EXHIBIT "A"

INTERGOVERNMENTAL NATURAL GAS SALES AGREEMENT

THIS AGREEMENT is made and entered into this the 15th day of September, 2008, among the **CITY OF HOGANSVILLE, GEORGIA**, a municipal corporation of Troup County, Georgia (herein "Hogansville") and **MERIWETHER COUNTY**, a political subdivision of the State of Georgia (herein "Meriwether") and the **CITY OF MANCHESTER,** a municipal corporation of Meriwether County, Georgia (herein "Manchester") (herein collectively referred to as "the Parties").

WITNESSETH;

WHEREAS, Article IX, Section 3, Paragraph 1, of the Constitution of the State of Georgia authorizes intergovernmental contracts and authorizes municipalities and counties to contract with each other for the provision of services or for the joint or separate use of facilities or equipment providing the contract in question deals with activities, services, or facilities which both contracting parties are authorized by law to undertake or provide; and

WHEREAS, Hogansville owns and operates a natural gas distribution system for the purpose of providing firm and uninterruptible natural gas sales to requesting customers, is a member city of the Municipal Gas Authority of Georgia (herein "MGAG"), is a customer of Southern Natural Gas Company (herein "Southern"), maintains a firm capacity of the pipeline for natural gas system supply and has interruptible natural gas transportation agreements on Southern's natural gas pipeline; and

WHEREAS, Manchester is also a member city of MGAG and is

authorized to sell natural gas within the boundaries of Meriwether County, Georgia; and

WHEREAS, Meriwether is a political subdivision of the State of Georgia desirous of assisting in the provision of natural gas at retail to industrial, commercial, and residential customers in the northwest portion of the county,

NOW THEREFORE, for and in consideration of the sums of money hereinafter stipulated to be paid and the services to be rendered pursuant to the provisions hereof, and in further consideration of the mutual promises made and benefits conferred, the parties hereto, do covenant and agree as follows:

ARTICLE I
AGREEMENT TO SELL NATURAL GAS

Hogansville shall sell to Manchester, at the delivery point specified in this agreement, unlimited, interruptible natural gas in accordance with the terms and conditions set forth in this agreement.

ARTICLE II
EFFECTIVE DATE/TERM/ RENEWAL

This agreement shall begin on the date it is executed by the last of the parties to sign this agreement and shall continue in full force for a period of twenty five (25) years and shall continue year to year thereafter until terminated by any party, upon not less than ninety (90) days prior written notice delivered to the other parties by certified mail.

ARTICLE III

PRICE OF NATURAL GAS DELIVERED

The price to be paid by Manchester to Hogansville for natural gas shall consist of a combination of the following:

- **Wholesale Rate**: The wholesale rate, also known as the commodity gas rate, shall reflect the first of the month spot market index price for Southern Natural-Louisiana, as published in "Inside FERC's Gas Market Report". In the event such index price is unavailable, the rate shall be derived from a mutually agreed upon source. The total wholesale costs monthly are to be based on the Spot Market Index, the Pipeline Demand, Transportation and Fuel Retention Fees, The MGAG G&A, Swing Supply and SSFP. The wholesale cost is expected to vary but must be calculated using the same costs Hogansville incurs on a monthly basis from MGAG;
- **Monthly Transportation Fee**:

  The fixed monthly transportation fee shall be $500.00 per month.
- **Volumetric Fee:**

  The variable volumetric fee shall be based on amount of dekatherms purchased by Manchester each month. For each dekatherm of gas purchased each month, the volumetric fee shall be $0.25 per dekatherm.
- **Overhead, Maintenance and Administrative Fee**:

  The variable O&M/Administrative fee shall also be based on the amount of dekatherms used by Manchester each month. For each dekatherm of gas purchased each month, the O&M/Admin fee shall

be $0.35 per dekatherm.

- **Rate Increases**. Hogansville may from time to time, and at any time during the term hereof, increase or decrease the rates charged for natural gas sold to Manchester at the wholesale or commodity gas rate which changes shall reflect exactly the changes in the rate as charged to Hogansville. The Transmission Fee, the Volumetric Fee and the O&M/Admin fees set forth above shall not change during the term of this agreement.

ARTICLE IV

DELIVERY POINT AND ADDITIONAL SALES

The delivery point for the natural gas to be sold to Manchester under this agreement shall be at a meter installed on the east side of Interstate 85 as shown on the map or drawing attached hereto as "Exhibit A".

