Appendix C

Proposal with proposed Interconnect Agreement (portions redacted)



January 25, 2011

Robert A. Glosier
Superintendent Gas Supply & Control
Laclede Gas Company
3950 Forest Park Avenue
St. Louis. MO 63108

Re:

St. Louis Natural Gas Pipeline, LLC

Proposed Interconnect

Dear Rob:

As you are aware, St. Louis Natural Gas Pipeline, LLC ("St. Louis Pipe") is developing an 11-mile natural gas pipeline from an interconnect with Natural Gas Pipeline Company ("NGPL") in Glen Carbon, Illinois, to St. Louis, Missouri. St. Louis Pipe hereby requests that Laclede Gas Company ("Laclede") agree to design and construct, at St. Louis Pipe's expense, an interconnect (with associated facilities) between St. Louis Pipe's new pipeline and Laclede's existing system. Attached hereto is a draft Facilities Interconnect Agreement setting forth the proposed terms and conditions for construction and operation of that interconnect.

This new pipeline will provide significant benefits to consumers in the St. Louis area including supply diversification and additional connections to the interstate pipeline grid. St. Louis Pipe will hold open season meetings for future shippers on Tuesday, February 8th, from 1 to 3 p.m. and on Wednesday, February 2th, from 10 a.m. to noon. Both meetings will be held at the Village of Pontoon Beach, and Laclede is invited to attend either or both meetings. As currently proposed, the rates for service on the new pipeline range from to the per MMBtu depending on term of the agreement.

St. Louis Pipe welcomes the opportunity to talk further with Laclede concerning the proposed new pipeline and would also be happy to discuss any desire that Laclede may have in investing in this new venture. We look forward to your input on the attached Interconnect Agreement.

Very truly yours,

Chris Allen Project Manager

Enclosure

cc:

Doug Yaeger Steven Mathews

FACILITIES INTERCONNECT AGREEMENT Between St. Louis Natural Gas Pipeline, LLC, and Laclede Gas Company

This Facilities Interconnect Agreement (the "FIA" or "Agreement") is entered into this _____ day of _____, 2011, between St. Louis Natural Gas Pipeline, LLC, a Missouri company ("Company"), and Laclede Gas Company, a natural gas distribution utility in Missouri ("Laclede"). Company and Laclede may be referred to as the "Parties" or individually as a "Party."

WHEREAS, Company owns and operates an interstate natural gas pipeline system and Company and Laclede desire to establish an interconnect between Company's pipeline system and Laclede's existing gas distribution system to be located in St. Louis County, Missouri, for the receipt of gas by Laclede from Company pursuant to Company's FERC Gas Tariff (the "Interconnect"); and

WHEREAS, Laclede has advised Company that certain facilities are required to establish this interconnection, which the Parties will construct, own and operate in accordance with the terms of this Agreement and industry standard custody transfer facility specifications; and

WHEREAS, the Parties desire to set forth their respective rights and responsibilities with respect to the design, construction, ownership, operation and maintenance of the Interconnect and the related Facilities ("Interconnect Project").

NOW, THEREFORE, in consideration of the premises and the mutual covenants and conditions herein contained, the Parties hereby agree as follows:

 Site and Flow - The site for the facilities to be constructed hereunder, description of flow and other pertinent information are described in Exhibit A, attached hereto and made a part hereof.

2) <u>Installation of Facilities</u>

- Design & Construction: Laclede, at Company's cost and expense, shall a. design and construct as part of the Interconnect a new gas measurement facility to include: 10" ANSI 600 Hot Tap with 10" Riser, 10"x 8" reducing tee with 8" WE x FE ball valve and blind flange downstream of tap valve, dual skid mounted 12" & 4" Turbine meters, Line Heater to pressure cut from 850 to delivery pressure of 450 psig, dual skid mounted 8" Flow control valves and with 12" isolation valves, electronic flow measurement (EFM), chromatograph, communication equipment, instrumentation and all other related facilities as required to ensure industry standard custody transfer quality gas measurement by Company and Laclede. All facilities shall be designed and built to meet all applicable Company specifications, using Laclede specified equipment, built by a Laclede approved contractor, and constructed herein under the direction of Laclede's personnel and/or designated construction inspector. All measurement facilities shall be constructed adjacent to Laclede's distribution system and Company's pipeline system. Company shall construct its facilities to interconnect with these measurement facilities including over pressure protection facilities as necessary.
- b. Ownership: Upon commercial operation of the Interconnect, Laclede shall retain ownership to all Facilities it constructs (the "Laclede Facilities"). All other facilities located upstream from the measurement facility, as more particularly designated in Exhibit A, shall be owned by Company ("Company Facilities").
- Materials and Equipment Purchase: Laclede shall purchase materials and equipment for Laclede Facilities, and Company shall purchase materials and equipment for Company Facilities.

