarket or cause to be remarketed as a result of efforts under Section 4.4 or as a result of Gas Purchaser’s failure to receive Gas pursuant to Section 6.2, less (ii) all directly incurred costs or expenses, including but not limited to remarketing and administrative fees paid to Prepay LLC under the Prepaid Gas Agreement, provided that in no event shall the Net Remarketing Proceeds for any Gas exceed the quantity of such Gas multiplied by the Contract Price for such Gas.

(aaa) “Person” means any individual, public or private corporation, partnership, limited liability company, state, county, district, authority, municipality, political subdivision, instrumentality, partnership, association, firm, trust, estate, or any other entity or organization whatsoever.

(a) “Plant” is defined in the Recitals.

(bbb) “Prepaid Gas Agreement” is defined in the Recitals.

(ccc) “Prepaid Project” is defined in the Recitals.

(ddd) “Prepay LLC” is defined in the Recitals.

(eee) “Primary Delivery Point” is defined in Section 3.1.

(fff) “Prime Rate” means, for any day of determination, the fluctuating rate per annum equal to the “Prime Rate” listed daily in the “Money Rates” section of The Wall Street Journal on such day (or if such day is not a Business Day, the preceding Business Day), or if The Wall Street Journal is not published on a particular Business Day, then, the “prime rate” published in any other national financial journal or newspaper selected by Prepay LL in its reasonable judgment, and if more than one such rate is listed in the applicable publication, the highest rate

shall be used; any change in the Prime Rate shall take effect on the date specified in the announcement of such change.

(ggg) “Project Administration Fee” means the monthly fee payable by Gas Purchaser as described in Section 4.3.

(hhh) “Project Agreements” means the agreements entered into by Issuer under the Prepaid Project.

(iii) “Project Participants” has the meaning specified in the Bond Indenture.

(jjj) “Qualifying Use Requirements” means, with respect to Gas delivered under this Agreement, that such Gas is used (i) for a “qualifying use” as defined in U.S. Treas. Reg. § 1.148-1(e)(2)(iii), (ii) in a manner that will not result in any “private business use” within the meaning of Section 141 of the Code, and (iii) in a manner that is consistent with the Federal Tax Certificate attached as Exhibit E.

(kkk) “Rating Agency” has the meaning specified in the Bond Indenture.

(lll) “Refunding Bonds” means any Bonds issued by Issuer under and in accordance with the Indenture to refund the 2021 Series Bonds or any other Bonds then outstanding under the Bond Indenture.

(mmm) “Remarketing Election” is defined in Section 5.3.

(nnn) “Remarketing Election Deadline” means the last date and time by which Gas Purchaser may provide a Remarketing Election Notice, which shall be 4:00 p.m. Central Prevailing Time on the 10th day of the Month (or, if such day is not a Business Day, the next succeeding Business Day) prior to the first Delivery Month of a Reset Period with respect to which a Remarketing Event has occurred.

(ooo) “Remarketing Election Notice” is defined in Section 5.3(b).

(ppp) “Remarketing Event” is defined in Section 5.3.

(qqq) “Re-Pricing Agreement” means the Re-Pricing Agreement, dated as of [____], 2021, by and between Prepay LLC and Issuer, as amended or supplemented from time to time in accordance with its terms.

(rrr) “Re-Pricing Date” has the meaning set forth in the Re-Pricing Agreement.

(sss) “Reset Period” means each five-year period (or such longer or shorter period as may be agreed to by Issuer and Prepay LLC pursuant to the Re-Pricing Agreement) commencing on the last day of the Initial Period or prior Reset Period, as the case may be, and ending on the fifth anniversary (or such later or earlier anniversary, as the case may be) of such last day; provided that the final Reset Period shall be the period from the last day of the prior Reset Period to the end of the Delivery Period.

(ttt) “Transporter” means all Gas gathering or pipeline companies transporting Gas for Issuer or Gas Purchaser upstream or downstream, respectively, of a Delivery Point.

(uuu) “Trustee” means the Trustee under the Bond Indenture, which initially shall be [Regions Bank] and its successors as trustee under the Bond Indenture.

ARTICLE II

SERVICE OBLIGATIONS

2.1. Effective Date. This Agreement shall become effective upon the Effective Date and, unless this Agreement is terminated early pursuant to Section 2.2, (a) all of Issuer’s and Gas Purchaser’s obligations under this Agreement shall be deemed to have been incurred upon the Effective Date, and (b) the delivery of Gas under this Agreement shall commence and continue for the Delivery Period (as described in further detail in Section 2.3 below).

2.2. Termination Due to Failure to Issue Bonds or Provide Minimum Discount. Each Party shall have a right to terminate this Agreement with the effect that this Agreement shall be of no further force or effect and the Parties shall have no rights or obligations hereunder if (a) the Bonds are not issued on or before December 31, 2022, or (b) Issuer notifies Gas Purchaser that the expected Available Discount for the Initial Period is less than the Minimum Discount.

2.3. Gas Supply Service. Issuer acknowledges and agrees that Gas Purchaser has a desire to acquire Gas supplies to provide service to Downstream Customer, that such Gas supplies must be priced with reference to deregulated market prices, and that such Gas Supplies must be provided at a discount to market prices to enable Gas Purchaser to ensure that it may provide sales service to Downstream Customer at competitive prices. Issuer understands that Gas Purchaser has asserted that its long-term viability as a Municipal Utility providing an essential public service depends in part upon its ability to receive secure and reliable supplies of Gas on a long-term basis in pre-determined quantities that are priced with reference to deregulated market prices in the form and structure of the Contract Price, and that Gas Purchaser has further asserted that such Contract Price must be at the lowest reasonable level consistent with the maintenance of secure and reliable service. Gas Purchaser has requested Issuer to provide deliveries of Gas to it consistent with these objectives, and Gas Purchaser understands and acknowledges that Issuer has undertaken the Prepaid Project in order to meet Gas Purchaser’s request, together with the requests of the other Project Participants, and satisfy Gas Purchaser’s asserted objectives, and agrees that the Prepaid Project does so. Subject to Article V, Issuer shall tender for delivery to Gas Purchaser on a Firm basis, and Gas Purchaser shall purchase and receive from Issuer on a Firm basis, the applicable Daily Contract Quantity of Gas set forth for each Month in Exhibit B. The Parties also recognize and agree that the Daily Contract Quantities may be reduced in a Reset Period pursuant to the re-pricing methodology described in the Re-Pricing Agreement if necessary to achieve a successful remarketing of the Bonds. The Parties agree further that if, pursuant to the Re-Pricing Agreement, Issuer and the Calculation Agent determine in connection with the establishment of any new Reset Period that: (i) such Reset Period will be the final Reset Period and (ii) such Reset Period will end prior to the end of the original Delivery Period, then (A) Issuer will notify Gas Purchaser, (B) the

Delivery Period will be deemed to be modified so that it ends at the end of such Reset Period, and (C) the Daily Contract Quantity for the last Month in such Reset Period may be reduced as provided in the Re-Pricing Agreement.

2.4. Pledge of this Agreement. Gas Purchaser acknowledges and agrees that Issuer will pledge its right, title, and interest under this Agreement and the revenues to be received under this Agreement (other than the revenues attributable to the Project Administration Fee described in Section 4.3) to secure Issuer's obligations under the Bond Indenture.

ARTICLE III

RECEIPT AND DELIVERY POINTS

3.1. Delivery Points. All Gas delivered under this Agreement shall be delivered and received at the point[s] of delivery specified in Exhibit A (each a "Primary Delivery Point") or to any other point of delivery (each an "Alternate Delivery Point") that has been mutually agreed to in writing by Issuer and Gas Purchaser (each Primary Delivery Point or Alternate Delivery Point, if specified, being a "Delivery Point").

3.2. Transfer of Title. Gas Purchaser shall take title to all Gas delivered to it by Issuer at the applicable Delivery Point and shall own such Gas and shall assume all risk of loss following such transfer at the applicable Delivery Point.

ARTICLE IV

PRICING OF GAS SUPPLY SERVICES

4.1. Charge Per MMBtu Delivered. For each MMBtu of Gas delivered by Issuer to Gas Purchaser at the Delivery Point, Gas Purchaser shall pay Issuer the "Contract Price" for such Gas, which shall be the applicable Index Price, as defined in Exhibit C, less the Monthly Discount. Notwithstanding the foregoing, the Parties recognize and agree that the pricing specified in Section 5.2 shall apply to any Gas deliveries made by Issuer following a Failed Remarketing under the Prepaid Gas Agreement.

4.2. Substitute Index Price; Corrections to Index Prices.

(a) If the source of any publication used to determine the index price used in the Contract Price should cease to publish the relevant prices or should cease to be published entirely, the index price shall be the price per MMBtu, stated in U.S. dollars, for Gas to be delivered at the Delivery Point during the applicable Month as set forth in an alternative index as determined under Section 18.11 of the Prepaid Gas Agreement. Issuer shall provide Gas Purchaser the opportunity to offer its recommendations and other input to Issuer for Issuer's use in the process under Section 18.11 of the Prepaid Gas Agreement.

(b) If a value published for any rate or index used or to be used in this Agreement is subsequently corrected and the correction is published or announced by the Person responsible for that publication or announcement within 30 days after the original publication or announcement, either Party may notify the other Party of (i) that correction and (ii) the amount (if

any) that is payable as a result of that correction. If, not later than 30 days after publication or announcement of that correction, a Party gives notice that an amount is so payable, the Party that originally either received or retained such amount shall, not later than three Business Days after the effectiveness of that notice, pay, subject to any other applicable provisions of this Agreement, to the other Party that amount, together with interest on that amount at the Default Rate (as defined in the Prepaid Gas Agreement) for the period from and including the day on which a payment originally was (or was not) made to but excluding the day of payment of the refund or payment resulting from that correction.

