

REIMBURSEMENT AGREEMENT

This REIMBURSEMENT AGREEMENT (“**Agreement**”) is made and entered into as of this _____ day of June 2023, by and between Tennessee Gas Pipeline Company, L.L.C., a Delaware limited liability company, with an office at 1001 Louisiana Street, Houston, Texas 77002 (“**TGP**”), and Tennessee Valley Authority, with an office at 1101 Market Street, Chattanooga, Tennessee 37402 (“**TVA**”). TGP and TVA are also referred to herein individually as a “Party” and collectively as the “Parties.”

WHEREAS, TVA has agreed to reimburse TGP for preliminary work on the proposed natural gas pipeline to the Cheatham County Project to refine the scope and aid in future development of the project.

WHEREAS, the Parties are negotiating definitive agreements and intend for the costs and expenses of the Work, as defined below, by TGP to be capitalized pursuant to the definitive agreements to be executed by the Parties.

NOW THEREFORE, for and in consideration of the matters described above and the mutual benefits to all Parties, and intending hereby to be legally bound, it is understood and agreed as follows:

1. Scope of Work and Responsibilities. TGP shall use internal and external resources for discreet due diligence regarding preliminary title/landowner research, environmental analysis, federal, state, and local permitting and regulatory activities, route reconnaissance, and other tasks as needed, all hereinafter referred to as the “**Work.**” TGP shall not discuss the project with public stakeholders and shall take reasonable care to maintain confidentiality during its due diligence efforts. All Work under this Agreement will not include any land disturbance activities that would have an adverse effect on the environment.

2. Reimbursement Obligation. In the event the Parties are unable to agree to execute a definitive agreement on or before September 30, 2023, (b) (4)


_____.

3. True-Up of Reimbursement Expenses. In the event that TVA is required to reimburse pursuant to Section 2, TGP shall provide TVA an invoice for the Reimbursement Expenses to be paid within sixty (60) days after its receipt of the invoice. Should TVA fail to make payment of such invoice within (60) days, TGP shall be entitled to collect from TVA the amount of said invoice together with interest at a rate based on the maximum rate under the United States Prompt Payment Act (31 U.S.C. §§ 3901-3907) as published in the Federal Register and adjusted periodically Such interest shall accrue on unpaid amounts,

including on unpaid interest, compounded monthly, beginning on the payment due date of TGP's invoice to TVA and terminating when such invoice is paid.

4. Audit Rights. TGP will keep all cost records pertaining to the Work in order to have them readily available for TVA to audit, should TVA desire to do so. TVA shall have the right to audit such records during the regular office hours of TGP for a period of three months from the date the Work is completed.
5. Confidentiality. The Parties agree to (a) keep the Cheatham County Project, including the Work and the fact that that TGP may be, or has been, participating in discussions with TVA regarding the Cheatham County Project confidential (collectively, "**Confidential Information**") and ensure that it does not disclose or permit the disclosure of Confidential Information to any person or a public forum or website and (b) take steps that are reasonably necessary, prudent or desirable in order to safeguard the confidentiality of the Confidential Information.
 - a. The Parties may disclose the Confidential Information to any officer, director, employee, agent, professional adviser provided that such officer, director, employee, agent, or professional adviser is aware of and complies with the terms of this Agreement.
 - b. The Parties may disclose the Confidential Information as required by any legislative, judicial, or administrative body of competent jurisdiction or required by any law, rule, or regulation, provided that, to the extent practicable and if lawfully permitted to do so, the party will give prompt written notice of such requirement so the other party may seek a protective order or other remedy.
6. Performance of the Work; Disclaimer of Warranties. TGP and TVA acknowledge and agree that nothing in this Agreement shall operate or be construed as a representation or guarantee that the activities of TGP shall result in the Work being successful or completed, or that such activities will be completed by the anticipated date, and TGP shall have no liability whatsoever to TVA for the failure to complete the Work.
7. TGP shall perform the Work in accordance with: (a) all valid and applicable laws, regulations, codes, rules, ordinances and directives of all applicable federal, state, local and tribal authorities, if any, having jurisdiction over such facilities, (b) all local laws, rules and regulations pertaining to the protection of the environment and (c) the latest edition of the Kinder Morgan specifications and with sound and prudent natural gas industry practice. EXCEPT AS OTHERWISE PROVIDED HEREIN, TGP DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO THE WORK OR ANY MATTER HEREUNDER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, OR CONFORMANCE TO MODELS OR SAMPLES OF MATERIAL. IT IS SPECIFICALLY AGREED THAT BOTH TVA AND TGP SHALL HAVE NO OBLIGATION TO THE OTHER WHATSOEVER FOR, AND EXPRESSLY WAIVE ANY LOST PROFITS, CONSEQUENTIAL, INDIRECT, SPECIAL, EXEMPLARY OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, DELAY DAMAGES WITH RESPECT TO THE WORK, OR THIS