- d. <u>Construction</u>: Laclede shall contract for the construction of the Laclede Facilities in accordance with Exhibit A.
- e. <u>Project Management</u>: Laclede shall use sound and prudent project management techniques during the development, engineering, construction and start-up phase of the Interconnect Project in an effort to install the Interconnect Project per the approved budget and mutually agreed installation and start up as scheduled. Company and Laclede will coordinate on equipment deliveries, utility installations and associated items for the purpose of meeting approved budgets and defined schedules.
- f. Permitting, Right of Way and Safety: Both Parties shall adhere to all applicable conditions imposed by federal, state, or local permits governing construction and operation of the Interconnect. The Parties shall observe all right of way requirements and safety requirements applicable to each Party or its designee.
- g. <u>Operation & Maintenance</u>: Laclede shall operate and maintain the Laclede Facilities in accordance with industry standards applicable to custody transfer facilities. Company shall operate and maintain Company Facilities.
- h. The Maximum Allowable Operating Pressure (MAOP) for the segment of Company's pipeline at the Interconnect location will be 1,000 psig. Company reserves the right to alter the pipeline segment MAOP as it deems necessary. The MAOP for the segment of Laclede's natural gas facility which will include the Interconnect is 1000 psig. In the event that Company's MAOP changes, Company will notify Laclede in writing at least thirty (30) days prior to any changes and will maintain Company's overpressure protection equipment as defined herein. In the event that Laclede's MAOP changes, Laclede will notify Company in writing at least thirty (30) days prior to any changes.
- i. Both Parties agree that any and all facilities constructed by either of them shall be designed and constructed to comply with the following requirements, specifications, and conditions as applicable ("Specifications"):
 - 1. U.S. Dept of Transportation Pipeline Safety Regulations, 49 CFR, Part 192.
 - Measurement equipment at the Interconnect shall, at a minimum, conform with the specifications set forth in the General Terms and Conditions of Company's FERC Gas Tariff.
 - 3. The measurement facilities shall be designed and all equipment installed in accordance with the latest edition of the National Electrical Code.
- j. Both the Company Facilities and the Laclede Facilities shall be engineered, constructed and operated in accordance with Company specifications, including all required reporting and other documentation associated therewith. The Parties shall have the right to inspect each other's Interconnect facilities, as described in this Agreement, both during and after construction, including any future revisions thereof, and may reject any facilities not reasonably meeting the design parameters specified herein. Each Party shall design, engineer and construct, or arrange for the design, engineering and construction of facilities in accordance with sound and prudent standards common to the natural gas industry, and all laws, rules and regulations, certificates, decisions, orders, and directives of all applicable federal, state, and local authorities having jurisdiction over such facilities.