4.3. Project Administration Fee. Issuer shall bill and Gas Purchaser shall pay each Month, as part of the Monthly invoice described in Article XI, the Project Administration Fee. The Project Administration Fee shall equal the product of (i) the Daily Contract Quantity for the Month of Gas deliveries, (ii) the number of days in such Month, and (iii) the Monthly Administration Rate. The Monthly Administration Rate shall equal 5 cents (\$0.05) during the Initial Discount Period, and for any Reset Period thereafter it shall be 3 cents per MMBtu where the Available Discount is less than or equal to 43 cents (\$0.43) per MMBtu and 4 cents (\$0.04) for all Months during the Delivery Period where the Available Discount is greater than 40 cents (\$0.40) per MMBtu but less than 50 cents (\$0.50) per MMBtu, and 5 cents where the Available Discount is 50 cents (\$0.50) per MMBtu or greater.

4.4. Remarketing. If Gas Purchaser does not require all or any portion of the Daily Contract Quantity for any Gas Day as a result of a lack of requirements for Gas at the Plant by Downstream Customer, Issuer shall arrange for the remarketing of such Gas by Prepay LLC under the terms of the Prepaid Gas Agreement. Gas Purchaser shall not be charged by Issuer for any such Gas and no Project Administration Fee or remarketing fees shall be charged to Gas Purchaser in connection with any such Gas.

4.5. Annual Refunds. During the term of this Agreement, and promptly following the release of such funds to Issuer under Section 5.10 of the Bond Indenture, Issuer shall compare its revenues (as determined in accordance with the Bond Indenture) and expenses under the Prepaid Project for that Bond Year. For purposes of such annual comparison, Issuer's expenses shall include: (a) its expenses incurred in obtaining Gas supply under the Prepaid Project; (b) its administrative, legal, and accounting expenses directly incurred in connection with or properly allocable to the Prepaid Project, including the administration of this Agreement and all other agreements for the sale of Gas obtained under the Prepaid Project; (c) debt service on the Bonds, including payments under any interest rate swap or hedge agreement; (d) any replenishment of draws made upon any working capital fund associated with the Prepaid Project; (e) any deposits required to be made by Issuer into any debt service reserve or other reserve or contingency fund or funds established with respect to the Bonds; (f) any fees or other amounts due to any provider of credit support for the Bonds; (g) payments under any commodity price swap or hedge agreement entered into in connection with the Prepaid Project; and (h) any other similar costs and expenses. If this annual comparison demonstrates that such revenues exceeded such expenses during the applicable Bond Year and there are amounts on deposit in the fund established by the Bond Indenture available for such purpose, then Issuer shall make refunds to Buyer and the other Project Participants in the amount available after making allowances for any necessary and appropriate reserves and contingencies (as provided in the foregoing clause (e)), including but not limited to

amounts deemed reasonably necessary by Issuer's Board of Directors to fund any working capital reserve and to reserve or account for unfunded liabilities, including future sinking fund or other principal amortization of the Bonds. The amount available for refund shall be allocated among and paid to Buyer and the other Project Participants in proportion to their respective purchases for such Delivery Year. As of the Effective Date, the projected Annual Refund for the Initial Period is [] cents per MMBtu.

ARTICLE V

TERM

5.1. Primary Term. This Agreement shall be effective as of the Effective Date and shall be implemented to effectuate purchases and sales of Gas under this Agreement for deliveries commencing on the first day of the Delivery Period. Unless earlier terminated in accordance with Section 2.2 or Section 5.2, this Agreement thereafter shall remain in full force and effect for a primary term ending on the Maturity Date of the Bonds, subject to all winding up arrangements as described in Section 5.4.

5.2. Early Termination Before End of Primary Term. Notwithstanding Section 5.1, Gas Purchaser acknowledges and agrees that (i) in the event that a Gas Delivery Termination Event occurs under the Prepaid Gas Agreement or the Prepaid Gas Agreement terminates prior to the end of the primary term of this Agreement, this Agreement shall terminate as of the Gas Delivery Termination Date under the Prepaid Gas Agreement (subject to all winding up arrangements) and (ii) Issuer's obligation to deliver Gas under this Agreement shall terminate as of the Gas Delivery Termination Date under the Prepaid Gas Agreement. In addition, Gas Purchaser acknowledges and agrees that this Agreement may terminate early as a result of a default by Gas Purchaser under Article XIV. Issuer shall provide notice to Gas Purchaser of any early termination date. The Parties recognize and agree that, in the event that the Prepaid Gas Agreement terminates because of a Failed Remarketing of the Bonds that occurs in the first Month of a Reset Period, Issuer shall deliver Gas under this Agreement for the remainder of such first Month, and, notwithstanding anything in this Agreement to the contrary, the Contract Price for all Gas deliveries made by Issuer during such first Month shall be the applicable index price identified for deliveries in Exhibit C with no Monthly Discount and there shall be no Annual Refunds associated with such deliveries.

5.3. Remarketing Election; Suspension and Resumption of Deliveries.

(a) Remarketing Event. For each Reset Period, at least ten (10) days prior to the applicable Remarketing Election Deadline, Issuer shall provide to Gas Purchaser a written notice setting forth the duration of such Reset Period and the estimated Available Discount for such Reset Period. In the event such estimated Available Discount for a Reset Period is not equal to or greater than the Minimum Discount for that Reset Period (a "Remarketing Event"), such notice shall also state (i) that a Remarketing Event has occurred, (ii) the applicable Remarketing Election Deadline, and (iii) that Gas Purchaser, and each other Project Participant, may (A) continue to purchase and receive its Daily Contract Quantity during such Reset Period at a Contract Price that reflects the Monthly Discount portion of the Available Discount (as finally determined as hereinafter described), plus Annual Refunds, if any, as described in Section 4.5, or (B) elect that such Daily Contract Quantity be remarketed for such Reset Period (a "Remarketing

Election”) by providing a Remarketing Election Notice prior to the Remarketing Election Deadline. The Parties acknowledge that the determination of the Available Discount for a Reset Period under the Re-Pricing Agreement will be through an iterative process that may commence with informal, non-binding communications that shall not constitute a written notice as provided for above, when Issuer may provide preliminary non-binding estimates of the Available Discount for a Reset Period.

(b) Remarketing Election. If Gas Purchaser elects to have its Daily Contract Quantity remarketed for such Reset Period following the occurrence of a Remarketing Event, Gas Purchaser must provide written notice of such Remarketing Election to Issuer, Prepay LLC and the Trustee (its “Remarketing Election Notice”) not later than the applicable Remarketing Election Deadline. A Remarketing Election Notice shall be in substantially the form attached hereto as Exhibit G. In the event Gas Purchaser provides a Remarketing Election Notice on or prior to the applicable Remarketing Election Deadline, the Parties’ obligations to deliver and receive Gas shall be suspended for the duration of such Reset Period and the Daily Contract Quantity for such Reset Period shall be zero MMBtu per day.

(c) Extension of Remarketing Election Deadline. If a Remarketing Event has occurred and Gas Purchaser has not made a Remarketing Election, but one or more of the other Project Participants has made a Remarketing Election, the estimated Available Discount may be required to be recalculated pursuant to the Re-Pricing Agreement. In such case Issuer shall provide such new estimated Available Discount to Gas Purchaser promptly in writing, and the Remarketing Election Deadline shall be extended to the third Business Day following the date of such notice.

(d) Final Determination of Available Discount. The Parties acknowledge and agree that the final Available Discount for any Reset Period following the Initial Period will be determined on the applicable Re-Pricing Date, and that such Available Discount may differ from the estimate or estimates of such Available Discount provided to Gas Purchaser and the other Project Participants prior to the applicable Remarketing Election Deadline. Accordingly, the Parties agree that:

(i) the Available Discount for any Reset Period will not be less than the Minimum Discount applicable to such Reset Period, unless (A) Issuer has provided notice of such Remarketing Event to Gas Purchaser in accordance with paragraph (a) of this Section 5.3, and (B) Gas Purchaser has not provided a Remarketing Election Notice prior to the applicable Remarketing Election Deadline (as the same may be extended pursuant to paragraph (c) of this Section 5.3); and

(ii) if Gas Purchaser has not made a Remarketing Election prior to the applicable Remarketing Election Deadline (as the same may be extended pursuant to paragraph (c) of this Section 5.3), Gas Purchaser shall be deemed to have elected to continue to purchase and receive its Daily Contract Quantity at a Contract Price that reflects the Monthly Discount portion of the Available Discount as finally determined on the applicable Re-Pricing Date, plus the right to its share of Annual Refunds, if any, and all delivery and purchase obligations under this Agreement shall continue in full force and effect for the applicable Reset Period.

(e) Resumption of Deliveries. In the event that Gas deliveries are suspended following a Remarketing Election made by Gas Purchaser in accordance with this Section 5.3, the Parties acknowledge and agree that deliveries shall resume if, in connection with any future Reset Period, (i) the Available Discount calculated for such Reset Period is equal to or exceeds the Minimum Discount applicable to such Reset Period, or (ii) Issuer and Gas Purchaser mutually agree to resume deliveries for such future Reset Period with a discount less than the applicable Minimum Discount. Issuer shall provide notice setting forth the duration of the Reset Period and the estimated Available Discount for such Reset Period no later than at least ten (10) days prior to the applicable Remarketing Election Deadline for such Reset Period. The Parties acknowledge and agree that the final Available Discount will be determined on the applicable Re-Pricing Date, and that such Available Discount may differ from the estimate or estimates of such Available Discount with the effect described in subsection (d) above.

