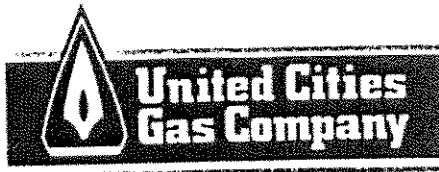


COPY



January 23, 1997

Mr. Phillip A. Hendricks
Tennessee Department of Environment and Conservation
Voluntary Cleanup Oversight and Assistance Program
Division of Superfund
4th Floor, L&C Annex
401 Church Street
Nashville TN 37243-1538

RE: Consent Order and Agreement for United Cities Gas Site Facility ID #90-513-CC01, Voluntary Oversight

Dear Mr. Hendricks,

Attached is a signed copy of the Consent Agreement and Order for the United Cities Gas "Tennessee Street Site" located in Johnson City, Tennessee, including Exhibit B - Ownership History. Exhibit A - Property Description is still being prepared, and will be provided as soon as completed.

Also attached is a check made out to the State of Tennessee in the amount of \$5,134.42 to cover the enrollment cost of \$5000 and previous costs as of December 5, 1996.

United Cities understands that the effective date of the Order is today, and we are now enrolled in the Voluntary Oversight and Assistance Program. In the event your understanding is different, please contact us at your earliest convenience.

We appreciate your cooperation and assistance.

Sincerely,

A handwritten signature in cursive script, appearing to read "Karol Sole".

Karol Sole, CHMM
Principal Engineer - Environmental

EXHIBIT B

DATE	NAME	OWNER	OPERATOR	ADDITIONAL INFO
May 21, 1915	Washington County Gas	Controlled by Appleby-Wagner Company, Saginaw, Michigan		Property purchase date
1927	Washington County Gas	Federated Utilities, Inc. Battle Creek, Michigan		Federated buys controlling interest Still listed in Brown's Directory as controlled by Appleby-Wagner
March 1928	Washington County Gas	Central Public Service Corporation, Chicago, IL		Federated Utilities sells to Central Public Service Still listed in Brown's Directory as controlled by Appleby-Wagner
1930	Washington County Gas	Central Public Service Corporation, Chicago, IL		Subsidiary Southern Cities Public Service, Chicago
1931-32	Washington County Gas	Central Public Service Corporation, Chicago, IL	Stone & Webster	Managed by Central Public Service, Chicago
1932	Washington County Gas	Central Public Service Corporation, Chicago, IL	Stone & Webster	Subsidiary Consolidated Electric & Gas Co., Chicago
October 4, 1943	Washington County Gas	James Pierce Hartford, Conn	Stone & Webster	Entire Company sold
October 30, 1943	Washington County Gas	Carl H. Schwyn Cygnet, OH	Stone & Webster	Entire Company sold
July 8, 1944	Carl H. Schwyn Utilities, Inc.		Stone & Webster	granted new Tennessee charter
August 31, 1944	Watauga Valley Gas Company		Stone & Webster	Name change
August 11, 1945	Watauga Valley Gas Company	Rulane Corporation Charlotte, North Carolina	Stone & Webster	Entire Company Sold MGP operations ceased early 1946
November 17, 1947	Watauga Valley Gas Company	Johnson City and Chattanooga businessmen		Entire Company Sold
August 22, 1953	Volunteer Natural Gas Company			Charter amended & name changed
December 5, 1980	Tennessee Virginia Energy Company			Name change
1986	United Cities Gas Company			Merger with Tennessee Virginia Energy Company

Sources: "Brown's Directory of American Gas Companies" 1917 - present
 "Tennessee-Virginia Energy Corporation" (1982) Ray Stahl
 "Elizabethton Star" January 22, 1954

STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION

IN THE MATTER OF:)	DIVISION OF SUPERFUND
)	
UNITED CITIES GAS COMPANY)	CASE NO. 96-0395
)	
)	SITE NUMBER 90-513
)	

CONSENT ORDER AND AGREEMENT

This Consent Order and Agreement is made and entered into by and between the Tennessee Department of Environment and Conservation (hereinafter "Department") and United Cities Gas Company for the purposes of facilitating the investigation, removal and remediation of a certain hazardous substance site and investigation of a former underground storage tank site.

PARTIES

I.

Justin P. Wilson is the duly appointed Commissioner of the Department. Kenneth W. Bunting has been delegated the authority to enter into Consent Orders and Agreements.

II.

United Cities Gas Company (hereinafter the "Respondent" or "United Cities") is a corporation organized under and existing by virtue of the laws of the State of Illinois and the State of Virginia. United Cities has its principal place of business at 5300 Maryland Way, Brentwood, Tennessee.

JURISDICTION

III.

Pursuant to Tennessee Code Annotated § 68-212-201 et seq., the Commissioner is authorized to enter into a Consent Order and Agreement (hereinafter "ORDER") with a party who is willing and able to conduct an investigation and cleanup of an inactive hazardous substance site. Pursuant to Tennessee Code Annotated §68-215-101, et seq., the Commissioner is authorized to issue an Order concerning the investigation of a former underground storage tank.