3) Reimbursement of Cost to Company

Company agrees to make a preliminary Payment to Laclede in the amount of \$ execution of this Agreement which represents percent (%) of the anticipated total project costs of \$_____. Laclede will make a subsequent Payment to Laclede of \$ representing the remaining __ percent (%) of the anticipated total project costs prior to Laclede's award of a contract to third parties for equipment and/or construction of facilities. The total of the two Payments described above represent the preliminary estimate for acquisition and installation cost to be incurred by Laclede relating to the design, construction and installation of the Interconnect as described herein (such costs, the "Estimated Cost of Facilities"). The total amount to be reimbursed to Laclede in accordance with this Agreement shall include direct and indirect expenses, including filing costs, labor costs, material and installation costs, Laclede and contractor construction, engineering costs, inspection, testing and radiography costs, cancellation penalties, legal costs, environmental and permitting costs, gas lost, Laclede's normal and customary overheads of 16% and applicable taxes, including 24% tax gross-up cost on Laclede Facilities. Company agrees that such Payments to Laclede will be for the reimbursement of the total of the expenses to be incurred by Laclede pursuant to this Agreement, If, based upon mutual agreement, the Parties determine that the estimated cost has increased or the anticipated spending will exceed the preliminary Payments, Laclede may invoice Company for the amount of such reasonable increase at any time or times prior to Laclede Facilities being placed into service and Company shall pay such invoice(s) within fifteen (15) days. Unless and until Company pays the amount due under such Invoice(s) which shall serve to increase the sum of the reimbursement required hereby, Laclede shall not be obligated to continue the construction work, or if construction is completed, put Laclede Facilities into service.

After completion of construction and placing into service the Interconnect, Laclede shall provide Company with a statement detailing the costs incurred under this Agreement and shall at the same time refund to Company any portion of the sum of the payments of reimbursement made by Company to Laclede that is in excess of the actual costs incurred by Laclede. In the event that the Parties mutually agree that Laclede shall have incurred costs in constructing and installing the Interconnect in excess of the sum of such payments, Company shall make a supplemental payment to Laclede within thirty (30) days of the receipt of such statement. Any refund or supplemental payment made after the due date as provided in this paragraph shall be subject to interest on the unpaid portion at a rate equal to the then effective prime rate of interest for large U.S. Money Center commercial banks, published under "Money Rate" by The Wall Street Journal, plus ________ percent (__%) from the date due until the date of payment or the maximum amount of interest legally chargeable in the State of Missouri, whichever is the lesser of the two.

4) Operation and Maintenance of Facilities

- Following completion of construction and commissioning of the Interconnect, Laclede shall own, operate and maintain the Laclede Facilities, at its sole cost and expense. Company shall not operate any of the Laclede Facilities or other facilities owned by Laclede.
- b. Company, at its sole cost and expense, shall own, operate and maintain the Company Facilities. Company shall bear all costs, expense and risk associated with the operation and maintenance of the Company Facilities.
- c. Both Parties shall have the right to be present during the installation, cleaning, changing, repairing, inspecting, testing, calibrating and/or adjusting of the gas measurement facilities by Laclede. Calibration of measurement equipment shall occur on a monthly basis, unless both Parties mutually agree to a different schedule. Either Party, in the presence of Laclede (the "Operator") of such facilities, shall have access to such facilities at all times, but reading, calibrating and/or adjusting such facilities shall be

performed by the Operator of such facilities. A record of each calibration, adjustment, repair, cleaning, or installation of any equipment or instrument potentially affecting measurement, shall be entered into a log within 2 hours of completion of such work and shall be available for review by Company during normal business hours.

- d. Custody of the gas shall pass between the Parties when it passes the point of interconnection between the Parties' Facilities ("Custody Transfer Point"). Laclede shall be the operator of the flow/pressure control valve and shall be responsible for establishing and maintaining the flow or pressure set points with confirmed gas nominations (including, but not limited to, confirmed intra-day gas nominations), as applicable.
- e. Laclede shall operate, and maintain the Custody EFM including all related appurtenances and communications equipment installed and associated with the Custody EFM equipment hereunder. The information generated by Custody EFM equipment shall constitute the official custody transfer measurement data for gas quantities through the Interconnect.
- f. The gas quantities passing through the measurement facilities at the Interconnect shall be measured in accordance with the specifications set forth in the General Terms and Conditions of Company's FERC Gas Tariff, or any successor thereto.
- g. The heating content, expressed in British Thermal Unit/Standard Cubic Foot (Btu/scf), of the gas stream and its gas quality shall be in accordance with the specifications set forth in the General Terms and Conditions of Company's FERC Gas Tariff, as the same may be changed from time to time.
- h. Any provision in this Agreement, including any amendments, to the contrary notwithstanding, it is understood and agreed that, in the event of an emergency which either Party has reason to believe may threaten life, personal injury, property damage or the environment, such Party may take such actions as it deems reasonable in dealing with such emergency, including having access to the Interconnect, including that portion that the other Party may otherwise operate and maintain pursuant to this Agreement. The acting Party shall notify the other Party as soon as reasonably practicable under the circumstance of such emergency and actions taken, if any, affecting the operation of the Interconnect.