5.4. Winding Up Arrangements. The expiration or termination of this Agreement shall not relieve either Party of (a) any unfulfilled obligation or undischarged liability of such Party on the date of such termination, (b) the consequences of any breach or default of any warranty or covenant contained in this Agreement, (c) its obligation to effectuate all winding up arrangements or (d) its obligation to take any other actions as may be necessary to effectuate all of the terms of this Agreement. For the avoidance of doubt, Gas Purchaser shall not be responsible for the payment of more than the Contract Price for Gas deliveries as a result of any winding up arrangements. All obligations and liabilities described in the preceding sentence of this Section 5.4, and the applicable provisions of this Agreement creating or relating to such obligations and liabilities, shall survive such expiration or termination.

ARTICLE VI

FAILURE TO PERFORM

6.1. Cost of Replacement Gas. Except in cases of Force Majeure, for each MMBtu that Issuer is obligated to deliver to Gas Purchaser under this Agreement but fails to deliver, Issuer shall pay to Gas Purchaser an amount equal to the difference between the price per MMBtu which would have been applicable to the undelivered Gas under Article IV and any higher cost per MMBtu which Gas Purchaser actually incurred to obtain an equivalent quantity of replacement Gas, including but not limited to any incremental charges associated with the transportation and storage of such replacement Gas, exercising Commercially Reasonable Efforts to obtain such replacement Gas and alternate transportation at a Commercially Reasonable price. For purposes of this Section 6.1, replacement Gas includes without limitation Gas withdrawn from storage, liquefied natural gas, and peak shaving, and costs associated with obtaining such Gas include without limitation storage withdrawal and injection costs, storage fuel, and liquefaction and vaporization costs for stored liquefied natural gas; provided, however, that for purposes of the foregoing the price of any such replacement Gas withdrawn from storage shall be the market price applicable to such Gas at the time of the withdrawal.

6.2. Obligation to Take the Daily Quantity. Subject to the operation of Section 4.4 governing a lack of requirements for Gas at the Plant by Downstream Customer, if on any Gas Day Issuer tenders the Daily Contract Quantity for delivery to Gas Purchaser and Gas Purchaser fails to take the Daily Contract Quantity due to a failure to take by Downstream Customer,

notwithstanding that Downstream Customer has requirements for such quantity of Gas and is therefore obligated to purchase that quantity from Gas Purchaser, Gas Purchaser shall remain obligated to pay Issuer the Contract Price for the Daily Contract Quantity, under the procedures described in Article 11. Issuer shall credit to Gas Purchaser's account the net revenues Issuer receives pursuant to the Prepaid Gas Agreement in connection with the remarketing sale of any such Gas to other Municipal Utilities or other purchasers, up to the Contract Price, less Issuer's remarketing administrative charge of five cents (\$0.05) per MMBtu. In the event Downstream Customer lacks requirements for the Daily Contract Quantity at the Plant on any Gas day, Gas Purchaser shall not be charged for any such quantities, and Prepay LLC shall remarket such quantities under the procedures set forth in the Prepaid Gas Agreement. In the event of permanent loss of requirements by Gas Purchaser due to the permanent cessation of all or part of Downstream Customer's operations at the Plant, Gas Purchaser may provide notice of such cessation and Issuer shall authorize and implement the permanent reduction of Gas Purchaser's Daily Contract Quantity for the remaining term of this Contract. If such loss of demand is permanent, this Contract shall terminate effective upon the termination of deliveries by Gas Purchaser to Downstream Customer under the Downstream Supply Contract.

6.3. No Consequential or Special Damages. Neither Party shall be liable for consequential, incidental, special, or punitive damages or losses which may be suffered by the other as a result of the failure to deliver or take or pay for the required quantities of Gas under this Agreement.

6.4. Imbalances. The Parties shall use Commercially Reasonable Efforts to avoid the imposition of any Imbalance Charges. If Issuer or Gas Purchaser receives an invoice from a Transporter that includes Imbalance Charges related to the obligations of either Party under this Agreement, the Parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Gas Purchaser's takes of quantities of Gas greater than or less than the Daily Contract Quantity at any Delivery Point, then Gas Purchaser shall pay for such Imbalance Charges or reimburse Issuer for such Imbalance Charges paid by Issuer. If the Imbalance Charges were incurred as a result of Issuer's deliveries of quantities of Gas greater than or less than the Daily Contract Quantities at any Delivery Point, then Issuer shall pay for such Imbalance Charges or reimburse Gas Purchaser for such Imbalance Charges paid by Gas Purchaser. Notwithstanding the provisions of Sections 6.1 and ___ the Parties may mutually agree to make up any differences between the Daily Contract Quantity and the quantity delivered or taken on any Gas Day in kind.

ARTICLE VII

RESPONSIBILITY FOR TRANSPORTATION

Issuer shall make all arrangements for transportation services required to effect the delivery of the Daily Contract Quantity to the Delivery Points. Gas Purchaser shall take all actions and be responsible for making all arrangements required to effect the transportation of the Daily Contract Quantity from the Delivery Points, including but not limited to all nominations, scheduling, balancing, and associated management and administrative functions. Issuer shall bear all costs and expenses of transportation prior to the delivery of the Daily Contract Quantity at the Delivery

Points, except as provided in this Agreement. Gas Purchaser shall bear all costs of transportation at and after the delivery of Gas to the Delivery Points.

ARTICLE VIII

DELIVERY REQUIREMENTS

8.1. Specifications. All Gas delivered under this Agreement shall be merchantable and shall, upon delivery, conform to the quality specifications and heating value specified in Gas Purchaser's Transporter's FERC Gas Tariff.

8.2. Pressure. All Gas sold by Issuer to Gas Purchaser under this Agreement shall be delivered to Gas Purchaser at the pressure maintained from time to time in Gas Purchaser's Transporter's facilities at the Delivery Points.

8.3. Measurement. Gas sold under this Agreement shall be measured through Gas Purchaser's Transporter's existing measurement facilities at the Delivery Points in accordance with the provisions of such Transporter's FERC Gas Tariff. The unit of volume for measurement of Gas delivered under this Agreement shall be one Mcf or otherwise as consistent with Transporter's measurement at the Delivery Points. The sales unit of the Gas shall be one MMBtu, established by converting Mcfs measured at the Delivery Points to MMBtus according to the Btu content determined by Transporter on a dry basis at the Delivery Points under Transporter's FERC Gas Tariff. With respect to any measurement of Gas delivered or received under this Agreement at any Delivery Point, the measurement of such Gas (including the definition of Btu used in making such measurement) by the operator of such Delivery Point shall be conclusive.

ARTICLE IX

TITLE AND RISK OF LOSS

Issuer warrants the title to all Gas sold to Gas Purchaser under this Agreement. Transfer of custody and title to Gas sold under this Agreement shall pass to and vest in Gas Purchaser at the Delivery Point. As between the Parties, Issuer shall be deemed to be in exclusive control and possession of Gas delivered under this Agreement prior to the time of delivery to Gas Purchaser at the Delivery Point, and Gas Purchaser shall be deemed to be in exclusive control and possession of Gas delivered under this Agreement at and after delivery at the Delivery Point.

ARTICLE X

ROYALTIES AND TAXES

10.1. Royalties and Other Charges. Issuer shall pay or cause to be paid any royalties or other sums due on the gathering, handling, and transportation of Gas sold under this Agreement prior to its delivery to Gas Purchaser at the Delivery Point.

10.2. Taxes. The price for Gas sold to Gas Purchaser under this Agreement is inclusive of all production, severance, ad valorem, or similar taxes levied on the production or transportation of the Gas prior to its delivery to Gas Purchaser at the Delivery Point, and all such taxes shall be borne and paid exclusively by Issuer; provided, however, that if Gas Purchaser is required to remit

such taxes to the collecting authority, Gas Purchaser shall do so and Issuer shall credit an amount equal to the taxes so paid against payments otherwise due to Issuer under this Agreement. The price for Gas sold to Gas Purchaser under this Agreement does not include any federal, tribal, state, or local sales, use, consumption, utility, storage, greenhouse gas, carbon, license, ad valorem, franchise, or similar taxes imposed by any taxing authority on the sale to, or use by, Gas Purchaser of Gas sold under this Agreement, including without limitation ad valorem taxes on Gas held in storage by Gas Purchaser. Gas Purchaser shall be responsible for the payment of any such taxes and for completing and filing all required forms.

ARTICLE XI

BILLING AND PAYMENT

11.1. Timing. Not later than ten days following the end of the Month of delivery, Issuer or its designee shall provide a Monthly billing statement to Gas Purchaser of the amount due for Gas tendered for delivery under this Agreement. Such billing statement shall be provided to Gas Purchaser by hand delivery, first-class mail, express courier, electronic transmission, or facsimile transmission to the address or facsimile number set forth for Gas Purchaser in Article XVIII. Gas Purchaser shall remit such amounts due to Issuer by wire transfer in immediately available funds on or before the 20th day of the Month following the Month of delivery, or if such day is not a Business Day, the immediately preceding Business Day.

11.2. Late Payment. In the event Gas Purchaser fails to pay an amount when due hereunder, interest thereon shall accrue at a rate of interest per annum equal to the lesser of (i) the Prime Rate plus three percent or (ii) the maximum rate permitted by law, in either case from the due date until paid. If Gas Purchaser disputes the appropriateness of any charge or calculation in any billing statement, Gas Purchaser, within the time provided for payment, shall notify Issuer of the existence of and basis for such dispute and shall pay all amounts billed by Issuer, including any amounts in dispute. If it is ultimately determined that Gas Purchaser did not owe the disputed amount, by agreement or by a final order of a court of competent jurisdiction which is not subject to appeal or concerning which any right to appeal has been waived or which the Parties have irrevocably agreed not to appeal, Issuer shall pay Gas Purchaser that amount plus interest as calculated in accordance with this Section 11.2.