AGREEMENT, UNLESS, AND TO THE EXTENT, SUCH DAMAGES ARE CAUSED BY THE OTHER PARTY'S WILLFUL MISCONDUCT AND/OR NEGLIGENCE.

8. Indemnification. Each Party agrees to protect, indemnify, and hold the other harmless its officers, employees, representatives, agents, contractors, and subcontractors ("**Indemnitees**") from and against any and all claims, demands, actions, expenses (including court costs and attorneys' fees), losses, damages, causes of action, and liability whether with respect to the Parties hereto or third parties, for damage to property or injury to or death of persons arising out of or in connection with the performance of the Work, except to the extent said claims, demands, actions, expenses, losses, damages, causes of action, and liabilities are caused by the negligence or willful misconduct of any Indemnitee. In no event, however, shall either party's indemnity obligations hereunder exceed (b) (4) 
9. No Further Assurances. The Parties agree that this Agreement does not constitute an agreement to enter into definitive agreements, pursue additional development activities, file for any permits nor does this Reimbursement Agreement obligate TGP or TVA to enter into any further discussions or agreements with the other Party. Each Party further acknowledges and agrees that the other Party reserves the right, in its sole discretion, to reject any and all proposals made by either Party, and to terminate negotiations with the other Party at any time. No agency, joint venture or partnership relationship is created between the Parties by this Agreement. Any agreement to move forward with the Cheatham County Project shall only be binding when set forth in a definitive agreement that is signed by a Party's duly authorized representative.
10. Governing Law; Venue. **THE PARTIES RECOGNIZE THAT TVA, AS A FEDERAL ENTITY, IS GOVERNED BY THE TVA ACT AND FEDERAL LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF TEXAS OR ANY OTHER JURISDICTION).**
11. Waivers. No waiver by any Party of any default(s) by the other Party in the performance of any provision, condition or requirement of this Agreement shall operate or be construed as a waiver of any future default(s), whether of a like or different character, nor in any manner release the defaulting Party from performance of any other provision, condition or requirement herein.
12. Severability. If any provision of this Agreement is declared null and void or voidable by a court of competent jurisdiction, such declaration shall in no way affect the validity or effectiveness of the other provisions of this Agreement, which shall remain in full force and effect, and the Parties shall thereafter use their commercially reasonable efforts to agree upon an equitable adjustment to the provisions of this Agreement with a view to effecting its purpose.

- 13. Entirety of Agreement. This Agreement reflects the whole and entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral and written, between the Parties with respect to the subject matter hereof.
- 14. No Drafting Presumption. No presumption shall operate in favor or against any Party as a result of any responsibility or role that any Party may have had in the drafting of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

TENNESSEE VALLEY AUTHORITY

By:
Title:

TENNESSEE GAS PIPELINE COMPANY, L.L.C.

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By: Ernesto Ochoa
Title: Vice President, Commercial
6/21/2023