5) Rights-of-Way, Easements, Ingress and Egress

- a. Laclede plans to locate the proposed Laclede Facilities on land it holds in fee adjacent to its existing distribution system. Laclede shall grant an easement for a fee of charged to Company for facilities deemed necessary and as approved by Company to be located at the Interconnect for the duration of this Agreement. In addition, Laclede shall grant to Company, without additional cost, ingress and egress to the property and facilities at the Interconnect as needed for current and future operation; and in, to and over the site for the purpose of maintaining or reclaiming facilities. The origination and filing of the instruments for such rights will be coordinated with the Laclede's Land Department personnel to their satisfaction.
- b. Each Party shall obtain all other easements and permits as necessary for installation and operation of their respective Facilities or as mutually agreed upon between the Parties.
- Laclede shall be responsible for taking all measures required to maintain site security.

Facilities Interconnect Agreement St. Louis Natural Gas Pipeline, LLC, and Laclede Gas Company

- 6) <u>Data Sharing Agreement</u> Laclede agrees to afford Company access to all measurement data obtained through or by means of the Interconnect facilities described herein, subject to Laclede and Company executing a mutually acceptable "Data Sharing Agreement".
- Overpressure Protection Both Company and Laclede shall install, operate and maintain separate and independent overpressure protection equipment to protect their respective facilities at Company's expense and shall inspect and test the overpressure protection devices on an annual basis to establish that such is properly operating in accordance with the U.S. DOT Title 49 CFR Part 192 regulations. Each Party shall operate its respective facilities to insure that pressures do not exceed MAOP during normal pipeline operation.
- 8) <u>Cathodic Protection</u> Each Party shall be fully responsible for the operation and maintenance of its respective facilities, such operation and maintenance to include, without limitation, cathodic protection of the Parties' facilities. Laclede shall install an insulating set between the Laclede Facilities and the Company Facilities in order to isolate the Company's Facilities from Laclede's system. The Parties agree to cooperate to resolve any issues relative to cathodic protection.
- Removal of Facilities Neither Party shall, during the term of this Agreement, remove any facilities or equipment installed pursuant to this Agreement absent the express agreement of the other Party which shall not be unreasonably withheld (which shall not preclude repairs and replacement of parts as part of routine maintenance). This paragraph 9 shall not prevent the Parties or either of them from complying with the order of a court or of an administrative agency in the lawful exercise of its authority, that the facilities comprising the Interconnect be removed. Such removal shall be carried out in a reasonable manner at the sole cost and expense of the Party which has been ordered to take such action, after thirty (30) days prior written notice to the other Party.
- Indemnification Each Party assumes full responsibility for its own acts (including those of its agents and contractors) performed pursuant to the terms and conditions of this Agreement, and shall indemnify and save harmless the other from all liability, loss, claims, fines, penalties, costs and damages (including attorney's fees and court costs) resulting from such actions, including injury to or death of persons and environmental impacts, arising from any act or accident in connection with the acts or failure to act of the indemnifying Party, except to the extent of any gross negligence or willful misconduct of the other Party.
- 11) Regulatory Approvals This Agreement and the terms herein are subject to the receipt of any necessary regulatory approvals, if any, in a form acceptable to the Party obtaining the approval.
- 12) Effective Date -The Parties agree that installation of the required facilities with respect to the Interconnect shall not commence hereunder until (1) this Agreement has been executed by both Parties; (2) all requisite authorizations and approvals have been received and accepted; (3) all necessary conveyances required by a Party's Land Department, if any, have been executed and delivered by the granting Party; and (4) with respect to FERC jurisdictional facilities, Natural Gas Act authorization has been obtained from FERC for the construction of the Company Facilities, all required landowner notifications have been completed and all environmental approvals have been obtained.
- 13) <u>Notices</u>. Notices and communications regarding this Agreement shall be sent or made to the following, which may be changed from time to time during the Term hereof upon not less than ten (10) days prior written notice to the other Party:

Notices to Company:
St. Louis Natural Gas Pipeline, LLC
ATTN: Chris Allen

Notices to Laclede: Laclede Gas Company ATTN: Robert A. Glosier Project Manager
#1 Riverview Avenue
Sauget, Illinois 62201
Telephone: 713-306-9933
Fax Machine:
Email: chris.stlouisnaturalgaspipeline.com

Superintendent Gas Supply & Control 3950 Forest Park Avenue St. Louis, MO 63108 Telephone: 314-658-5484 Fax Machine:

Email: rglosier@lacledegas.com

14) Governing Law

- a. This Agreement shall be governed by and construed, as to interpretation and performance, in accordance with the laws of the State of Missouri, excluding any conflicts-of-law, rule, or principle, which might refer such construction to the laws of another state.
- b. This Agreement is subject to all present and future valid orders, rules and regulations of any body of the Federal, State or any other governmental body having or asserting jurisdiction in the premises.
- Term This Agreement shall extend from the date of execution hereof and shall remain in effect until: 1) terminated by the Parties upon their mutual consent; 2) the Interconnect is removed; or 3) April 1, 2013 if the Interconnect has not been constructed and placed in service, unless this Agreement is extended by mutual agreement between the Parties. If this Agreement terminates due to the circumstances described in clause "3)" above, Laclede shall be reimbursed by Company for all reasonable costs over and above the Preliminary Payment, within thirty (30) days following such termination.
- Assignment This Agreement shall be binding and inure to the benefit of the Parties hereto and their respective successors and assigns. Further, it is agreed that nothing contained herein shall in any way prevent either Party hereto from pledging or mortgaging its rights hereunder. Otherwise the Parties shall not assign their interest hereunder, except to an affiliated company, a partner or successor partner, without the written consent of the other Party; however, such consent shall not be unreasonably withheld or delayed. Notwithstanding any other provision herein, Company may assign this Agreement, with advance notice to Laclede, for the benefit of, and securitization in favor of, its lenders in connection with acquiring project financing of Company's natural gas project. Laclede hereby agrees that it will not unreasonably withhold consent to such assignment upon Company's request.
- 17) <u>Entire Agreement</u> This Agreement constitutes the entire agreement between the Parties with regard to the Interconnect and supersedes any prior understanding or written or oral agreement relative thereto.
- 18) THE PARTIES WAIVE ALL PUNITIVE, INDIRECT, EXEMPLARY, OR CONSEQUENTIAL DAMAGES FOR ANY BREACH OF THIS AGREEMENT.
- 19) <u>Transportation Services</u> The actual transportation services on Company's pipeline utilizing this Interconnect shall be pursuant to the terms and conditions of a transportation service agreement to be entered into between Company and any such shipper for such transportation services and pursuant to the terms and conditions of Company's then applicable FERC Gas Tariff and Schedules and the rules and regulations of the FERC. Nothing herein shall be construed to imply that Laclede is a shipper on or a customer of Company's pipeline.
- 20) Force Majeure If either Party is rendered unable, in whole or in part, by Force Majeure to carry out its obligations, then such Party shall give notice and reasonably full particulars of such Force Majeure in writing or by facsimile or telephone to the other Party within a reasonable time after it becomes aware of the occurrence of the Force Majeure (to be followed by a written statement of such full particulars as soon as practicable), and the obligations of such Party,

insofar as they are affected by such Force Majeure, shall be suspended from the commencement of such Force Majeure through the continuance of any inability so caused, but for no longer period, and such Force Majeure shall so far as possible be remedied with all reasonable dispatch. Any suspension of obligation for reasons of Force Majeure shall be proportional to the effect of such Force Majeure on the particular obligation relief from which is sought, and shall not relieve such Party from its obligation to make payments hereunder which were due prior to such Force Majeure.