11.3. Audit Rights. Each Party shall have the right, at its own expense, to examine and audit at any reasonable time the books, records, measurement data, charts, and telemetry data of the other Party to the extent, but only to the extent, necessary to verify the accuracy of any statements or charges made under or pursuant to this Agreement. Any inaccuracy shall be corrected promptly when discovered; provided, however, that neither Party shall be required to maintain books, records, measurement data, charts, or telemetry data for a period of more than two calendar years following the end of the calendar year to which they are applicable. Neither Party shall have a right to question or contest any charge or credit if the matter is not called to the attention of the other Party in writing within 24 Months of the date of the charge or credit in question.

11.4. Special Obligations and Covenants of Gas Purchaser. Gas Purchaser's obligation to make the payments it is required to make under this Agreement is a several obligation and not

a joint obligation with the obligations of any other Project Participant under its Agreement with Issuer for the purchase of Gas under the Prepaid Project. The obligations of the Gas Purchaser to make payments required under this Agreement is a limited obligations of the Gas Purchaser, payable solely from legally available Revenues of the System as a Cost of Operation and Maintenance, as such terms are defined in Resolution No.[2021-01 adopted by the Gas Purchaser on ____ __, 2021 (the “Gas Purchaser’s Gas System Revenue Bond Resolution”)]Gas Purchaser further covenants and agrees:

(a) to make such payments from the Revenues of its System, and as a charge against such Revenues, as a Cost of Operation and Maintenance and a cost of purchased Gas; provided, however, that Gas Purchaser, in its discretion, may apply any legally available monies to the payment of amounts due under this Agreement;

(b) that it will establish, maintain, and collect rates and charges for the services furnished by its System so as to provide Revenues sufficient to enable Gas Purchaser to pay to Issuer all amounts payable under this Agreement and to pay all other amounts payable from the Revenues, and to maintain any required reserves;

(c) that it shall not furnish or supply services from its System free of charge to any person, firm, corporation, association, or other entity, public or private, except any such service free of charge that Gas Purchaser is supplying as of the date of this Agreement, as has been specifically identified by Gas Purchaser to Issuer in writing, and that it shall promptly enforce the payment of any and all material accounts owing to Gas Purchaser for the sale of Gas or the provision of services to its customers;

(d) that any future bond issue undertaken by Gas Purchaser, or in connection with any other financing or financial transaction, Gas Purchaser shall provide that the amounts payable by it under this Agreement constitute a cost of purchased Gas and an operating expense of its System payable, together with all other operating expenses, from a second charge on the Revenues of its System after funding required deposits to the Rebate Fund established under Gas Purchaser’s Gas System Revenue Bond Resolution and shall not pledge or encumber the Revenues through a gross revenue pledge or in any other way which creates a prior or superior obligation to its obligation to make payments under this Agreement (except as described above);

(e) that it shall not take an action to institute an Event of Insolvency with respect to Gas Purchaser;

(f) that it will not amend, supplement or otherwise modify the Downstream Supply Contract without the prior written consent of Issuer;

(g) that it will enforce its rights under the Downstream Supply Contract including Gas Purchaser’s right to payment; and

(h) that in the event the Downstream Supply Contract is (i) terminated for any reason during the term of this Agreement or (ii) otherwise is not extended or replaced at the start of a new Reset Period during the term of this Agreement, Gas Purchaser will not purchase prepaid

gas for sale to Downstream Customer under any gas prepayment transaction other than the Prepaid Project.

11.5. Financial Responsibility. When reasonable grounds for insecurity of payments due under this Agreement arise, Issuer may demand, and Gas Purchaser shall provide within five Business Days if demanded, adequate assurance of performance. Reasonable grounds include but are not limited to the occurrence of an Event of Insolvency with respect to Gas Purchaser or the downgrading of Gas Purchaser's credit rating, if any, by a Rating Agency to a level below investment grade, and/or such facts and circumstances which would constitute reasonable grounds for insecurity under the Uniform Commercial Code in effect in the State of Alabama. Adequate assurance shall mean sufficient security in the form and for a term reasonably specified by Issuer, including but not limited to a standby irrevocable letter of credit, a prepayment, a deposit to an escrow account, or a performance bond or guaranty by a creditworthy entity. The Parties agree that in the event Gas Purchaser fails to provide such adequate assurance as demanded, Issuer shall have the right to suspend further deliveries of Gas to Gas Purchaser under this Agreement on three days written notice and shall not be obligated to restore such deliveries until the first day of the Month after such demand has been satisfied; provided, however, that Issuer shall not be obligated to restore such deliveries notwithstanding the satisfaction of such demand until the completion of the term of deliveries to any replacement sales customer to which Prepay LLC has remarketed the Gas on behalf of Issuer.

11.6. No Set-Off. Payment for all amounts set forth in a billing statement provided to Gas Purchaser pursuant to Section 11.1 shall be made without set-off or counterclaim of any kind.

ARTICLE XII

LAWS AND REGULATIONS

This Agreement is subject to all valid laws, orders, rules, regulations, or other governmental actions of any duly constituted federal, state, or local governmental authority, to the extent such laws, orders, rules, and regulations are applicable and effective from time to time; provided, however, that no such action by Gas Purchaser's or Issuer's governing body may affect that Party's obligations and rights under this Agreement.

ARTICLE XIII

FORCE MAJEURE

13.1. Suspension of Obligations. Except with regard to a Party's obligation to make payments under this Agreement, neither Party shall be liable to the other for failure to perform an obligation to the extent such failure was caused by Force Majeure, as defined in Section 13.2.

13.2. Force Majeure Defined. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the Party claiming suspension, as further defined in this Section 13.2. The term "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 or tornadoes, which result in evacuation of the affected area, floods, washouts, explosions, or breakage of 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 transportation and/or storage by Transporters (provided that if the affected Party is using interruptible or secondary Firm transportation, only if primary, in-path, Firm transportation is also curtailed by the same event, or, if the relevant Transporter does not curtail based on path, if primary Firm transportation is also curtailed); (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections, wars or acts of terror; (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 Government Agency having jurisdiction; and (vi) any invocation of Force Majeure by Prepay LLC under the Prepaid Gas Agreement. Issuer and Gas Purchaser shall make Commercially Reasonable Efforts to avoid the adverse impacts of a Force Majeure event or occurrence and to resolve the event or occurrence once it has occurred in order to resume performance.

13.3. Force Majeure Exclusions. Neither Party shall be entitled to the benefits of a claim of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the Party claiming excuse failed to remedy the condition and to resume the performance of its obligations with reasonable dispatch; (ii) economic hardship, to include, without limitation, Issuer's ability to sell Gas at a higher or more advantageous price, Gas Purchaser's ability to purchase Gas at a lower or more advantageous price, or a Government Agency disallowing, in whole or in part, the pass-through of costs resulting from this Agreement; or (iii) the loss of Gas Purchaser's markets or Gas Purchaser's inability to resell Gas purchased under this Agreement, except, in either case, as provided in Section 13.2. Gas Purchaser shall not be entitled to the benefit of the provisions of Force Majeure to the extent performance is adversely affected by any action taken by Gas Purchaser in its governmental capacity. The Party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges.

13.4. Settlement of Labor Disputes. Notwithstanding anything to the contrary in this Agreement, the Parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the Party experiencing such disturbance.

13.5. Force Majeure Procedure. The Party whose performance is prevented by Force Majeure must provide notice to the other Party as soon as practicable. 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. Upon providing written notice of Force Majeure to the other Party, the affected Party will be relieved of its obligation, from the onset of Force Majeure, 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.

ARTICLE XIV

DEFAULT

14.1. Failure by Gas Purchaser to Make Payments Due. Failure by Gas Purchaser to make to Issuer when due any of the payments for which provision is made in this Agreement shall constitute a default on the part of Gas Purchaser.

14.2. Enforcement and Right to Discontinue Service. In the event of any default under Section 14.1, Issuer shall have the right to recover from Gas Purchaser any amount in default. In enforcement of any such right of recovery, Issuer may bring any suit, action, or proceeding at law or in equity, including without limitation mandamus, injunction and action for specific performance, as may be available to Issuer to enforce any covenant, agreement, or obligation to make any payment for which provision is made in this Agreement, and Issuer in its sole discretion may, upon three days written notice to Gas Purchaser, cease and discontinue providing delivery of all or any portion of the Gas otherwise to be delivered to Gas Purchaser at the Delivery Points under this Agreement. In the event Issuer takes all or any of the actions authorized by this Section 14.2, Gas Purchaser shall remain fully liable for payment of all amounts in default and shall not be relieved of any of its payment obligations under this Agreement.

14.3. Reinstatement of Service. If Issuer exercises its right to discontinue providing Gas deliveries to Gas Purchaser under Section 14.2, such Gas deliveries may only be reinstated, at a time to be determined by Issuer, upon (i) payment in full by Gas Purchaser of all amounts then due and payable under this Agreement and (ii) payment in advance by Gas Purchaser at the beginning of each Month of amounts estimated by Issuer to be due to Issuer for the future delivery of Gas under this Agreement for such Month. Issuer may continue to require payment in advance after the reinstatement of service under this Agreement for such period of time as Issuer in its sole discretion may determine is appropriate.