If at such time it becomes economically feasible in the opinion of Manchester and Meriwether to sell natural gas purchased from Hogansville in that portion of Meriwether County which lies north and west of County Line Road and I-85, the parties shall negotiate a separate agreement for the transmission and sale of natural gas to that area using similar parameters to this agreement.

ARTICLE V

METER PROVISION; CALIBRATION

At the delivery point, Hogansville will provide a meter of sufficient size and design to accurately measure and meter natural gas usage by Manchester under the terms of this agreement, such meter to be purchased and maintained by Hogansville at its sole expense. Hogansville shall, at all

times during the term of this contract, maintain said meter in good operating condition and provide calibration reports of the meter to Manchester upon request. Hogansville shall adjust the quantity of gas purchased by Manchester each month to reflect the actual British thermal unit content of such gas. All such adjustments shall be in the same proportion as the corresponding adjustment made by Southern for the gas transported to Hogansville. The gas shall be metered by Hogansville at a base pressure of 14.73 pounds per square inch absolute, at a temperature base of 60 degrees Fahrenheit, adjusted for actual BTU content. Manchester shall have the right, at its expense, to install a recording calorimeter on the gas line. Any observed differences in BTU content shall serve as the basis for a request by Manchester for an adjustment to the billing quantity, which request shall not be unreasonably denied.

ARTICLE VI

QUALITY OF NATURAL GAS SOLD

All physical properties of the gas sold and delivered to Manchester under the terms of this agreement, including specific gravity, BTU content and physical impurities shall be within the same limits of acceptability prescribed by Southern for such gas when it is transported by Southern to Hogansville.

ARTICLE VII

CAPACITY

Hogansville represents that it is a party to a natural gas facilities agreement, dated March 6, 1996, among Hogansville, The City of LaGrange

and the Municipal Gas Authority of Georgia which provides, among other things, the authorized daily volume of natural gas to Hogansville, and that the initial daily volume is 1600 million cubic feet of natural gas and that such daily volume may be reset from time to time in accordance with the terms of that agreement. The Parties herein agree that all such daily volume shall be available, without limitation, to both Hogansville and Manchester as needed without proration. The Parties further agree that should the joint use of natural gas by both Hogansville and Manchester reach 90% of the peak day firm capacity allocated to Hogansville, then Hogansville and Manchester shall make joint application through Southern for an increase in said capacity.

ARTICLE VIII

INSTALLATION

Meriwether shall bear the cost of installation of all natural gas lines from the existing termination point of the Hogansville natural gas lines to the meter described herein, including the drilling and boring necessary to place said line under Interstate 85 as well as all permitting required for the same. Meriwether shall also bear the cost of installing the initial natural gas lines from the meter to and along County Line Road in Meriwether Park. Meriwether shall have the option to recoup the costs of installation by entering into a separate intergovernmental agreement with Manchester.

ARTICLE IX

EXCLUSIVE RIGHTS AND SERVICE AREAS

Section 9.1. Exclusive Rights. Among the parties, Manchester and Meriwether shall have the exclusive right to sell natural gas purchased under

this agreement from Hogansville in Meriwether County. Likewise, Hogansville shall retain the exclusive right to sell natural gas under this agreement in all of the City of Hogansville and Troup County.

ARTICLE X

NATURAL GAS RATES AND PAYMENT

Manchester shall pay Hogansville for natural gas at the price describe in Article III hereof.

Invoices for natural gas delivered shall be due and payable on the fifteenth of the month following the meter reading which shall occur on the first of the month. The monthly meter reading shall be done jointly by Hogansville and Manchester. Payments made after the due date shall incur a late penalty of two per cent. Hogansville shall have the right and the option to use the services of Southern to send bills for the natural gas purchased to Manchester. Such statements shall clearly reflect the amounts owed by Manchester in each of the categories described in this agreement. Failure to pay an invoice within thirty dates of written notice of delinquency shall constitute an act of default under this agreement.

ARTICLE XI

OPERATION OF THE MANCHESTER NATURAL GAS SYSTEM

Manchester shall at all times operate its distribution system in a reasonable and appropriate manner, consistent with its operating permits and rules and regulations of the Public Service Commission.

ARTICLE XII

OPERATION OF THE HOGANSVILLE NATURAL GAS SYSTEM

Hogansville shall at all times operate its distribution system in a reasonable and appropriate manner, consistent with its operating permits and rules and regulations of the Public Service Commission.

