

The following ordinance which was previously introduced in written form required for adoption at a meeting of the Parish Council of the Parish of Livingston, State of Louisiana, on Thursday, February 9, 2012, a summary thereof having been published in the Official Journal together with a notice of public hearing which was held in accordance with said public notice, was brought up for final passage Thursday, March 8, 2012 on Motion of Jim Norred and seconded by Chance Parente:

ORDINANCE NO. 12-03

ORDINANCE OF THE PARISH OF LIVINGSTON, LOUISIANA, GRANTING TO ATMOS ENERGY CORPORATION (A TEXAS AND VIRGINIA CORPORATION WITH ITS PRINCIPAL OFFICE IN THE CITY OF DALLAS, DALLAS COUNTY, TEXAS) AND ITS SUCCESSORS AND ASSIGNS THE FRANCHISE AND RIGHTS TO CONDUCT IN SUCH PARISH THE BUSINESS OF ACQUIRING, MAINTAINING, CONSTRUCTING, LAYING, REPAIRING, REMOVING, REPLACING, INSTALLING, OPERATING, AND DISPOSING OF A GAS SYSTEM FOR THE SALE, TRANSPORTATION, AND DISTRIBUTION OF NATURAL GAS WITHIN AND BEYOND THE BOUNDARIES OF THE PARISH AND TO THE RESIDENTS AND BUSINESSES LOCATED THEREIN FOR LIGHT, HEAT, POWER, AND ANY OTHER PURPOSES AND THE RIGHT TO USE THE PRESENT AND FUTURE STREETS, ROADS, HIGHWAYS, ALLEYS, BRIDGES, PUBLIC WAYS, AND IMMOVABLE PROPERTY IN SUCH PARISH BUT NOT WITHIN THE LIMITS OF ANY MUNICIPALITY OR OWNED OR CONTROLLED BY SUCH PARISH FOR SUCH PURPOSES; PRESCRIBING THE TERMS AND CONDITIONS TO WHICH SUCH FRANCHISE AND RIGHTS ARE SUBJECT; AND PRESCRIBING THE TERM OF SUCH FRANCHISE AND RIGHTS.

BE IT ORDAINED by the Police Jury of the PARISH of Livingston, LOUISIANA (hereinafter referred to as the "Parish") that, subject to the terms and conditions hereinafter set forth, ATMOS ENERGY CORPORATION, a Texas and Virginia corporation with its principal office in the City of Dallas, Dallas County, Texas (hereinafter referred to as "Atmos"), be, and hereby is, granted the non-exclusive franchise and rights to conduct in the Parish the business of acquiring (by purchase, lease, or otherwise), maintaining, constructing, laying, repairing, removing, replacing, installing, operating, and disposing of (by sale, lease, or otherwise) a Gas System, as hereinafter defined, for the sale, transportation, and distribution of natural gas within and beyond the boundaries of the Parish and to the residents and business located therein for light, heat, power, and any other purpose during the term set forth below. Such franchise and rights shall include, but not be limited to, the right to use the Public Roads, as hereinafter defined for purposes of maintaining, constructing, laying, repairing, removing, replacing, installing, and operating any and all components of the Gas System, together with access, at all times and from time to time, to such Public Roads during the term hereof, subject, however, to receipt of the written consent of the Louisiana Highway Engineer with respect to any of the Public Roads constituting state highways.

ARTICLE I **DEFINITIONS**

For purposes of this Ordinance, the following terms shall have the meanings set forth below:

Section 1.1. Gas System. The term "Gas System" shall mean any and all pipelines, as hereinafter defined, regulators, meters, valves, compressors, anti-corrosion items, facilities, structures, machinery, equipment, and appurtenances of any kind that Atmos, in its sole discretion, may deem necessary or advisable for the exercise of the franchise and rights granted to Atmos herein.

Section 1.2. Pipelines. The term "Pipelines" shall mean any and all above-ground and below-ground pipes, including but not limited to, mains, distribution lines, secondary lines, laterals, and other pipes, that have been, are being, or are intended to be used at any time in, or in connection with, the sale, transportation, or distribution of natural gas within and beyond the Parish limits.

Section 1.3. Public Roads. The term "Public Roads" shall mean the present and future streets, roads, highways, alleys, bridges, public ways and places, and other immovable property in the Parish but not within the limits of any municipality or otherwise owned or controlled by the Parish.

ARTICLE II **TERM**

Section 2.1. Term. The term of the franchise and rights hereby granted to Atmos shall be for a period of ten (10) years, commencing on the later of (i) ten (10) days after the date of publication of this Ordinance in accordance with law or (ii) the expiration of the franchise held by Atmos immediately preceding this franchise.

ARTICLE III GRANT OF SPECIFIC RIGHTS TO ATMOS

In addition to the franchise and rights granted herein to Atmos, the Parish acknowledges that Atmos has, and hereby grants to Atmos, the following rights and powers:

Section 3.1. Adoption of Rules. From time to time during the term hereof, Atmos may, subject to any and all valid and applicable statutes, ordinances, rules, and regulations of any federal or state governmental authority or agency, make and enforce reasonable rules pertaining to Atmos' business and operations, including, but not limited to, requiring payment on or before a specified day each month for all services furnished during the preceding month with the right to disconnect and discontinue service to delinquents.

Section 3.4. Right of Use. Atmos is hereby specifically granted a right of use on all Public Roads for purposes of maintaining, constructing, laying, repairing, replacing, installing, and operating any and all components of the Gas System, together with access, at all times and from time to time, to such Public Roads during the term hereof, subject, however, to receipt of the written consent of the Louisiana Highway Engineer with respect to any of the Public Roads constituting state highways.