- 21) Force Maleure Defined - The term "force majeure" as employed herein shall mean any event or condition or combination of events and/or conditions which prevents, hinders, or delays the performance of any obligation subject hereto, in whole or in part, which is not within the reasonable control of the person claiming suspension by reason of Force Majeure, and which the Party claiming suspension is unable to prevent or overcome by the exercise of due diligence. For the purposes of the definition of "Force Majeure," the exercise of due diligence shall mean acting in good faith with the intention of performing contractual obligations, and the exercise of a degree of skill, diligence, prudence, and foresight that would reasonably and ordinarily be exercised by a skilled and experienced person complying with applicable law and engaged in the same type of undertaking under the same or similar circumstances and conditions. Such events or conditions, provided that the foregoing requirement are met, include, but are not limited to acts of God, strikes, lockouts acts of a public enemy, acts of sabotage, wars, blockades, riots, insurrections, epidemics, landslides, subsidence, earthquakes, fires, hurricanes, storms, tornadoes, storm warnings, floods, washouts, accidents, interruptions by government or court orders, present or future orders of any regulatory body having proper jurisdiction, civil disturbances, and explosions. Failure by the Party claiming suspension to prevent or settle any strike or strikes shall not be considered to be an event or condition within the control of such Party.
- 22) <u>NAESB Compliance</u> The Parties agree to comply with the standards of the North American Energy Standards Board ("NAESB") relative to all gas flowing through the Interconnect. The applicable NAESB standards are incorporated by reference in Company's FERC Gas Tariff, General Terms & Conditions.
- Audit and Protest Company may, within the thirty (30) day period after Company receives an invoice, take written exception to the invoice tendered by Laclede pursuant to this Agreement or any part thereof ("Contested Amount"), on the grounds that the Contested Amount was not an allowable cost incurred or to be incurred by Laclede in connection with the construction and installation of the Interconnect. The Parties will make reasonable efforts to exchange records and meet to resolve such dispute within thirty (30) days after notice of a Contested Amount. Company shall, nevertheless, pay when due, the amount of any invoice submitted by Laclede pursuant to this Agreement. If the Contested Amount, or any portion thereof, is determined to be an amount for which Laclede is entitled to reimbursement hereunder, that amount as so determined shall be paid by Company to Laclede within ten (10) days or shall become subject to interest, as provided in Section 3.

Company shall, at all reasonable times, have the right, for a period of two (2) years after the end of the year in which the construction and installation of the Interconnect is completed, to audit Laclede's books and records relating to the Interconnect to verify the total actual costs relating thereto. Laclede shall retain all accounts and records relating to the construction and installation of the Interconnect for said two (2) year period. If any errors are detected by that audit, payment will be made by the Party whose under payment or over collection has been in error.

24) <u>Insurance Requirements</u> - Both Parties shall procure, at their own expense, from reliable insurance companies and, commencing at least thirty (30) days prior to the start of construction of the Interconnect facilities shall carry and for the entire duration of this Agreement, the following types of insurance, with terms and limits not less than shown for the respective items,