It is understood and contemplated by the parties hereto that occasional failures of equipment, pressure loss, leaks, power failures, and other *force majeure* causes and situations beyond Hogansville's control may render impractical or impossible, for Hogansville to maintain the natural gas flows specified herein until the cause of interruption can be corrected or repaired. In the event of such failure or decrease in natural gas pressure, Hogansville will immediately undertake to remedy and correct, as expeditiously as possible, any such failure or decrease in gas pressure. Manchester does hereby release Hogansville of and from any liability on account thereof and agrees to hold Hogansville harmless from any losses, damages, expenses, legal costs, or attorneys fees incurred from any action or claim by one or more customers of Manchester's natural gas system relating to such interruption or decrease in gas pressure or quality occasioned by *force majeure* or other reasons beyond the control of Hogansville.

Further, it is understood and contemplated by the parties that occasional failures of equipment, pressure loss, leaks, power failures, and other *force majeure* causes and situations beyond Manchester's control may render impractical or impossible, for Manchester to maintain the natural gas flows specified herein until the cause of interruption can be corrected or repaired. In the event of such failure or decrease in natural gas pressure, Manchester will immediately undertake to remedy and correct, as

expeditiously as possible, any such failure or decrease in gas pressure. Meriwether does hereby acknowledge that it does not have any contractual obligation in providing natural gas to users in Meriwether and will not hold Manchester responsible for any interruption or decrease in gas pressure or quality occasioned by *force majeure* or other reasons beyond the control of Manchester.

ARTICLE XIII

DEFAULT; TERMINATION

In addition to any and all other remedies now or hereafter available, in the event of a default in payment, after having given thirty (30) days written notice to Meriwether of such default, Hogansville may disconnect its natural gas system from the natural gas system of Manchester at the delivery point. Any such disconnection shall not at any time relieve Manchester from the payment of or for any sums then due and outstanding together with interest thereon.

ARTICLE XIV

MISCELLANEOUS

Representations and Warranties; Opinions

(a) Hogansville , Manchester and Meriwether each represent and warrants that (a) it has the legal power and authority to enter into this Agreement, (b) it is duly authorized to make and carry out the respective commitments made in this Agreement and in any ancillary agreement entered into in connection herewith in accordance with applicable law and procedures, (c) there is no action, suit, or legal proceeding pending or threatened against or affecting it wherein any decision would materially and adversely affect the transactions contemplated herein, and (d) this Agreement

is a legal, valid and binding obligation enforceable in accordance with its terms.

Authorization. Attached hereto as Exhibit B, C & D are copies of duly executed resolutions of Hogansville, Manchester and Meriwether certified by the secretary or other authorized individual of the respective entities, authorizing them to make and carry out the commitments made by them and contained in this Agreement.

Time is of the Essence. The parties acknowledge and agree that time is of the essence as to all terms and conditions of this Agreement.

Governing Law. The governing law of this Agreement shall be the law of the State of Georgia.

Severability. In case any one or more of the provisions contained in this Agreement should be invalid, illegal, or unenforceable in any respect and for any reason whatsoever, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. In the event any such provision is held to be invalid, illegal or unenforceable, the Parties hereto shall make their best efforts to agree on a provision in substitution for such invalid, illegal or unenforceable provision that is as near in economic benefit as possible to the provision found to be invalid, illegal or unenforceable.

Notices. Any notice, request, demand, claim, or other communication hereunder shall be in writing and shall be duly given or made when received (a) by statutory mail as set forth in Code § 9-10-12; (b) when personally delivered to the intended recipient (or an officer of the intended recipient), (c) when sent by certified first class mail, return receipt requested, postage prepaid, (d) when sent by recognized overnight courier service, or (e) when

sent by telecopy (with such telecopy to be confirmed promptly in writing and received by mail or overnight courier as aforesaid), to the following addresses and recipients:

CITY OF HOGANSVILLE:	400 East Main Street Hogansville, Georgia 30230
MERIWETHER COUNTY BOARD OF COMMISSIONERS:	P.O. Box 428 Greenville, Georgia 30222
CITY OF MANCHESTER	P.O. Box 366 Manchester, Georgia 31816

or to such other address as the receiving Party shall have most recently forwarded to the sending Party pursuant to the provisions of this Section.

Assignment. The parties agree that Manchester may assign all rights and responsibilities under this agreement to any legal entity authorized by law to sell natural gas at retail in Meriwether County, Georgia.