ARTICLE IV OBLIGATIONS OF ATMOS

Section 4.1. No Obstruction of Public Property. Atmos shall not unnecessarily or for any unreasonable period of time obstruct or interfere with the public use of any of the Public Roads.

Section 4.2. Repair of Damages. Atmos shall repair any and all damages caused solely by Atmos to any of the Public Roads and shall restore, as nearly as practicable, such property to substantially its condition immediately prior to the incident causing such damage. Atmos shall commence such repairs immediately upon completion of the work or activity in which Atmos was involved at the time the damage occurred and shall complete such repairs as promptly as possible.

Section 4.3. Conduct of Work and Activities. Atmos shall use reasonable care in conducting its work and activities in order to prevent injury to any person and unnecessary damage to any immovable or personal property. All work performed on a state highway shall also be done in a manner consistent with the requirements of the laws pertaining to public highways, including Chapter 2 of Title 48 of the Louisiana Revised Statutes.

Section 4.6. Service to New Areas. If during the term of this franchise the boundaries of the Parish are expanded, the Parish will promptly notify Atmos in writing of any geographic areas annexed by the Parish during the term hereof ("Annexation Notice"). Any such Annexation Notice shall be sent to Atmos by certified mail, return receipt requested, and shall contain the effective date of the annexation, maps showing the annexed area and such other information as Atmos may reasonably require in ascertaining whether there exist any customers of Atmos receiving natural gas service in said annexed area. To the extent there are such Atmos customers therein, then the gross revenues of Atmos derived from the sale and distribution of natural gas to such customers shall become subject to the franchise fee provisions hereof effective on the first day of Atmos' billing cycle immediately following Atmos' receipt of the Annexation Notice. The failure by the Parish to advise Atmos in writing through proper Annexation Notice of any geographic areas which are annexed by the Parish shall relieve Atmos from any obligation to remit any franchise fees to Parish based upon gross revenues derived by Atmos from the sale and distribution of natural gas to customers within the annexed area until Parish delivers an Annexation Notice to Atmos in accordance with the terms hereof.

ARTICLE V GENERAL PROVISIONS

Section 5.1. Force Majeure. Notwithstanding anything expressly or impliedly to the contrary contained herein, in the event Atmos is prevented, wholly or partially, from complying with any obligation or undertaking contained herein by reason of any event of force majeure, then, while so prevented, compliance with such obligations or undertakings shall be suspended. The term "force majeure," as used herein, shall mean any cause not reasonably within Atmos' control and includes, but is not limited to, acts of God, strikes, lock-outs, wars, terrorism, riots, orders or decrees of any lawfully constituted federal, state, or local body, contagions or contaminations hazardous to human life or health, fires, storms, floods, wash-outs, explosions, breakages or accidents to machinery or lines of pipe, inability to obtain or the delay in obtaining rights-of-way, materials, supplies, or labor permits, temporary failures of gas supply, or

necessary repair, maintenance, or replacement of facilities used in the performance of the obligations contained in this Ordinance.

Section 5.2. Amendments. This Ordinance and the franchise and rights granted herein may be amended only by written agreement of the Parish and Atmos to such amendment.

Section 5.3. Repeal of Conflicting Ordinances. All other ordinances of the Parish or portions thereof that are in conflict or inconsistent with any of the terms or provisions of this Ordinance are hereby repealed to the extent of such conflict or inconsistency.

Section 5.4. Severability. In the event any part of this Ordinance is determined to be invalid or illegal for any reason whatsoever, such invalidity or illegality shall not affect the validity or legality of this Ordinance as a whole or of any parts hereof.

Section 5.5. Binding Effect. This Ordinance shall extend to, be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

Section 5.6. Section and Other Headings. The section and other headings contained in this Ordinance are for reference purposes only and shall not affect in any way the meaning or interpretation of this Ordinance.

The effective date of this ordinance shall be as prescribed by law.

Upon being subjected to a vote, the vote thereon was as follows:

YEAS: MR. HARRIS, MS. LANDRY, MR. NORRED, MR. PARENT, MR. BLACKWELL, MS. COLLINS, MR. GOFF, MS. WALE

NAYS: NONE

ABSENT: MR. SHARP

And the ordinance was declared adopted on the 8th day of March 2012.

Cindy Wale, Council Chair

ATTEST:

Lisa Frederick, Council Clerk

INTRODUCED _____ ADOPTED _____

DELIVERED TO PRESIDENT _____ o'clock _____.M.

APPROVED BY PRESIDENT _____

Layton Ricks

Date

VETOED BY PRESIDENT _____

Layton Ricks

Date

RECEIVED FROM PRESIDENT _____ o'clock _____.M.

The foregoing ordinance was offered and introduced on the 9th day of February, 2012 by Jim Norred, who moved for its adoption and which motion was seconded by Chance Parent. The ordinance having been so offered was submitted to a vote as a whole and adopted by the Parish Council of Livingston Parish, Louisiana by the following vote:

Yeas: 8 Nays: 0 Absent: 1

The foregoing ordinance was then declared adopted and was approved and signed by the President of the Parish Council on the 8th day of March, 2012 and ordered published.

ATTEST:

PARISH OF LIVINGSTON, LOUISIANA

By: _____
Council Clerk

By: _____
Parish President

ACCEPTED:

ATMOS ENERGY CORPORATION

By: _____
Tom Hawkins
President (Louisiana Division)

Date: _____

Parish Mailing Address and Phone Number:

Livingston Parish Council
P.O. Box 335
Livingston, LA 70754
Phone: (225)686-3027