14.4. Other Default by Gas Purchaser. In the event of a failure by Gas Purchaser to establish, maintain, or collect rates or charges adequate to provide revenues sufficient to enable Gas Purchaser to pay all amounts due to Issuer under this Agreement, or in the event of a failure by Gas Purchaser to take from Issuer its Gas supplies in accordance with the provisions of this Agreement, or in the event of any default by Gas Purchaser under any other covenant, agreement, or obligation in this Agreement, Issuer (without limiting the provisions of) may bring any suit, action, or proceeding at law or in equity, including without limitation mandamus, injunction, and action for specific performance, as may be available to Issuer to enforce any covenant, agreement, or obligation of Gas Purchaser in this Agreement. In addition to the foregoing remedies (and without limiting any other provisions of this Agreement), if Gas Purchaser fails to accept from Issuer any of the Daily Contract Quantity tendered for delivery under this Agreement, Issuer shall have the right to sell such Gas to third parties.

14.5. Default by Issuer. In the event of a default by Issuer under any covenant, agreement, or obligation in this Agreement, Gas Purchaser (without limiting the provisions of Section 14.6) may bring any suit, action, or proceeding at law or in equity, including without limitation mandamus, injunction, and action for specific performance, as may be available to Gas Purchaser to enforce any covenant, agreement, or obligation in this Agreement against Issuer.

14.6. Arbitration and Mediation. Notwithstanding any other provision of this Agreement to the contrary, the Parties by mutual agreement may agree to mediate or arbitrate any dispute that arises under this Agreement.

14.7. Third-Party Beneficiaries. Except as provided in this Section 14.7, it is specifically agreed that there are no third-party beneficiaries of this Agreement and that this Agreement shall

not impart any rights enforceable by any Person not a party to this Agreement. Gas Purchaser acknowledges and agrees that (i) Issuer will pledge and assign its rights, title and interest in this Agreement and the amounts payable by Gas Purchaser under this Agreement (other than amounts payable in respect of the Project Administration Fee under Section 4.3) to secure Issuer's obligations under the Bond Indenture, (ii) the Trustee shall be a third-party beneficiary of this Agreement with the right to enforce Gas Purchaser's obligations under this Agreement, (iii) the Trustee or any receiver appointed under the Bond Indenture shall have the right to perform all obligations of Issuer under this Agreement, and (iv) in the event of a default in payments by Gas Purchaser under this Agreement, (a) Prepay LLC or any third party transferee who purchases and takes assignment of such receivables from Prepay LLC, shall thereafter have all rights of collection with respect to such receivables and may, to the extent provided for in, and in accordance with, the Receivables Purchase Agreement (as defined in the Bond Indenture), take assignment from Issuer of receivables owed by Gas Purchaser to Issuer under this Agreement, and shall thereafter have all rights of collection with respect to such receivables and interest accrued thereon, and (b) if such receivables are not so assigned, the Commodity Swap Counterparty shall have the right to pursue collection of such receivables to the extent of any non-payment by Issuer under the Commodity Swap that was caused by Gas Purchaser's payment default.

14.8. Downstream Supply Contract. Subject to the obligations of the Gas Purchaser under the Gas Purchaser's Gas System Revenue Bond Resolution, Gas Purchaser agrees that it will not exercise any right to terminate or suspend deliveries under the Downstream Supply Contract without the written consent of Issuer, and Gas Purchaser further agrees that it will exercise such rights if directed in writing to do so by Issuer. Gas Purchaser agrees that it will promptly notify Issuer of any circumstance that gives rise to either Gas Purchaser's or Downstream Customer's right to terminate or suspend performance under the Downstream Supply Contract. If and to the extent that the Downstream Supply Contract is terminated or performance under it is suspended by either party thereto, Issuer shall have the right to terminate this Contract or suspend performance hereunder, as applicable, upon notice to Gas Purchaser. Gas Purchaser hereby agrees that Issuer may issue notices and take other actions that the Gas Purchaser is required or permitted to take under the Downstream Supply Contract in order to fully effectuate the fact that all of the Gas sold by Issuer to Gas Purchaser under this Agreement will be sold by Gas Purchaser under the Downstream Supply Contract. Pursuant to the provisions of the Bond Indenture, Issuer may appoint the Trustee as its agent in respect of any of the rights set forth in this Section 14.8 such that the Trustee may exercise its rights and fulfill its responsibilities under the Bond Indenture

ARTICLE XV
[RESERVED]

ARTICLE XVI
WAIVERS

No waiver by either Issuer or Gas Purchaser of any default of the other under this Agreement shall operate as a waiver of any future default, whether of like or different character or nature.

ARTICLE XVII
SUCCESSION AND ASSIGNMENT

The terms and provisions of this Agreement shall extend to and be binding upon the Parties and their respective successors, assigns, and legal representatives; provided, however, that neither Party may assign this Agreement or its rights and interests, in whole or in part, under this Agreement as set forth in this Article XVII without the prior written consent of the other Party, except that Issuer may assign its interests under this Agreement as described in Section 14.7. Prior to assigning this Agreement, Gas Purchaser shall deliver to Issuer (i) written confirmation from each of the Applicable Rating Agencies, provided that such agency has rated and continues to rate the Bonds, that the assignment will not result in a reduction, qualification, or withdrawal of the then-current ratings assigned by the Applicable Rating Agencies to the Bonds; or (ii) written confirmation from each of the Applicable Rating Agencies, that the assignee has an outstanding long-term senior, unsecured, unenhanced debt rating equivalent to or higher than the ratings assigned by the Applicable Rating Agencies to the Bonds. Whenever an assignment or a transfer of a Party's interest in this Agreement is requested to be made with the written consent of the other Party, the assigning or transferring Party's assignee or transferee shall expressly agree to assume, in writing, the duties and obligations under this Agreement of the assigning or transferring Party. Upon the agreement of a Party to any such assignment or transfer, the assigning or transferring Party shall furnish or cause to be furnished to the other Party a true and correct copy of such assignment or transfer and assumption of duties and obligations.

ARTICLE XVIII
NOTICES

Except as is otherwise specifically provided in this Agreement, any notice, request, demand, or statement provided for in this Agreement must be given in writing and delivered in person, by United States mail, or by express courier to the respective Parties at the addresses shown below or at such other addresses as may hereafter be furnished to the other Party in writing, and all payments due from Gas Purchaser under this Agreement shall be made by wire transfer to the account for payments set forth below:

Issuer:

The Black Belt Energy Gas District
P.O. Box 220
2003 College Avenue
Jackson, Alabama 36545
Attention: Kelly Henry, Chief Financial Officer
Telephone: (251) 751-8635
Fax: (251) 246-2479
Email: khenry@blackbeltenergy.com

Payments:

ABA #: [_____]

A/C #: [_____]

Re: [_____]

Attn: [_____]¹

Gas Purchaser:

Don Suarez
Pensacola Energy Director
1625 Atwood Drive
Pensacola, FL 32514
850-474-5316
dsuarez@cityofpensacola.com

Payments:

By Wire Transfer: [_____]

Account No.: [_____]

ABA No. [_____]

Attn: [_____]

Any notice initially delivered orally as may be permitted under this Agreement shall be confirmed in writing, and any notice initially delivered by facsimile transmission, email or other electronic means shall be followed by a hard copy sent by first-class mail or express courier within two days after transmission of the facsimile transmission, email or other electronic means.

ARTICLE XIX
CHOICE OF LAW

This Agreement shall be interpreted and construed in accordance with the applicable laws of the State of Alabama, excluding conflicts of law principles which would refer to the laws of another jurisdiction; provided, however, that the authority of Gas Purchaser to enter into this Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida.

ARTICLE XX
MODIFICATIONS

No modifications of the terms and provisions of this Agreement shall be or become effective except pursuant to and upon the due and mutual execution of a supplemental written amendment by the Parties.

¹ NTD: Trustee to provide.

ARTICLE XXI
COMPUTATIONS

Except as otherwise provided herein, all computations related to prices and indices performed under this Agreement shall be rounded to four decimal places (\$0.0000).

ARTICLE XXII
REPRESENTATIONS AND WARRANTIES

22.1. Representations and Warranties of Issuer. Issuer hereby makes the following representations and warranties to Gas Purchaser:

(a) Issuer is a public corporation organized as a gas district under the laws of the State of Alabama, duly organized and validly existing under the laws of the State of Alabama, and has the power and authority to own its properties, to carry on its business as now being conducted, and to enter into and to perform its obligations under this Agreement.

(b) The execution, delivery, and performance by Issuer of this Agreement have been duly authorized by all necessary corporate action of Issuer and do not and will not require, subsequent to the execution of this Agreement by Issuer, any consent or approval of the Board of Directors or any officers of Issuer.

(c) This Agreement is the legal, valid, and binding obligation of Issuer, enforceable in accordance with its terms, except as such enforceability may be subject to (i) the exercise of judicial discretion in accordance with general principles of equity and (ii) bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable.

(d) As of the date of this Agreement, there is no pending or, to Issuer's knowledge, threatened action or proceeding affecting Issuer which purports to affect the legality, validity, or enforceability of this Agreement.

(e) Issuer shall deliver to Gas Purchaser as a condition precedent to Gas Purchaser's execution of this Agreement an opinion letter of counsel to Issuer, in substantially the form set forth in Exhibit I.

22.2. Representations and Warranties of Gas Purchaser. Gas Purchaser hereby makes the following representations and warranties to Issuer:

(a) Gas Purchaser is a municipal government entity duly organized and validly existing under the laws of the State of Florida, and has the power and authority to own its properties, to carry on its business as now being conducted, and to execute, deliver, and perform this Agreement.

(b) The execution, delivery, and performance by Gas Purchaser of this Agreement have been duly authorized by the governing body of Gas Purchaser and do not and will

not require, subsequent to the execution of this Agreement by Gas Purchaser, any consent or approval of the governing body or any officers of Gas Purchaser.

