

Gas Contracts 101
The language, the laws and why we care

AGENDA

- 8:00-8:30 Continental breakfast and introductions
- 8:30-10:00 1) A look at the natural gas business in the United States and: Producers, Marketers (Traders), Manufacturing end-users, the local gas company (Local Distribution Company or LDC) and transporting pipelines
2) Overview of Transportation Service Agreements (TSA), Operator Balancing Agreements (OBA), and Joint Operating Agreements (JOA)
- 10:00-10:10 Morning Break
- 10:20-Noon Natural gas laws and regulations in the United States
Brief review of federal laws relating to natural gas
Federal Energy Regulatory Commission (FERC)
Laws governing sales of “goods” – Uniform Commercial Code (UCC) Article 2
- Noon-1:00 Lunch
- 1:00-1:45 How to review a natural gas sales contract
- 1:45-2:30 Clause-by-clause review of a typical natural gas contract
Heading
Recitals and Statement of Agreement
Purposes and Procedures
Definitions
- 2:30-2:40 Afternoon break
- 2:40- 5:00 Clause-by-clause review of a typical natural gas contract
Term
Seller’s obligations/buyer’s obligations
Transportation, Scheduling and Balancing
Gas Measurement and Quality
Delivery Failure
Billing and Payment
Financial Responsibility
Default
Force Majeure
Taxes
Warranties and Indemnities
Notices
Miscellaneous
Standard form of Transaction Confirmation