

Franchise Agreements

- Agreements exist in 483 of 657 communities
- Two types of agreements exist
 - 98 “Cash Towns”
 - Receive an annual payment every January 1 based on a formula for each town
 - Money is managed by the municipality
 - 385 “Franchise Gas” towns
 - Franchise therms are allotted each January using a formula and the municipality’s population.
 - Applicable to non-revenue-generating activities (eg: Police, Fire, City Hall...) not water treatment, gym...etc.
 - Must pay for gas used above allotment