Further Assurances. Each of the parties agrees to do all things and take all actions required of it by this Agreement after the Effective Date, including, without limitation, the obtaining, negotiation, execution, and delivery of all necessary or desirable agreements, filings, consents, authorizations, approvals, licenses, or deeds.

No Third Party Beneficiaries. Other than as set forth in this Agreement, this Agreement shall not confer any rights or remedies upon any person other than the Parties hereto and their respective successors or permitted assigns.

Article and Section Titles and Headings. The article and section titles and headings are for convenience only and do not define, modify, or limit any

of the terms and provisions hereof.

Incorporation of Exhibits, Annexes, and Schedules. The exhibits, annexes, and schedules identified in this Agreement are incorporated herein by reference and made a part hereof.

Entire Agreement. This Agreement (including the agreements and exhibits referred to herein) constitutes the entire agreement among the Parties hereto and supersedes any prior understandings, agreements, or representations by or among the Parties hereto, whether written or oral.

Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and duly signed by an authorized representative of each of the Parties hereto. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

Construction. The construction of this Agreement shall be in accordance with Georgia law. Should any term or provision of this contract violate Georgia law, such term or provision shall be deemed null and void. In this Agreement, unless Georgia law or the context indicates otherwise, the singular includes the plural and the plural the singular, references to statutes, sections or regulations are to be construed as including all statutory or regulatory provisions consolidating, amending, replacing, succeeding or, supplementing the statute, section or regulation referred to; references to "writing" includes typing and other means of reproducing words in a tangible visible form; the words "including", "includes" and "include" shall be

deemed to be followed by the words "without limitation" or "but not limited to" or words of similar import; references to articles, sections (or subdivisions of sections), exhibits, appendices, annexes or schedules are to those of this Agreement unless otherwise indicated; references to agreements and other contractual instruments shall be deemed to include all exhibits, schedules and appendices attached thereto; references to days shall mean calendar days unless otherwise specified. The Parties hereto intend that each representation and covenant contained herein shall have independent significance.

Binding Effect. This Agreement and all terms, provisions and obligations set forth herein shall be binding upon and shall inure to the benefit of both parties and any other agencies, departments, divisions, governmental entities, public corporations and other entities which shall be successors to any party or which shall succeed to or become obligated to perform or become bound by any of the covenants, agreements or obligations hereunder of the any party. The parties recognize that each are comprised of elected officials and are limited in their capacity to bind subsequent elected officials. This agreement is not intended to violate any inherent rights of such elected officials nor to bind such elected officials beyond the obligations allowed by law.

Counterparts. This agreement shall be executed in duplicate counterparts, each of which shall be considered an original. Approval of this agreement by the respective governing bodies of Meriwether, Manchester and Hogansville shall be in a regular meeting of each such governing body and shall be spread upon the minutes of such meeting and shall contain authorization for execution of this agreement by the Mayor and attestation by the Clerk of each City and a certified copy of the minutes of each meeting shall be delivered to the other

party at the time of execution.

IN WITNESS WHEREOF, the **CITY OF HOGANSVILLE** has caused this Project Agreement to be executed in its name by the signature of its Mayor, and its corporate seal to be hereunto affixed and attested by the signature of its Clerk, on this the 15th day of September, 2008.

CITY OF HOGANSVILLE

(SEAL)

By: Mayor Jimmy Jackson
Name: Jimmy Jackson
Title: Mayor

Attest:
Name: Lisa Kelly
Title: Clerk

IN WITNESS WHEREOF, the **MERIWETHER COUNTY BOARD OF COMMISSIONERS** has caused this Project Agreement to be executed in its name by the signature of its Chairman, and its corporate seal to be hereunto affixed and attested by the signature of its County Clerk, on this the 22 day of July, 2008.

MERIWETHER COUNTY
BOARD OF COMMISSIONERS

(SEAL)



By: _____
Name: Charles L. Neely
Title: Chairman

Attest: _____
Name: Beverly Thomas
Title: County Clerk

IN WITNESS WHEREOF, the **CITY OF MANCHESTER** has caused this Agreement to be executed in its name by the signature of its Mayor, and its corporate seal to be hereunto affixed and attested by the signature of its Clerk, on this the 28th day of July, 2008.

CITY OF MANCHESTER

(SEAL)

By: _____
Name: Anthony Clifton
Title: Mayor

Attest: _____
Name: Kathy Storey
Title: Clerk

Prepared by:
Tyron Elliott, Esq.
Elliott Law Firm
Manchester, GA