- a. Worker's compensation insurance as required by the laws of the State in which the operations under this Agreement are to be conducted and Employer's Liability Insurance with limits of not less than \$500,000 per occurrence. In the event that any operations contemplated under this Agreement take place on or adjacent to a navigable waterway, such policy shall include coverage as required under the U.S. Longshoreman's and Harbor Worker's Compensation Act and/or the Jones Act as may be applicable;
- b. Commercial General Liability insurance with a combined single limit of not less than \$1,000,000 per occurrence and including coverage for bodily and personal injury, broad form property damage, premises liability, completed operations and products liability with an annual aggregate of not less than \$2,000,000 annually. Any exclusion for "Explosion", "Collapse" and/or "Underground" (XCU) operations shall be removed from such coverage;
- Automobile Liability insurance, covering the operation of all owned, hired, rented, or non-owned licensed motor vehicles, with a combined single limit for each occurrence of not less than \$1,000,000; and,
- d. Umbrella Liability coverage in excess of the limits and with terms at least as broad as the coverage's outlined in (a) through (c) above, with a combined single limit for Bodily Injury and Property Damage of at least \$1,000,000 for each occurrence.
- e. Material modification or cancellation of policies providing coverage hereunder, as it affects the interest of either Party, shall only be effective thirty (30) days after written notice of modification or cancellation is received from the insurance company by the affected Party (ten (10) business days for non-payment of premiums). Prior to commencing work under this Agreement, the Parties shall deliver to each other certificates of insurance evidencing the existence of insurance provided for above. Both Parties agree to provide the other Party with annual renewal certificates evidencing the required coverages so long as this Agreement is in effect.
- f. Irrespective of the requirements as to insurance to be carried, the insolvency, bankruptcy, or failure of any such insurance company carrying insurance for either Party, or failure of any such insurance company to pay claims occurring shall not be held to waive any of the provisions of this Agreement. All of the above-described insurance policies, together with all other insurance policies now owned or purchased in the future by either Party relating to work to be performed hereunder, shall contain provisions that the insurance companies will have no right of recovery or subrogation against the other Party or any of its subsidiary or affiliated companies. Each Party shall also be named as an additional insured under all policies required with the exception of the Worker's Compensation policy with respect to liability arising out of work performed hereunder. Any and all deductibles, self-insured retentions or retrospective premium arrangements that may be carried in the above described insurance policies shall be assumed by, for the account of, and at the sole risk of the respective First Named Insured Party.
- 25) <u>Joint Efforts</u> The Parties stipulate and agree that this Agreement shall be deemed and considered for all purposes as prepared through the joint effort of the Parties and shall not be construed against one Party or the other as a result of the preparation, submittal or other event of negotiation, drafting or execution hereof.
- 26) <u>Confidentiality</u> Except as required by law, regulation, or order of government authority (including, but not limited to, any filings required by the Securities and Exchange Commission in

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the normal conduct of Company's business), order of a court or arbitrator(s), or upon written consent of the other Party, each Party including its respective agents, employees, affiliates. officers, members, directors, attorneys, auditors and other representatives ("Representatives"), agrees that the information it receives from the other Party in negotiating this Agreement about the Company's pipeline or Laclede's distribution system, including but not limited to any engineering or technical information, proposed construction, business plans or projected markets shall be considered proprietary, the property of the disclosing Party, and shall be kept strictly confidential ("Confidential Information"). The Confidential Information received, whether in written, electronic, oral or other format, shall not be sold, traded, published, or otherwise disclosed by the receiving Party and/or its Representatives to any person (including but not limited to those Representatives not involved in the negotiation or implementation of this Agreement) in any manner whatsoever, except as expressly needed for the negotiation and implementation of this Agreement. The receiving Party shall not use the Confidential Information for any purpose, without the consent of the disclosing Party, other than the negotiation and implementation of this Agreement. This section shall not apply to any required reporting by Company pursuant to orders or regulations of the FERC. The foregoing notwithstanding, nothing in this Agreement shall constitute an agreement on the part of either Party to refrain from engaging in the business of natural gas transportation or storage in any market or from providing such service to any customer.

27) <u>Counterpart Signatures</u> – This Agreement may be executed in one or more counterparts each of which, when executed and delivered including by facsimile, shall be an original but all of which together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement to be effective on the day and year first above written.

St. Louis Natural Gas Pipeline LLC

Laclede Gas Company

By: Name: By: Name: Title:

Title:

EXHIBIT A TO FACILITIES INTERCONNECT AGREEMENT BETWEEN ST. LOUIS NATURAL GAS PIPELINE, LLC, AND LACLEDE GAS COMPANY

METER & TAP FACILITIES

1. Operating Pressure: The anticipated minimum and maximum operating pressure (in psig) that represents the estimated lowest and highest pressures respectfully that might normally occur at the interconnect point for the Company delivering gas to Laclede. The Maximum Operating Pressure cannot be higher than the current maximum allowable operating pressure on the respective Party's pipeline or distribution system at the point of Interconnect.