IV.

The Site, hereinafter described is an inactive hazardous substance site within the meaning of Tennessee Code Annotated § 68-212-202(3), which defines a "hazardous substance site" to mean any site or area where hazardous substance disposal has occurred. The Site is also a former petroleum site within the meaning of Tennessee Code Annotated §68-215-103(12). United Cities is voluntarily entering into the Department's Voluntary Oversight and Assistance Program for the purpose of work at the Site as described herein.

FACTS

V.

United Cities is the current owner of property located at Tennessee Street and Security Lane in Johnson City, Tennessee, more particularly described in the legal description attached as Exhibit A to this ORDER ("Site"). United Cities uses the Site as a service center for its natural gas distribution business. Prior to the use of the Site as a service center, from approximately 1915 through and including 1945, the Site was the location of a manufactured gas plant ("MGP") utilizing the coal carbonization and carbureted water gas manufacturing processes. Generally, in both processes, coal was utilized to produce a combustible gas that was then stored until distribution through the gas supply system.

VI.

As a result of the regular and ordinary operations of the MGP, there is a potential for the presence of MGP-related process residual constituents in the soils and groundwater. Six major constituent classes of compounds potentially may be present from MGP process residuals: polynuclear aromatic hydrocarbons ("PAHs"), volatile aromatics, phenolics, inorganic nitrogen (including cyanide compounds), inorganic sulfur and trace metals. These compounds may be present as a result of a variety of processes, operations and feed stock. Soil and groundwater analytical results from analyses performed of samples taken at the Site indicated detectable concentration levels of PAHs that are consistent with PAHs detected in MGP process residuals. The Respondent has advised the Department that the concentration levels for detected PAHs, however, do not appear to exceed health-based risk levels.

VII.

The Site is also the location of a former 2,000 gallon gasoline underground storage tank ("UST") which was removed by United Cities in October, 1995. During the UST removal, petroleum impacted soil and groundwater were detected and an occurrence was properly reported by United Cities. During the course of performing a closure assessment

in accordance with the Department's Division of Underground Storage Tanks ("Division") 1994 Closure Assessment Guidelines, United Cities found indications of soil and groundwater impact which may potentially have resulted from MGP process residuals. The UST closure assessment work further suggested that the petroleum contamination discovered in the soil and groundwater may be the result of petroleum release(s) originating from the MGP process residuals. At the request of United Cities, on July 9, 1996, the Division transferred the regulatory lead for the Site to the Voluntary Oversight and Assistance Program managed by the Department's Division of Superfund ("VOAP"). On or about May 28, 1996, United Cities submitted its application for authorization for fund eligibility seeking a determination from the Division to determine if corrective action costs associated with the possible release from the one (1) 2,000 gallon UST are reimbursable from the petroleum underground storage tank fund established under Tennessee Code Annotated §68-53-110 ("Fund").

VIII.

Based upon records maintained by United Cities and publicly available records, the ownership and operatorship history of the Site is listed on Exhibit B hereto. According to that history, while gas manufacturing operations were conducted, the Site has been owned or operated by, *inter alia*, the following entities: Washington County Gas Company, Appleby-Wagner Co., Central Public Service Company, and Stone & Webster.

IX.

The Commissioner deems compliance with the requirements of this ORDER as controlling of investigative requirements arising from the Tennessee Underground Petroleum Storage Tank Act, Tennessee Code Annotated §68-215-101 *et seq.* The "soil and groundwater classification and clean-up criteria" applied to the petroleum release and specific contaminants attributable to this release shall be governed by Tennessee Code Annotated §68-215-127(b).

ORDER

X.

WHEREFORE, PREMISES CONSIDERED, the Parties stipulate and agree as follows:

- A. Effective immediately, except as otherwise required by this ORDER, neither the hazardous substance site nor any hazardous substance on or in it shall be disturbed, moved or removed except by mutual agreement between the parties.

B. REMEDIAL INVESTIGATION/FEASIBILITY STUDY

1. Within one hundred twenty (120) days of the effective date of this ORDER, the Respondent shall submit to the Department all site background information including, but not limited to, results of previous investigations and other pertinent information required by Rule 1200-1-13-.09(2)(a)1. Following the evaluation of this information, an assessment conference will be scheduled.
2. The Respondent may submit to the Department recommendations for interim actions as set out in Rule 1200-1-13-.09(2)(c). Any recommended interim actions approved by the Department shall be implemented by the Respondent.
3. The Respondent shall perform a Remedial Investigation and Feasibility Study (RI/FS) which complies with Department Rule 1200-1-13-.09. EPA's Guidance Document for Conducting RI/FS (Interim Final), EPA 540/G-89/004 shall be consulted. The Remedial Investigation and Feasibility Study shall be performed by the Respondent according to a mutually agreed upon schedule. This schedule shall be reduced to writing, signed on behalf of the Department and the Respondent, and appended to this ORDER. This appended schedule shall become an enforceable part of this ORDER. If the Department requests further information, evaluation, or investigation prior to approval of the Remedial Investigation Report or Feasibility Study, then the Respondent shall perform the additional activities and submit the requested information or results according to a mutually agreed upon schedule and in the format requested by the Department.
4. The Respondent shall submit and implement a public participation program outlining the community relations activities proposed to be performed by the Respondent. Public participation activities will consist of a minimum of two activities: public notice when the site enters the program and public notice prior to the Department's finalization of the Record of Decision. Each public notice shall be placed in a newspaper by the Respondent after Department approval of the wording of the public notice, the newspaper(s)

