



meet “worst case demand” conditions.

All of this requires multiple contracts with a variety of entities involved in the nation-wide market for the sale and distribution of natural gas, a process which is rendered more complicated by the volatility of the nation-wide natural gas market.

UET is a national company in the business of assisting utilities to manage their various agreements for the purchase, transportation, storage and delivery of gas. Pursuant to this agreement, the city will turn over management of its contracts to UET which will then be responsible for managing them in the most efficient manner. UET will be responsible to secure the best purchase price available in the market and will be responsible for insuring that an adequate supply of gas is delivered to the city to meet its customers’ demands. In addition, UET will be responsible for marketing any unneeded capacity under the city’s gas purchase agreements and its transportation and storage contracts in the open market at the best available price. The city would be entitled to seventy-five (75%) percent of the profits from any such remarketing and UET would be entitled to keep the remaining twenty-five (25%) percent. UET has guaranteed that the city’s share of Optimization Transaction revenues would be at least \$150,000 for the first year of the Agreement.

The Agreement has an initial term of one year with four additional one-year options to renew.