(c) This Agreement is the legal, valid, and binding obligation of Gas Purchaser, enforceable in accordance with its terms, except as such enforceability may be subject to (i) the exercise of judicial discretion in accordance with general principles of equity and (ii) bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted, to the extent constitutionally applicable.

(d) As of the date of this Agreement, there is no pending or, to Gas Purchaser's knowledge, threatened action or proceeding affecting Gas Purchaser which purports to affect the legality, validity, or enforceability of this Agreement.

(e) Gas Purchaser shall deliver to Issuer a Federal Tax Certificate in substantially the form set forth in Exhibit E on the Effective Date; provided that, if the Bond Closing Date occurs after December 31, 2021, Gas Purchaser shall deliver an updated Federal Tax Certificate, in substantially the form set forth in Exhibit E but utilizing data for the five calendar years ending December 31, 2021, on the Bond Closing Date.

(f) Gas Purchaser shall deliver to Issuer an opinion letter of counsel to Gas Purchaser in substantially the form set forth in Exhibit F on the Bond Closing Date.

(g) Gas Purchaser shall deliver to Issuer a Closing Certificate in substantially the form set forth in Exhibit H on the Bond Closing Date.

ARTICLE XXIII

CERTAIN OBLIGATIONS OF GAS PURCHASER

23.1. Tax-Exempt Status of Bonds. The Bonds will be issued with the intention that the interest thereon will be exempt from federal taxes under Section 103 of the Code. Accordingly, Gas Purchaser agrees that it will (a) provide such information with respect to its gas supply program as may be requested by Issuer in order to establish the tax-exempt status of the Bonds, including a Federal Tax Certificate substantially in the form of Exhibit E attached hereto, and (b) act in accordance with such written instructions as Issuer may provide from time to time related to Gas Purchaser's receipt and use of Gas hereunder or otherwise related to the performance of Gas Purchaser's obligations hereunder in order to maintain the tax-exempt status of the Bonds. Gas Purchaser further agrees that it will not at any time take any action, or fail to take any action related to Gas Purchaser's receipt or use of Gas hereunder or otherwise related to the performance of Gas Purchaser's obligations hereunder, which would adversely affect the tax-exempt status of the Bonds, except as otherwise permitted hereunder. Gas Purchaser agrees it will use all of the Gas purchased under this Agreement in compliance with the Qualifying Use Requirements. Gas Purchaser agrees that it will provide such additional information, records and certificates as Issuer may reasonably request to confirm Gas Purchaser's compliance with this Section 23.1, e.g. periodic reporting regarding Gas Purchaser's use of Gas purchased under this Agreement for a "qualifying use" as defined in U.S. Treas. Reg. §1.148-1e(2)(iii).

23.2. Continuing Disclosure. Gas Purchaser agrees that it will provide to Issuer: (a) such financial and operating information as may be requested by Issuer including its most recent audited financial statements for use in Issuer's offering documents for the Bonds; and (b) annual updates to such information and statements to enable Issuer to comply with its continuing disclosure undertakings under Rule 15(c)2-12 of the United States Securities Exchange Commission. Failure by Gas Purchaser to comply with its agreement to provide such annual updates shall not be a default under this Agreement, but any such failure shall entitle Issuer to take such actions and to initiate such proceedings as may be necessary and appropriate to cause Gas Purchaser to comply with such agreement, including without limitation the remedies of mandamus and specific performance.

23.3. Obligations of Gas Purchaser with respect to Bonds. The Parties acknowledge and agree that the Gas Purchaser shall have no obligation with respect to the Bonds, except as expressly set forth herein. Without limiting the foregoing statement, the Gas Purchaser:

(a) shall have no responsibility for and makes no representation with respect to any disclosure provided in connection with the Bonds, except for the operating and financial information approved by Gas Purchaser and included in Issuer's official statement with respect to the Bonds;

(b) except as provided in the Federal Tax Certificate provided by the Gas Purchaser pursuant to Section ____ above, makes no representation or undertaking with respect to and shall not be responsible for the original or continuing exclusion from gross income for federal income tax purposes of interest on the Bonds

(c) other than its express payment obligations under this Agreement, shall have no obligation for the payment of any payment obligation with respect to or arising out of the issuance of the Bonds;

(d) shall have no obligation to cure any default with respect to the Bonds or any default by a participant under any participation agreement or gas supply agreement entered into in connection with the issuance of the Bonds;

(e) shall bear no increased cost or obligation due to any default by the Issuer or any Project Participant or purchaser with respect to the Bonds or under any participation or gas supply agreement entered into in connection with the Bonds; and

(f) except as expressly provided above and in Section 23.2, shall have no obligation or responsibility for disclosure or continuing disclosure with respect to the Bonds or compliance with the Rule in relation to the Bonds.

ARTICLE XXIV **EXCHANGES**

24.1. General Rule. Gas Purchaser may effectuate an exchange of Delivery Points for Gas purchased under this Agreement on a daily or Monthly basis under Section 24.2 or Section

24.3; provided, however, that any failure by a third party to perform its obligations under any such exchange arrangement shall not relieve Gas Purchaser of its obligations under this Agreement.

24.2. Description of Exchange Agreement. Gas Purchaser may enter into an exchange agreement with a third party under which Gas Purchaser implements redelivery of the Gas delivered at a Delivery Point (“Point A”) to a delivery point on another pipeline connected with Gas Purchaser’s system (“Point B”). Under such an exchange agreement, Gas Purchaser would deliver Gas at Point A to the exchange counterparty and receive delivery of an equivalent value of Gas at Point B from the exchange counterparty. The equivalent value of Gas at Point B may be taken by Gas Purchaser on the same Gas Day that Gas is delivered at Point A or at any time after such Gas Day within the same or the next succeeding Month. The transaction described in this Section 24.2 is not in itself a “disqualifying use” under federal tax law in effect on the date of this Agreement.

24.3. Exchange Transactions Through a Third Party. In addition to an exchange agreement under Section 24.2, Gas Purchaser may effectuate an exchange of deliveries of Gas at Point A (as described in Section 24.2) for deliveries at Point B (as described in Section 24.2) by entering into an agreement to provide the exchange through a third party. Under such an agreement, Gas Purchaser would arrange for the delivery of Gas to one party (“Party 1”) at Point A, and the receipt of Gas from another party (“Party 2”) at Point B, either directly or through a commodity exchange such as the Intercontinental Exchange, and bring the arrangements with Party 1 and Party 2 to a third party for the third party to enter into. Gas Purchaser would then enter into an exchange agreement with the third party, as described in Section 24.2 above. The transaction described in this Section 24.3 is not in itself a “disqualifying use” under federal tax law in effect on the date of this Agreement.

ARTICLE XXV

INTERPRETATION

25.1. Entirety of Agreement. This Agreement constitutes the entire agreement between Issuer and Gas Purchaser with respect to the sale, delivery, purchase and receipt of the Daily Contract Quantity under the Prepaid Project, and supersedes any and all prior negotiations, understandings, or agreements, whether oral or in writing.

25.2. Headings. The headings used throughout this Agreement are inserted for reference purposes only and shall not be construed or considered in interpreting the terms and provisions of any Section or Article or this Agreement as a whole.

25.3. Severability. If any Article, Section, term, or provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Agreement shall continue in full force and effect without said Article, Section, term, or provision; provided, however, that if such severability materially changes the economic benefits of this Agreement to either Party, the Parties agree to negotiate promptly an equitable adjustment to the provisions of this Agreement in good faith so as to place the Parties in as close to the same position as is possible under the circumstances as they were prior to such declaration by the court or other action or event.

25.4. Limited Liability. Issuer and Gas Purchaser acknowledge and agree that Gas Purchaser's obligations under this Agreement are limited as expressly described in this Agreement and that Issuer has no recourse to any other source of payment from Gas Purchaser except as set forth in Section 11.4 of this Agreement. Issuer and Gas Purchaser acknowledge and agree that Gas Purchaser has no recourse to any source of payment from Issuer under this Agreement except the Trust Estate as defined in the Bond Indenture, and only to the extent such funds are available to be applied for such purpose in accordance with the Bond Indenture.

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ARTICLE XXVI
COUNTERPARTS

This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and each of which shall be deemed to be an original instrument as against a Party that has signed it.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date hereinabove first written.

CITY OF PENSACOLA, FLORIDA

By: _____

Attested By: _____

Printed Name: Grover C. Robinson, IV
Title: Mayor

Printed Name: Ericka L. Burnett
Title: City Clerk

Approved As To Substance:

Legal in form and valid as drawn:

Department Director/Division Head

City Attorney

THE BLACK BELT ENERGY GAS DISTRICT

By: _____

Attested By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

EXHIBIT A
PRIMARY DELIVERY POINT

Gulf South Pipeline Meter No. 2081.

EXHIBIT B

DAILY CONTRACT QUANTITIES

7,000 MMBtu per day

EXHIBIT C

INDEX PRICE

The price per MMBtu published in the first issue of the month of Inside FERC's Gas Market Report, a publication of S&P Global Platts, a division of S&P Global Inc., in the table entitled "Monthly Bidweek Spot Gas Prices – Platts Locations (\$/MMBtu)", under the heading "Louisiana/Southeast", for Henry Hub, under the column "Index", plus eleven cents (\$0.11).

EXHIBIT D
MONTHLY DISCOUNT

[____] per MMBtu per for the period from and including April 1, 2022 to and including [____]

EXHIBIT E

FEDERAL TAX CERTIFICATE

This Federal Tax Certificate is executed in connection with the Gas Supply Agreement dated as of _____ 1, 2021 (the “Supply Agreement”), by and between The Black Belt Energy Gas District (“BBE”) and the City of Pensacola, Florida, d/b/a Pensacola Energy (“Gas Purchaser”). Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Supply Agreement, in the Tax Certificate and Agreement, or in the Bond Indenture.