selected for the publishing of the notice, and the proposed schedule for publication. The Respondent shall submit proposed wording, newspaper name(s), and publication date(s) for the initial notice within thirty (30) days of all parties signing the ORDER. The initial public notice shall provide the public the opportunity to be placed on a mailing list concerning the Site. The Respondent shall submit to the Department proposed wording, newspaper name(s) and publication date(s) for the second public notice within thirty (30) days of submittal of the Feasibility Study to the Department. The second public notice shall provide the public with the opportunity to request a public meeting and/or provide comments on the Remedial Alternatives. The comment period for the Remedial Alternatives will continue for at least thirty (30) days after the date of the public notice or public meeting, whichever is later. All comments should be received by the Department initially, not the Respondent, the Department will then forward copies to the Respondent. The Respondent shall forward a copy of the actual notice, as received from the newspaper(s) to the Department. Any additional public notice or community relations activities to be performed by the Respondent shall be established through mutual agreement between the Respondent and the Department. The Department may perform any additional public notice, public meeting, or community relations it deems appropriate for the Site. However, except in an emergency, the Department will provide the Respondent with at least ten (10) days advance notice of any additional community relations activities.

C. DECISION PROCESS FOR INVESTIGATION ACTIVITIES

1. The Respondent shall submit to the Department all information that is obtained during implementation of the remedial activities specified above. Following evaluation of this information, an assessment conference will be scheduled which the Respondent shall attend. The conference shall be scheduled at the mutual agreement of the parties. The purpose of this conference will be to discuss existing data and the need for any further investigation, remedial action, removal action, and/or long term monitoring and maintenance. If the Parties mutually agree that the Respondent should proceed with any further investigation, remedial action, removal action, and/or long term monitoring and maintenance, this agreement shall be

documented in writing, shall be signed on behalf of the Department and the Respondent, and shall be appended to this ORDER. Any such appended agreement shall become an enforceable part of this ORDER; however, if any term or condition of any such appended agreement conflicts with or is repugnant to any term or condition of the main body of this ORDER, the main body of this ORDER shall control and the contradictory or repugnant portions of the appended agreement shall be null and void.

2. Following the implementation of any appended agreement the Department may schedule an assessment conference that the Respondent shall attend. The conference shall be scheduled at the mutual agreement of the parties. If the Parties mutually agree that the Respondent should proceed with any further investigation, remedial action, interim action, and/or long term monitoring and maintenance, this agreement shall be reduced to writing, shall be signed on behalf of the Department and the Respondent, and shall be appended to this ORDER. Any such appended agreement shall become an enforceable part of this ORDER; however, if any term or condition of any such appended agreement conflicts with or is repugnant to any term or condition of the main body of this ORDER, the main body of this ORDER shall control and the contradictory or repugnant portions of the appended agreement shall be null and void.

D. REQUESTS FOR TIME EXTENSIONS

The Respondent may request a time extension for any deadline included in this ORDER prior to the deadline. The time extension may be granted through mutual consent for good cause shown. Any mutual agreement to extend a deadline shall be documented in writing, shall be signed on behalf of the Department and the Respondent, and shall be appended to this ORDER.

E. REMOVAL ACTION

If it becomes apparent at any point during the development or execution of any remedial activity under this ORDER, that an interim removal of a hazardous substance is necessary to abate a potential threat to health, safety or the environment, this action will be allowed through mutual consent and scheduling. This ORDER does not limit, abrogate,

or otherwise affect the authority of the Commissioner to abate an imminent and substantial danger.

F. SUBMISSION OF WASTE REMOVAL REPORTS

Prior to August 1st of each year, the Respondent shall supply the Department with a report that includes the site name, site number, and the following information for both the previous fiscal year (July 1 to June 30) and project cumulative:

- a. Name and amount (in KG) of each hazardous substance or hazardous substance containing material (e.g. soil) removed from the site;
- b. Pre-and post-treatment concentrations (if treatment occurs on-site);
- c. Volume of material treated on-site;
- d. Cost of implementation of this ORDER with separate breakouts for investigation costs, treatment costs, disposal costs, and lab costs.

