



Oklahoma Natural Gas™

A Division of ONE Gas

5848 E. 15th Street
Tulsa, OK 74112-6402
oklahomanaturalgas.com

May 4, 2016

City of Clinton
Mr. Steve Hewitt
City Manager
P.O. Box 1177
Clinton, OK 73601-1177

Dear Mr. Hewitt:

Oklahoma Natural Gas recently accepted a franchise agreement with another city that contains a four and one-quarter percent (4.25%) franchise fee. This exceeds the 3% fee we are currently paying the City of Clinton. According to the “favored nations” clause in our existing franchise agreement, Clinton now has the option to raise our ONG franchise fee to four percent (4.25%) also. According to Section 11.D. in the Franchise Ordinance, the city’s governing body can direct us to increase our fee to match the higher 4.25% rate at its’ discretion

In the event your City Commission determines they would like to raise the franchise fee to 4.25% due to the “favored nations” provision, please sign, date and return this document to advise us accordingly.

1. The Clinton City Commission has voted, on _____ to increase the franchise fee from 3% to 4.25% as attested by the mayor, city clerk, and city attorney.

Mayor

City Clerk

City Attorney

You may have questions or need additional information so please feel free to contact me at (918) 947-7273 or by e-mail at Jim.Stout@onegas.com. I look forward to hearing from you and what the City chooses to do on this matter.

Sincerely,

A handwritten signature in black ink that reads "Jim Stout". The signature is written in a cursive style with a large initial "J" and "S".

Jim Stout

Manager – Community Relations
Oklahoma Natural Gas Company