WHEREAS Gas Purchaser acknowledges that BBE is issuing the Bonds to fund the prepayment price under the Prepaid Gas Agreement; and

WHEREAS the Bonds are intended to qualify for tax exemption under Section 103 of the Internal Revenue Code of 1986, as amended; and

WHEREAS Gas Purchaser’s use of Gas acquired pursuant to the Supply Agreement and certain funds and accounts of Gas Purchaser will affect the Bonds’ qualification for such tax exemption.

NOW, THEREFORE, GAS PURCHASER HEREBY CERTIFIES AS FOLLOWS:

1. Gas Purchaser is a municipal government entity duly organized and validly existing under the laws of the State of Florida organized under the laws of the State of Florida.
2. Gas Purchaser will resell all of the Gas acquired pursuant to the Supply Agreement to Downstream Customer, a retail Gas customer in its Gas service area, with such retail sales being made pursuant to a regularly established and generally applicable tariff (which provides for sales to large industrial users at individually negotiated prices) and under an authorized requirements Agreement. For purposes of the foregoing sentence, the term “service area” means (x) the area throughout which Gas Purchaser provided Gas transmission or distribution service at all times during the 5-year period ending on December 31, 2020, and from then until the date of issuance of the Bonds (the “Closing Date”), and (y) any area recognized as the service area of Gas Purchaser under state or federal law. All Gas sold by Gas Purchaser that qualifies for service under Service Classification: GPT, Gas Purchased Transportation Service (For large volume commercial/industrial customers) will be subject to the following terms in addition to those under the applicable tariff: (a) in the case of take-or pay contracts, the term shall not more than three years, including renewal options; (b) in the case of requirements contracts, the contract may be for a longer term, including if such longer term matches the term of the prepaid natural gas supply contract from which the Gas Purchaser will supply the large commercial/volume industrial customer.

3. The annual average amount during the testing period of Gas purchased (other than for resale) and sold to customers of Gas Purchaser who are located within the service area of Gas Purchaser, as adjusted under the new load adjustment provision of Section 148(b)(4) of the Code, is [] MMBtu. The maximum annual amount of Gas in any year being acquired pursuant to the Supply Agreement is [] MMBtu. The annual average amount of Gas which Gas Purchaser holds in storage as of the Closing Date is [] MMBtu. The annual average amount of Gas which Gas Purchaser otherwise has a right to acquire as of the Closing Date is [] MMBtu. The sum of (a) the maximum amount of Gas in any year being acquired pursuant to the Supply Agreement, (b) the annual average amount of Gas which Gas Purchaser holds in storage, and (c) the amount of Gas which Gas Purchaser otherwise has a right to acquire in the year described in the foregoing clause (a) is [] MMBtu. Accordingly, the amount of Gas to be acquired under the Supply Agreement by Gas Purchaser, supplemented by the amount of Gas otherwise available to Gas Purchaser as of the Closing Date, during any year does not exceed the sum of (i) []% of the annual average amount during the testing period of Gas purchased (other than for resale) by customers of Gas Purchaser who are located within the service area of Gas Purchaser, as adjusted under the new load adjustment provision of Section 148(b)(4) of the Code and (ii) the amount of Gas to be used to transport the prepaid Gas to Gas Purchaser during such year. For purposes of this paragraph 3, the term "testing period" means the 5 calendar years ending December 31, 2020, and the term "service area" means (x) the areas throughout which Gas Purchaser provided transmission or distribution service at all times during the testing period, (y) any area within a county contiguous to the area described in (x) in which retail customers of Gas Purchaser are located if such area is not also served by another utility providing Gas services, and (z) any area recognized as the service area of Gas Purchaser under state or federal law.

4. Gas Purchaser expects to pay for Gas acquired pursuant to the Supply Agreement solely from funds derived from its Gas distribution operations. Gas Purchaser expects to use current revenues of its Gas distribution system to pay for current Gas acquisitions. There are no funds or accounts of Gas Purchaser or any person who is a Related Person to Gas Purchaser in which monies are invested and which are reasonably expected to be used to pay for Gas acquired more than one year after it is acquired. No portion of the proceeds of the Bonds will be used directly or indirectly to replace funds of Gas Purchaser or any persons who are Related Persons to Gas Purchaser that are or were intended to be used for the purpose for which the Bonds were issued.

_____, 2021

By: _____
[Name]

EXHIBIT F

FORM OF OPINION OF COUNSEL TO GAS PURCHASER

[____], 2021

The Black Belt Energy Gas District
Jackson, AL

Aron Energy Prepay 6, LLC
New York, NY

J. Aron & Company LLC
New York, NY

Regions Bank
Birmingham, AL

Commodity Swap Counterparty #1

Commodity Swap Counterparty #2

Re: Gas Supply Agreement Between the City of Pensacola,
Florida, d/b/a Pensacola Energy, and The Black Belt Energy
Gas District dated as of _____ 1, 2021

Ladies and Gentlemen:

We are Counsel to the City of Pensacola, Florida, d/b/a Pensacola Energy ("Gas Purchaser").

Gas Purchaser is a Project Participant in the Prepaid Project undertaken by The Black Belt Energy Gas District ("Issuer"). We are furnishing this opinion to you in connection with the Gas Supply Agreement between Issuer and Gas Purchaser dated as of _____ 1, 2021 (the "Supply Agreement").

Unless otherwise specified herein, all terms used but not defined in this opinion shall have the same meaning as is ascribed to them in the Supply Agreement.

To the extent a statement herein is qualified by the phrase "to our knowledge" or by similar phrases, it is intended to indicate that, during the course of our representation of Gas Purchaser in connection with the Supply Agreement, no information that would give us current actual knowledge of the inaccuracy of such statement has come to the attention of those attorneys presently in this firm who have rendered substantive legal services in connection with the representation of the Gas Purchaser with respect to the Supply Agreement. However, we have not undertaken an independent investigation or review to determine the accuracy of any such statement, and any limited inquiry undertaken by us during the preparation of this opinion letter should not be regarded as such an investigation or review. No inference as to our knowledge of any matters bearing on the accuracy of any such statement should be drawn from the fact of our representation of Gas Purchaser.

In connection with this opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of the following:

The Constitution and laws of the State of Florida (the "State") including, as applicable, acts, ordinances, certificates, articles, charters, bylaws, and agreements pursuant to which Gas Purchaser was created and by which it is governed;

Resolution Nos. _____ and _____ duly adopted by Gas Purchaser on _____, 2021 (collectively, the "Resolution") and certified as true and correct by certificate and seal, authorizing Gas Purchaser to execute and deliver the Supply Agreement;

A copy of the Supply Agreement executed by Gas Purchaser; and

The outstanding instruments relating to bonds, notes, or other indebtedness ("Financing Documents") of or relating to Gas Purchaser's municipal utility system, its assets, or operations listed on the attached Schedule A.

We have also examined and relied upon originals or copies, certified or otherwise authenticated to our satisfaction, of such records, documents, certificates, and other instruments, and made such investigations of law, as in our judgment we have deemed necessary or appropriate to enable us to render the opinions expressed below. With respect to certain facts, we have relied solely upon certificates or other comparable documents of public officials and officers or other official representatives of Gas Purchaser, including the Closing Certificate of Gas Purchaser executed by _____ as of _____, 2021.

Based upon the foregoing, we are of the opinion that:

Gas Purchaser is a municipal corporation of the State, duly organized and validly existing under the laws of the State, and has the power and authority to enter into and to perform its obligations under the Supply Agreement.

The execution, delivery, and performance by Gas Purchaser of the Supply Agreement have been duly authorized by the governing body of Gas Purchaser and do not and will not require,

subsequent to the execution of the Supply Agreement by Gas Purchaser, any consent or approval of the governing body or any officers of Gas Purchaser.

The Supply Agreement is the legal, valid, and binding obligation of Gas Purchaser, enforceable in accordance with its terms.

No approval, consent or authorization of any governmental or public agency, authority, commission or person, or, to our knowledge, of any holder of any outstanding bonds or other indebtedness of Gas Purchaser, is required with respect to the execution, delivery and performance by Gas Purchaser of the Supply Agreement or Gas Purchaser's participation in the transactions contemplated thereby other than those approvals, consents and/or authorizations that have already been obtained.

To our knowledge the authorization, execution and delivery of the Supply Agreement and compliance with the provisions thereof (a) will not conflict with or constitute a breach of, or default under, (i) any instrument relating to the organization, existence or operation of Gas Purchaser, (ii) any ruling, regulation, ordinance, judgment, order or decree to which Gas Purchaser (or any of its officers in their respective capacities as such) is subject or (iii) any provision of the laws of the State relating to Gas Purchaser and its affairs, and (b) to our knowledge will not result in, or require the creation or imposition of, any lien on any of the properties or revenues of Gas Purchaser pursuant to any of the foregoing.

To our knowledge Gas Purchaser is not in breach of or default under any applicable constitutional provision or any law or administrative regulation of the State or the United States or any applicable judgment or decree or, to our knowledge, any loan or other agreement, resolution, indenture, bond, note, resolution, agreement or other instrument to which Gas Purchaser is a party or to which Gas Purchaser or any of its property or assets is otherwise subject, and to our knowledge no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument.

Based solely on the review of the Financing Documents listed on the attached Schedule A, to our knowledge the application of the revenues and other available funds of Gas Purchaser's utility system to make such payments under the Supply Agreement is not subject to any prior lien, encumbrance or other legal restriction.[Funding of O&M is the second priority application of Revenues under the City's Gas System Revenue Bond Resolution, after funding of Rebate Fund.]