G. OVERSIGHT AND ASSISTANCE COST

The Respondent shall pay all costs associated with the Department's oversight of and assistance in the implementation of this ORDER. Assistance includes, but is not limited to, the Commissioner's exercise of his authority under Tennessee Code Annotated § 68-212-206(a). Oversight costs shall include, but not be limited to, mileage, lab expense, the current hourly rate and benefits for the Department's employees actively employed in oversight of work under this ORDER, including preparation for and attendance at meetings, the current State overhead rate, and costs billed by State contractor(s) who are actively performing oversight. The State overhead rate for FY '96-'97 is 13.04% of the total oversight costs. The Department shall provide the Respondent with quarterly statements reflecting oversight costs posted during the previous quarter. Tennessee Code Annotated Section 68-212-224 requires a fee of FIVE THOUSAND (\$5,000.00) DOLLARS to enroll in the Voluntary Cleanup Oversight and Assistance Program. Oversight costs posted as of December 5, 1996 equals \$134.42. To cover costs incurred to date and the participation fee, the Respondent shall submit a check made payable to the State of Tennessee for \$5,134.42. This check must accompany this ORDER when it is signed on behalf of the Respondent and returned to the Department.

H. DISPUTE RESOLUTION

The Department and the Respondent shall use their best effort to resolve any disputes that may arise under this ORDER informally and in good faith. If a disagreement cannot be resolved informally, the parties jointly or individually may pursue the matter formally by requesting a Declaratory Ruling by the Tennessee Solid Waste Disposal Control Board. Any dispute concerning the reimbursement costs associated with the UST will be resolved before the Tennessee Petroleum UST Board.

I. SITE ACCESS

During the effective period of this ORDER, and until certification by the Department of completion of all activities under this ORDER, the Department and its representatives or designees shall have access during normal business hours and, upon reasonable notice, at non-business hours, to the Site, or any location where characterization or remediation has been, is, or will be conducted, pursuant to this ORDER. Such access may be for the purpose of monitoring activities; verifying data; conducting investigation; inspecting and copying records, logs or other documents that are not subject to a legally applicable privilege; and conducting other activities associated with the implementation of this ORDER. Nothing herein shall limit or otherwise affect the Department's right of entry, pursuant to any applicable statute, regulation or permit. The Department and its representative shall comply with all reasonable health and safety plans published by the Respondent or its contractor and used by Site personnel for the purpose of protecting life and property. If the safety plans are not included in the applicable Work Plan, they shall be provided to the Department prior to the commencement of Work Plan activities at the Site pursuant to this ORDER.

J. ASSESSMENT CONFERENCES

At any time deemed necessary by the Department, the Department may schedule an assessment conference that the Respondent shall attend. The conference shall be scheduled at the mutual agreement of the parties. If the Parties mutually agree that the Respondent should proceed with further investigation, this agreement shall be reduced to writing, shall be signed on behalf of the Department and the Respondent, and shall be appended to this ORDER. Any such appended agreement shall become an enforceable part of this ORDER; however, if any terms or condition of any such appended agreement

conflicts with or is repugnant to any term or condition of the main body of this ORDER, the main body of this ORDER shall control and the contradictory or repugnant portions of the appended agreement shall be null and void.

K. NCP REQUIREMENTS

To the extent practicable, any investigation, identification, containment and cleanup action performed under this ORDER, shall be consistent with the National Contingency Plan (NCP) promulgated pursuant to Section 105 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) as amended, (Public Law 96-510).

L. SUBMISSION OF INFORMATION, REPORTS, OR STUDIES

Any information, reports, or studies submitted under the terms of this ORDER shall contain the following notarized statement:

I certify under penalty of law, including but not limited to penalties for perjury, that the information contained in this document and on any attachment is true, accurate and complete to the best of my knowledge, information and belief. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for intentional violation.

M. LETTER OF COMPLETION

Upon completion of all tasks set forth in this ORDER, the Department shall issue to the Respondent a letter stating the requirements of this ORDER have been fulfilled and no further action of the Respondent is required under this ORDER.

N. RESERVATION OF RIGHTS

1. This ORDER shall not be construed as waiving any right or authority available to the Commissioner to assess the Respondent for liability for civil penalties or damages incurred by the State. The right to order further investigation, remedial action, and/or monitoring and maintenance is also specifically reserved. Further, this ORDER shall not be construed as waiving, settling, or in any manner compromising any natural resource

damage claims which the Department or the State of Tennessee may have under Section 107 of CERCLA or any other statute, rule, regulation or common law.

2. This ORDER shall not be construed as an admission or evidence of any liability or any facts and shall not be used for any purpose or in any judicial or administrative proceeding except for a proceeding brought by either party to enforce the terms and conditions hereof. Nothing in this ORDER shall be interpreted as limiting the Respondent's right to preserve the confidentiality of attorney work product or client-attorney communication. T.C.A. § 68-212-202 et seq. contains no provisions for confidentiality or proprietary information. Therefore, records, reports, test results, or other information submitted to the Department under this ORDER shall be subject to public review. Any and all records, reports, test results or other information relating to an inactive hazardous substance site or the possible hazardous substance at the Site submitted under this ORDER may be used by the Department for all purposes set forth in T.C.A. § 68-212-201 et seq.
3. Either Party may terminate this Consent Order and Agreement at any time upon written notice to the other Party. Upon such termination, the Respondent shall have no further obligations hereunder other than payment of oversight costs accrued to the date of notice of termination. If either Party terminates this ORDER, both Parties shall have and retain all authority, rights and defenses as if this ORDER had never existed.

