

ORDINANCE 2021-6

**AN ORDINANCE OF THE TOWN OF ST. FRANCISVILLE
ESTABLISHING A RATE SCHEDULE FOR SALES TO
LARGE VOLUME INDUSTRIAL CUSTOMERS**

WHEREAS, the Town of St. Francisville, Louisiana (the “Town”) is undertaking a marketing program for sales to large volume industrial users of natural gas located in its service area;

NOW THEREFORE, be it hereby ordained by the Board of Alderman of the Town of St. Francisville (the “Board”) that a new rate schedule, entitled the Large Volume Industrial User Rate Schedule (the “Rate Schedule”), shall be adopted, to be effective September 1, 2021, or such later date as the Mayor shall report to the Board that gas supply sufficient to meet the needs of this marketing program has been acquired, as follows:

1. The Town may enter into natural gas sales contracts with large volume industrial users, as defined in this Ordinance, on the following terms:
 - The term shall not be less than one year nor more than ten years, including renewal options.
 - The contracts shall be requirements contracts, providing for the sale of gas to serve an eligible customer’s requirements for gas up to stated maximum quantities.
 - The facilities of the industrial customer must be located in the Town’s service area or in an area contiguous to such area where gas distribution service is not otherwise being provided, and in the same Parish.
2. Large volume industrial users eligible for service under this Rate Schedule shall be those that will purchase a monthly average of not less than 1,000 MMBtu per day from the

Town and that elect to enter into a contract with the Town for purchases of gas under this Rate Schedule.

3. Any contract between the Town and a customer pursuant to this Rate Schedule shall be in the form of a North American Energy Standards Board (“NAESB”) Base Contract for the Sale and Purchase of Natural Gas, with such Special Conditions and commercial terms set forth in a Transaction Confirmation as shall be established by the Mayor.


4. The commodity price per MMBtu for service under this Rate Schedule shall be the daily Index price published by Gas Daily, a publication of S&P Global Platts, in the chart entitled “Final Daily Price Survey – Platts Locations (\$/MMBtu)”, under the heading “Louisiana/Southeast”, and the line “Texas Eastern - WLA”, under the column “Index” as such Index price may be adjusted for any applicable transportation cost, index premium, or other basis differential, for the applicable pricing and delivery points and for the applicable flow date of deliveries, , less a discount of not greater than 50% of the net discount below the Index price to the Town of the gas acquired by the Town for sale to the customer. The Town through its Mayor may negotiate lesser discounts with any eligible customer.

5. The Town shall serve customers under this Rate Schedule from prepaid gas supplies acquired by the Town for this purpose. The Town shall not be obligated to supply any new eligible customer under this Rate Schedule, or supply any portion of such quantity requested by such customer, if it does not have sufficient long-term, firm prepaid gas supplies available to it for sale and delivery to such new customer.

This Rate Schedule shall be effective upon its adoption for sales service to eligible customers beginning September 1, 2021, or such later date as is described at the beginning of this Ordinance.

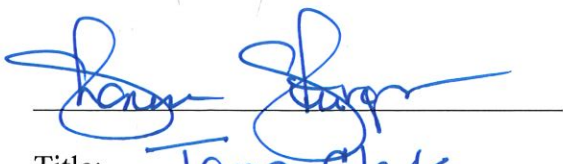
ADOPTED AND APPROVED by the Board of Alderman of the Town of St.

Francisville, Louisiana upon first reading this 24th day of August, 2021, and second reading on September 14, 2021.

By:  _____

Title: Mayor

ATTEST:

 _____

Title: Town Clerk