To our knowledge as of the date of this opinion, there is no pending or threatened action or proceeding at law or in equity or by any court, government agency, public board or body affecting or questioning the existence of Gas Purchaser or the titles of its officers to their respective offices or affecting or questioning the legality, validity, or enforceability of the Supply Agreement nor to our knowledge is there any basis therefor.

The opinions expressed herein are qualified to the extent that the validity, binding nature and enforceability of the Supply Agreement may be limited or otherwise affected by: (i) general principles of equity, including without limitation, principles of commercial reasonableness, good

faith, fair dealing, regardless of whether enforceability is considered in a proceeding in equity or at law; (ii) bankruptcy, insolvency, reorganization, fraudulent conveyance, arrangement, rehabilitation, liquidation, moratorium, and other similar laws relating to or affecting rights and remedies of secure parties generally; (iii) limitations on the right of Gas Purchaser to exercise the rights and remedies under the Supply Agreement if it is determined by a court of competent jurisdiction that it cannot be demonstrated that enforcement of the rights and remedies is reasonably necessary for the protection of the Gas Purchaser; (iv) the unenforceability under certain circumstances of provisions indemnifying, or prospectively releasing, a party against liability for its own wrongful or negligent acts or where the release is contrary to public policy; and (v) state and federal forfeiture laws and similar laws relating to illegal drugs, anti-money laundering, terrorist or similar activities.

Certain rights, remedies and waivers contained in the Supply Agreement and certain limitations of the liability contained therein may be rendered ineffective, or limited, by applicable laws, judicial decisions, constitutional requirements or principles of equity governing such provisions, but such ineffectiveness or limitations under such applicable laws, judicial decisions, constitutional requirements or principles of equity do not, in our opinion, render the Supply Agreement invalid as a whole, and there exist in the Supply Agreement or pursuant to applicable law legally adequate remedies for the realization of the principal benefits purported to be provided by the Supply Agreement, subject to the economic consequences of any delay that may result from applicable laws, rules or judicial decisions or constitutional requirements.

Requirements in the Supply Agreement specifying that the provisions thereof may be amended or waived only in writing may not be enforced under Florida law to the extent that a subsequent oral agreement modifying provisions of any such agreement or document has been performed.

We express no opinion as the existence of or title to property or encumbrances thereon or the description of any property or the creation or perfection of any lien.

We express no opinion as to the enforceability of: (i) provisions that define, waive or set standards for good faith, reasonableness, fair dealing, diligence or the like; (ii) provisions that provide the right to exercise remedies upon the happening of a non-material breach of the Supply Agreement (including without limitation, material breaches of non-material provisions thereof); (iii) provisions that govern the election of remedies or provide that remedies are cumulative; (iv) provisions that release, exculpate or exempt a party from, or require indemnification of a party for, liability for its own action or inaction or provide any indemnity or hold harmless to the extent such indemnity or hold harmless is, with respect to any activity, contrary to public policy; (v) provisions that waive or restrict the right to a jury trial, specify a means for a service of process, specify governing law, select venue or consent to personal jurisdiction; (vi) provisions that purport to establish evidentiary standards; or (vii) provisions that relate to waiver of remedies (or delay or omission of enforcement thereof), disclaimers, liability limitations with respect to third parties, release of legal or equitable rights, discharges or waivers of defenses or liquidated damages.

The enforceability of the Supply Agreement may be limited by deficiency judgment laws and the manner and order in which a party seeks to exercise its rights under the Supply Agreement.

No opinion is given with respect to the enforceability of any provision of the Supply Agreement that purports to preclude modification of the Supply Agreement through conduct, custom or course of performance, action or dealing.

Our opinion is based upon and relies upon the current status of law, and in all respects is subject to and may be limited by future legislation or case law.

We express no opinion concerning any matter respecting or affected by any laws other than laws that a lawyer in Florida exercising customary professional diligence would reasonably recognize as being directly applicable to Gas Purchaser.

This opinion is rendered solely for the use and benefit of the addressees listed above in connection with the Supply Agreement and may not be relied upon other than in connection with the transactions contemplated by the Supply Agreement, or by any other person or entity for any purpose whatsoever, nor may this opinion be quoted in whole or in part or otherwise referred to in any document or delivered to any other person or entity, without the prior written consent of the undersigned.

The opinions expressed herein are as of the date hereof, and we undertake no obligation to advise you of changes in applicable law or any other matters that may affect the opinions expressed herein.

Very truly yours,

EXHIBIT G

FORM OF REMARKETING ELECTION NOTICE

[Issuer]
[Address]

[Prepay LLC]
[Address]

[Trustee]
[Address]

To the Addressees:

The undersigned, duly authorized representative of _____ (the “Gas Purchaser”), is providing this Gas Remarketing Election Notice pursuant to the Gas Supply Agreement, dated as of _____, 2021 (the “Supply Agreement”), between The Black Belt Energy Gas District and Gas Purchaser. Capitalized terms used herein shall have the meanings set forth in the Supply Agreement.

Pursuant to Section 5.3(b) of the Supply Agreement, Gas Purchaser has elected to have its DCQ for each Gas Day of each Month of the applicable Reset Period remarketed beginning with the month of [_____] 20[___], and that the resumption of deliveries in any future Reset Period shall be in accordance with Section 5.3(e) thereof.

Given this [___] day of [_____] , 20[___].

[Name]

By: _____
Name:
Title:

EXHIBIT H
FORM OF CLOSING CERTIFICATE

CLOSING CERTIFICATE OF GAS PURCHASER

[____], 2021

Re: The Black Belt Energy Gas District
 Gas Project Revenue Bonds,
 Series 2021 B

The undersigned [President/Chairman/Chief Executive Officer] of _____ (“Gas Purchaser”), hereby certifies as follows in connection with the Gas Supply Agreement dated as of _____, 2021 (the “Agreement”) between the Gas Purchaser and The Black Belt Energy Gas District (“Issuer”) and the issuance and sale by Issuer of the above-referenced bonds (the “Bonds”) (capitalized terms used and not defined herein shall have the meanings given to them in the Agreement):

1. Gas Purchaser is a municipal corporation duly created and validly existing and in good standing under the laws of the State of Florida (the “State”), and has the corporate power and authority to enter into and perform its obligations under the Agreement.
2. By all necessary official action on its part, Gas Purchaser has duly authorized and approved the execution and delivery of, and the performance by Gas Purchaser of the obligations on its part contained in the Agreement, and such authorization and approval has not been amended, supplemented, rescinded or modified in any respect since the date thereof.
3. The Agreement constitutes the legal, valid and binding obligation of Gas Purchaser.
4. The authorization, execution and delivery of the Agreement and compliance with the provisions on Gas Purchaser's part contained therein (a) will not conflict with or constitute a breach of or default in any material respect under (i) any instrument relating to the organization, existence or operation of Gas Purchaser, (ii) any ruling, regulation, ordinance, judgment, order or decree to which Gas Purchaser (or any of its officers in their respective capacities as such) is subject or (iii) any provision of the laws of the State relating to Gas Purchaser and its affairs, and (b) will not result in, or require the creation or imposition of, any lien on any of the properties or revenues of Gas Purchaser pursuant to any of the foregoing.

5. Gas Purchaser is not in breach of or default in any material respect under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which Gas Purchaser is a party or to which Gas Purchaser or any of its property or assets are subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default in any material respect by Gas Purchaser under any of the foregoing.

6. Payments to be made by Gas Purchaser under the Agreement shall constitute operating expenses of Gas Purchaser's gas system payable solely from the revenues and other available funds of Gas Purchaser's gas system as a cost of purchased gas. The application of the revenues and other available funds of Gas Purchaser's gas system to make such payments is not subject to any prior lien, encumbrance or other restriction. [Funding of O&M is the second priority application of Revenues under the City's Gas System Revenue Bond Resolution.]

7. No litigation, proceeding or tax challenge is pending or, to its knowledge, threatened, against Gas Purchaser in any court or administrative body which would (a) contest the right of the officials of Gas Purchaser to hold and exercise their respective positions, (b) contest the due organization and valid existence of Gas Purchaser, (c) contest the validity, due authorization and execution of the Agreement or (d) attempt to limit, enjoin or otherwise restrict or prevent Gas Purchaser from executing, delivering and performing the Agreement, nor to the knowledge of Gas Purchaser is there any basis therefor.

8. All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Gas Purchaser of its obligations under the Agreement have been duly obtained.

9. The representations and warranties of Gas Purchaser contained in the Agreement were true, complete and correct on and as of the date thereof and are true, complete and correct on and as of the date hereof.

10. The statements and information with respect to Gas Purchaser, if any, contained in the Preliminary Official Statement dated _____, 2021 and the Official Statement dated _____, 2021 with respect to the Bonds, including Appendix B thereto (the "Official Statement"), fairly and accurately describe and summarize the financial and operating position of Gas Purchaser for the periods shown therein, and such statements and information did not as of the date of the Preliminary Official Statement and the date of the Official Statement, respectively, and the Official Statement does not as of the date hereof contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such statements and information, in the light of the circumstances under which they were made, not misleading.

11. No event affecting Gas Purchaser has occurred since the date of the Official Statement which should be disclosed therein in order to make the statements and information with respect to Gas Purchaser contained therein, in light of the circumstances under which they were made, not misleading in any material respect.

IN WITNESS WHEREOF the undersigned has executed this Certificate on and as of the date first written above.

[Name of Entity]

By _____
Name:
Title:

EXHIBIT I

[FORM OF OPINION OF COUNSEL TO ISSUER]