O. WAIVER OF RIGHT TO APPEAL

The Respondent understands that it has the right to appeal an ORDER pursuant to Tennessee Code Annotated §§ 68-212-215 and 4-5-301 et seq. The Respondent knowingly and voluntarily waives this right in so far as it applies to this ORDER.

P. NOTICES AND SUBMISSIONS

Whenever under the terms of this ORDER notice is required to be given or a report or other document is required to be forwarded by one party to another, it shall be

directed in writing to the following individuals at the addresses listed below (or to such other individuals or addresses as the parties may, from time to time, designate by written notice):

If to the Department:

Floyd Heflin
Tennessee Department of Environment & Conservation
Division of Superfund
4th Floor, L&C Annex
401 Church Street
Nashville, TN 37243-1538
(615) 532-0917
(615) 650-9864 - fax

and a duplicate to:

Darrel Hale, Field Office Manager
Division of Superfund
Johnson City Environmental Field Office
2305 Silverdale Rd
Johnson City, TN 37601-2162
(423)-854-5463
(423)-854-5401 - fax

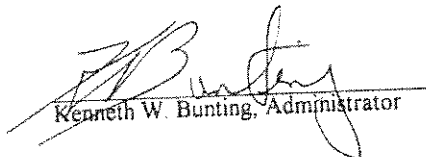
If to the Respondent:

Karol Sole
United Cities Gas Company
5300 Maryland Way
Brentwood, TN 37027
(615)-373-0104; ext. 400
(615)-370-5893 - fax

The individual signing below on behalf of the Respondent represents that he is a duly authorized agent, capable of entering into a binding ORDER on behalf of the Respondent.

ORDERED, AGREED, AND CONSENTED to by the parties.

12/17/96
Date


Kenneth W. Bunting, Administrator

Date

Gary W. Price, Vice President and Chief Engineer
United Cities Gas Company

PH/12/12/96
V90513

COPY

directed in writing to the following individuals at the addresses listed below (or to such other individuals or addresses as the parties may, from time to time, designate by written notice):

If to the Department:

Floyd Heflin
Tennessee Department of Environment & Conservation
Division of Superfund
4th Floor, L&C Annex
401 Church Street
Nashville, TN 37243-1538
(615) 532-0917
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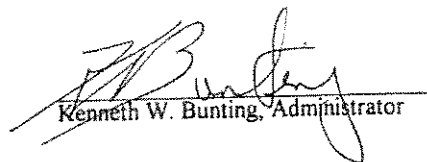
If to the Respondent:

Karol Sole
United Cities Gas Company
5300 Maryland Way
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(615)-373-0104; ext. 400
(615)-370-5893 - fax

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ORDERED, AGREED, AND CONSENTED to by the parties.

12/17/96
Date


Kenneth W. Bunting, Administrator

1/23/97
Date


Gary W. Price, Vice President and Chief Engineer
United Cities Gas Company

Ph/12/12/96
V90513



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF SUPERFUND
4th Floor, L&C Annex
401 Church Street
Nashville, TN 37243-1538

April 13, 2004

Mr. Stuart Schulz, PG, CHMM
Environmental Specialist
Atmos Energy
810 Crescent Centre Drive
Suite 600
Franklin, TN 37067-6226

Subject: Consent Order and Agreement - VOAP
Bristol Former Manufactured Gas Plant
Superfund Site ID 82-540

Dear Mr. Schulz:

The Division officially recognizes the entry of the Bristol Former Manufactured Gas Plant into the Voluntary Cleanup Oversight and Assistance Program (VOAP). Enclosed is a copy of the original signed order.

Should you have any questions regarding this letter or the signed order, please contact me at 615-532-0912. Thank you for your time.

Sincerely,

A handwritten signature in cursive script that reads "Andy Shivas".

Andy Shivas
Program Manager
Voluntary Cleanup Oversight and Assistance Program

cc: VOAP File
Central Office File
Johnson City EAC File
Cost Recovery Section
Financial Files

STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
DIVISION OF SUPERFUND
VOLUNTARY AGREEMENT

RE: Bristol Former Manufactured Gas Plant
816 Shelby Street
Bristol, Tennessee

SITE NUMBER: 82-540

INTRODUCTION

This Voluntary Agreement (hereinafter "AGREEMENT") is made and entered into by and between the Tennessee Department of Environment and Conservation (hereinafter "Department"), and Atmos Energy Corporation, a Texas and Virginia corporation (hereinafter "Voluntary Party") for the purpose of addressing the above-referenced site (hereinafter "Site"), which has the real or perceived threat of the presence on the Site of hazardous substances, solid waste, or any other pollutant.

Betsy L. Child is the duly appointed Commissioner of the Department. James W. Haynes has been delegated the authority to enter into Voluntary Agreements.

Pursuant to Tennessee Code Annotated § 68-212-224, the Commissioner is authorized to enter into a Voluntary Agreement with a party who is willing and able to conduct an investigation and remediation of a hazardous substance site or Brownfields Project and who did not generate, transport or release the contamination that is to be addressed at the Site.