Company delivering gas to Laclede:

Minimum Laclede's Operating Pressure:

Desired Laclede's Operating Pressure:

500 psig

2. Flow Rates: The Interconnect design shall specify a minimum and maximum instantaneous flow rate based on the expected design of the Interconnect for the Maximum and Minimum Operating Pressures outline above, which shall be as follows:

Company delivering gas to Laclede:	
Minimum Flow Rate:	Mcf/day
Maximum Flow Rate:	200,000 Mcf/day

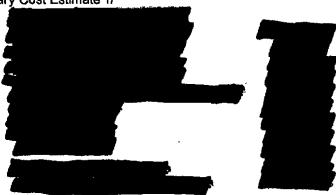
- 3. These pressures and daily flow rates represent a design approximation and are neither a representation nor a guarantee that actual operating conditions will permit such flow. Each Party shall operate its system with pressures changing from time to time independent from the other Party. Laclede shall be responsible to operate its system to enable gas to be delivered from Company given its operating conditions.
- 4. Design and Construction: Company and Laclede shall design and construct facilities that shall flow gas with pressures between their respective Minimum and the Maximum Operating Pressures and flow rates between the Minimum and the Maximum Flow Rate. The design shall meet the standards including Gas Measurement standards referenced elsewhere in this Agreement. The MAOP for the segment of Company's pipeline at the Interconnect location is 1,000 psig. The MAOP for the segment of Laclede's system which will include the Interconnect is 1000 psig.
- 5. Company and Laclede agree to facilitate commercial operation including but not limited to physical gas flow, measurement and applicable data collection at pressures between the Minimum and the Maximum Operating Pressure and flow rates between the respective Minimum and the Maximum Flow Rate. This paragraph shall not infer that an operation should violate a condition of Company's FERC Tariff or Laclede's operation specifications, or exceed the standards referenced elsewhere in this Agreement.
- 6. Location: The proposed interconnect facilities are to be located in or near Section ___, Township ___ North, Range __ West, in St. Louis County, State of Missouri.

7. Interconnect:

a. The facilities to be constructed and owned by Laclede ("Laclede Facilities") shall include: 10" ANSI 600 Hot Tap with 10" Riser, 10"x 8" reducing tee with 8" WE x FE ball valve and blind flange downstream of tap valve, dual skid mounted 12" & 4" Turbine meters, Line Heater to pressure cut from 850 to delivery pressure of 450 psig, a dual skid mounted 8" Flow control valves and with 12" isolation valves, electronic flow measurement (EFM), chromatograph, communication equipment, instrumentation Right-of-Way & surveying as necessary,

- b. The facilities to be constructed and owned by Company ("Company Facilities") are as follows: Check Electronic gas measurement, telemetry and instrumentation, Company's overpressure protection, connecting pipe between the Company's pipeline and Laclede Facilities, and an above ground 600 ANSI Flange at the Custody Transfer Point.
- c. Laclede shall have primary Operation over electronic pressure and flow control equipment ("Regulation Equipment") installed at the Interconnect.
- 8. Contacts: Company's 24 hour contact shall be Chris Allen, Project Manager, Phone: 1-713-306-9933. Laclede's 24 hour contact shall be Robert Glosier, Superintendent Gas Supply & Control, Phone: 1-314-658-5484. Either Party may change the name or phone number of its contact by giving the other Party not less than ten (10) days prior written notice.





1/ General Project Items:

- This is a preliminary estimate to construct the Laclede Facilities. Parties reserve the
 right to adjust said estimates up or down, upon mutual agreement, depending upon
 market conditions. [For potential further discussion, how best to set up a process for
 agreeing to changes in costs.]
- Any proposed material changes to this estimate shall be communicated between the Parties in a timely manner.
- The Parties estimate a proposed Available for Service date of April 1, 2013 for the
 Interconnect. The Parties reserve the right, upon mutual agreement, to adjust the
 schedule based upon inclement weather, winter conditions, third party material and/or
 contractor delays. [For future discussion, how best to describe how to define when an
 extension is needed.]
- The Parties agree to provide support in a timely fashion to meet the Parties' scheduling regulrements.
- All materials, equipment and facilities shall be designed in accordance with applicable specifications in Company's FERC Gas Tariff.
- The Parties shall agree to construct the facilities in accordance with industry construction standard specifications.