REQUIREMENTS

A. SITE LOCATION

The Site covers approximately 1.69 acres and it is located at 816 Shelby Street, Bristol, Tennessee. The legal description of the Site is:

Beginning at a railroad spike in western boundary line, said line being the eastern boundary of the Bristol Tennessee Electric substation property and "spike" marking the southeast corner of Bristol Tennessee Electric; thence along the boundary fence of substation and former Crumley Alley two calls: N 88°17'00" W 81.51 feet and N 88°17'00" W 129.90 feet to the center of Little Creek, thence with the center of Little Creek S 31°27'00" E 251.80 feet to an iron pin; thence S 89°11'00" E a distance of 179.50 feet to a point on the west side of Beaver Creek; thence along Beaver Creek two calls: N 04°56'00" E 207.80 feet and N 02°51'00" E 171.50 feet to a point in the southerly right-of-way line of Shelby Street, thence two calls west along Shelby

Street N 87°09'00" W 112.00 feet and N 87°09'00" W 9.5 feet to the boundary line with Bristol Tennessee Electric; thence along boundary for three calls: S 19°01'00" E 10.74 feet, S 02°51'00" W 96.30 feet and S 02°51'00" W 67.06 feet to the point of beginning, and containing 1.69 acres more or less.

B. ELIGIBILITY

As required by T.C.A. § 68-212-224, a summary description of all known existing environmental investigations, studies, reports or documents concerning the Site's environmental condition has been submitted to the Department by the Voluntary Party. The Voluntary Party has submitted to the Department the environmental investigations, studies, reports or documents listed on Attachment A hereto (such documents, hereinafter the "Reports"). The Reports describe the environmental condition of the Site. On the date of entering into this AGREEMENT, the Department has determined that the Site is not listed or been proposed for listing on the federal National Priorities List by the United States Environmental Protection Agency ("EPA"). By entering into this AGREEMENT, the Voluntary Party certifies to the best of the Voluntary Party's knowledge that the Voluntary Party did not generate, transport or release contamination that is to be addressed at this site.

C. FINANCIAL REQUIREMENTS

The Voluntary Party agrees to pay all Oversight Costs associated with the Department's oversight of and assistance in the implementation of this AGREEMENT. Assistance includes, but is not limited to, the Commissioner's exercise of his authority under T.C.A. § 68-212-206(a). Oversight Costs shall include any out-of-pocket expense, mileage, lab expense, the current hourly rate and pro rata portion benefits for the Department's employees actively employed in oversight of work under this AGREEMENT, including preparation for and attendance at meetings, the current State overhead rate, and costs billed by State contractor(s) who are actively performing oversight. The State overhead rate is 15.00% of the total oversight costs. The Department shall provide the Voluntary Party with quarterly statements reflecting oversight costs posted during the previous quarter.

Tennessee Code Annotated § 68-212-224 requires consideration of a fee to enroll in the Voluntary Cleanup Oversight and Assistance Program. Since the Voluntary Party did not generate, transport or release contamination that is to be addressed at the site and will be serving the public welfare by redeveloping a property that is abandoned or underutilized, the participation fee is hereby waived.

D. IDENTIFICATION AND DOCUMENTATION OF CLEANUP

Based on the information submitted to the Department by or behalf of the Voluntary Party, including the Reports, and the Department's own review and investigation of the Site, the Parties hereto agree that the Voluntary Party shall perform the following cleanup actions and submit the following documentation:

1. Within eighteen (18) months of the date of this AGREEMENT, the Voluntary Party shall remove and properly dispose of the source material located on the Site in the area indicated as "Source Material" on the drawing attached as Attachment

B and shall return the Site to current use conditions as an asphalt parking lot. The Voluntary Party shall give the Department at least twenty-one (21) days prior written notice of the commencement of on-site removal action work.

2. Within six (6) months of the completion of the removal, the Voluntary Party shall prepare and submit to the Department a Removal Action Report describing the process of the removal of the source material, reporting on visual observations confirming that all reasonably accessible source material has been removed, and attaching waste manifests or other documents in connection with the disposal of the source material.
3. Within six (6) months of the date of this AGREEMENT, and subject to the consent of the lessee for the Site, the Voluntary Party shall record the land use restrictions and institutional controls described in Section G.

E. AGREED LIABILITY RELIEF

Real or perceived hazardous substances, solid wastes or other pollutants are determined to be present on this site to an extent that may or may not have yet been fully characterized. As the current owner or operator, or upon becoming an owner or operator of the Site, the Voluntary Party may occupy the status of a "liable party" pursuant to the definition of that term contained in T.C.A. § 68-212-202(4). Liability may be apportioned pursuant to factors in T.C.A. § 68-212-207 as well as other equitable factors. The Commissioner is authorized to determine an apportionment of liability within this Agreement as authorized by T.C.A. § 68-212-224.

The Commissioner agrees that the Voluntary Party's implementation of the actions agreed upon in Section H(2) will constitute satisfaction of the apportioned liability of the Voluntary Party under all environmental statutes administered by the Department for the contamination identified in the Reports. The Voluntary Party, however, remains potentially responsible for any release of hazardous substances or other pollutants that occurs at the Site while it owns or operates the Site.

Following the completion of cleanup activities required under this Agreement and contingent upon the continued adherence and enforcement of any land use restrictions imposed pursuant to or as a result of this AGREEMENT, the Voluntary Party shall bear no further liability under any statute administered by the Department, for investigation, remediation, monitoring and/or maintenance of contamination identified and addressed in this Agreement; provided, however, that nothing in this AGREEMENT shall limit the liability of the Voluntary Party for contamination occurring after the date of the AGREEMENT. This liability protection is extended to successors in interest or in title to, contractors conducting response actions at the Site, developers, future owners, tenants, and lenders, fiduciaries or insurers, conditioned upon performance of the obligations contained in this Agreement and compliance with any land use restrictions required thereby; provided, that such liability protection to other persons does not apply to liability to the extent that such liability that arose prior to this AGREEMENT.

F. THIRD PARTY LIABILITY RELIEF

The Voluntary Party shall not be liable to third parties for contribution regarding matters addressed in this AGREEMENT; provided that, the Voluntary Party gave the third party actual or constructive notice of this AGREEMENT, and the third party was given an actual or constructive opportunity to comment upon this AGREEMENT. The Voluntary Party has demonstrated to the Department that constructive notice was accomplished by publishing a summary of this AGREEMENT in the Bristol Herald Courier, Bristol, Tennessee at least thirty (30) days prior to the effective date of this AGREEMENT. Nothing in this Agreement shall impair the rights of third parties with respect to tort liability claims for damage to person or property arising from the contamination addressed by the voluntary agreement.

G. LAND USE RESTRICTIONS

Within six (6) months of the date of this AGREEMENT, and subject to the consent of the Site lessee, the Voluntary Party agrees that said property shall be restricted as follows:

1. The use of the Site shall be restricted to commercial or industrial use except that use as a child care center shall be prohibited, and Residential use shall also be prohibited.
2. Installation of groundwater wells for the purpose of supplying irrigation, industrial process, or drinking water shall be prohibited.

The Voluntary Party agrees that it will file land use restrictions identified by the Department as necessary for the safe use of the Site in accordance with T.C.A. 68-212-225, provided that such land use restrictions shall allow the Site to continue to be used as an asphalt parking lot.

H. AGREED ACTIONS TO BE TAKEN

1. The Voluntary Party agrees to send notification of this AGREEMENT by certified mail to all local governments having jurisdiction over any part of the subject property and to all owners of adjoining properties. The Voluntary Party shall provide adequate documentation to demonstrate that public notice has been accomplished.
2. The Voluntary Party agrees to perform the cleanup and documentation work described in Section D.
3. The Voluntary Party agrees to prepare and submit to the Department for review a Health & Safety Plan for the Site to establish suitable procedures for subsurface utility maintenance. Upon receipt of such Plan by the Department, such Plan shall be delivered by the Voluntary Party to the Site lessee and each utility company whose service area includes the Site.
4. Upon completion of the work, the Voluntary party agrees to submit "as built" drawings to the Department of the work described in Section D that is subject to this AGREEMENT.

5. Upon completion of all tasks set forth in this AGREEMENT, the Department shall issue to the Voluntary Party a letter stating the requirements of this AGREEMENT have been fulfilled and no further action of the Voluntary Party for contamination identified and addressed in this AGREEMENT is required. Upon the request of the Voluntary Party from time to time, the Department shall issue an interim status letter identifying what specific obligations remain to achieve completion of the work under this AGREEMENT. Issuance of a no further action letter shall not relieve the Voluntary Party of any responsibilities for operation and maintenance activities or continued adherence to and enforcement of land use restrictions, if any, pursuant to T.C.A. § 68-212-225. The Department reserves the right to require additional action for contamination caused by the Voluntary Party occurring after the date of this AGREEMENT or for contamination not identified and addressed under this AGREEMENT, if any.

I. ADDITIONAL REQUIREMENTS

1. The Voluntary Party may request a time extension for any deadline included in this AGREEMENT prior to the deadline. The time extension may be granted through mutual consent for good cause shown.
2. The Voluntary Party agrees not to disturb, move or remove any areas of hazardous substances, solid waste or other pollutant(s) that are subject to liability protection under this AGREEMENT without written approval by the Department unless the activities are being conducted under the terms and conditions of this AGREEMENT, pursuant to the Health & Safety Plan described in Section H(3), or necessitated by the normal day-to-day activities of any on-going business.

J. SITE ACCESS

During the effective period of this AGREEMENT, and until certification by the Department of completion of all activities under this AGREEMENT, the Department and its representatives or designees shall have access during normal business hours to the Site. Nothing herein shall limit or otherwise affect the Department's right of entry, pursuant to any applicable statute, regulation or permit. The Department and its representative shall comply with all reasonable health and safety plans published by the Voluntary Party or its contractor and used by Site personnel for the purpose of protecting life and property.

K. SUBMISSION OF INFORMATION, REPORTS, OR STUDIES

The Voluntary Party certifies under penalty of law, including but not limited to penalties for perjury, that the information contained in all submissions is true, accurate and complete to the best of their knowledge, information and belief. The Voluntary Party is aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for intentional violation.

L. RESERVATION OF RIGHTS

1. This AGREEMENT shall not be construed as waiving any right or authority available to the Commissioner to assess responsible parties other than the Voluntary Party for liability for civil penalties or damages incurred by the State, including any natural resource damage claims which the Department or the State of Tennessee may have under Section 107 of CERCLA or any other statute, rule, regulation or common law.
2. Nothing in this AGREEMENT shall be interpreted as limiting the Voluntary Party's right to preserve the confidentiality of attorney work product or client-attorney communication. T.C.A. § 68-212-202 et seq. contains no provisions for confidentiality or proprietary information. Therefore, records, reports, test results, or other information submitted to the Department under this AGREEMENT shall be subject to public review. Any and all records, reports, test results or other information relating to a hazardous substance site or the possible hazardous substance at the Site submitted under this AGREEMENT may be used by the Department for all purposes set forth in T.C.A. § 68-212-201 et seq.
3. The Voluntary Party may terminate this AGREEMENT at any time upon written notice to the Department. Upon such termination, the Voluntary Party shall have no further obligations hereunder other than payment of oversight costs accrued to the date of notice of termination; provided, that both Parties shall have and retain all authority, rights and defenses as if this AGREEMENT had never existed.

The individual signing below on behalf of the Voluntary Party represents that he is a duly authorized agent, capable of entering into a binding AGREEMENT on behalf of the Voluntary Party. By entering into this AGREEMENT, this individual certifies to the best of his information and belief that the Voluntary Party did not or did not cause to generate, transport or release contamination that is to be addressed at this site.

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AGREED to by the parties as of the day and year first above written.

<u>April 13, 2004</u>	<u>James W. Haynes</u>	<u>April 5, 2004</u>	<u>Thomas R. Blose, Jr.</u>
Date	James W. Haynes, P.E.	Date	Thomas R. Blose, Jr.
	Director		President
	Division of Superfund		Mid-States Division
			Atmos Energy Corporation

ATTACHMENT A

List of Environmental Investigations, Studies, Reports or Documents Submitted to the Department

Note: this list does not list all of the documents pertaining to environmental activities at the Site.

Black & Veatch. 1995. Historical Review, Bristol MGP Site, Bristol, Tennessee. June 1995.

Environmental Pollution Services. 1996. Environmental Assessment Report, United Cities Gas Company, Facility I.D. # 1-820361. March 1996.

GEI Consultants. 2002. Preliminary Site Investigation Report, Former Manufactured Gas Plant, Bristol, Tennessee. June 2002.

ATTACHMENT B

Diagram of Location of Source Material to be Removed

Figure 1
Proposed Removal Actions
 Atmos Energy Corporation
 Shelby Street PMGP
 Bristol, Tennessee

The map shows the following features and labels:

- Streets:** SHELBY STREET, ANDERSON STREET, CREEK DRIVE.
- Buildings:** OFFICE BUILDING.
- Utilities:** ELECTRIC UTILITY, DRAINAGE.
- Water Features:** EAST EDGE WATER, CREEK BANK.
- Sample Locations:** Marked with codes such as AC-04, AG-06, AD-08, AF-04, AF-05, AF-06, AF-07, AF-08, AF-09, AG-07, AG-08, AG-09, AG-10, AD-07, AD-09, AD-10, AD-11, AD-12, AD-13, AD-14, AD-15, AD-16, AD-17, AD-18, AD-19, AD-20, AD-21, AD-22, AD-23, AD-24, AD-25, AD-26, AD-27, AD-28, AD-29, AD-30, AD-31, AD-32, AD-33, AD-34, AD-35, AD-36, AD-37, AD-38, AD-39, AD-40, AD-41, AD-42, AD-43, AD-44, AD-45, AD-46, AD-47, AD-48, AD-49, AD-50, AD-51, AD-52, AD-53, AD-54, AD-55, AD-56, AD-57, AD-58, AD-59, AD-60, AD-61, AD-62, AD-63, AD-64, AD-65, AD-66, AD-67, AD-68, AD-69, AD-70, AD-71, AD-72, AD-73, AD-74, AD-75, AD-76, AD-77, AD-78, AD-79, AD-80, AD-81, AD-82, AD-83, AD-84, AD-85, AD-86, AD-87, AD-88, AD-89, AD-90, AD-91, AD-92, AD-93, AD-94, AD-95, AD-96, AD-97, AD-98, AD-99, AD-100.
- Legend:**
 - 1939 SURVEY (ABOLISHED)
 - 1984 SURVEY (ABOLISHED)
 - 2002 BUILDING
 - 2002 EOP
 - CREEK BANK
 - SAMPLE LOCATION
 - SOURCE MATERIAL AREA
- North Arrow:** N
- Scale Bar:** 0 to 40 FT