



# Customer Propane Service Agreement

AGREEMENT DATE:	SHELBY ENERGY COMPANY ("Company") 1355 State Highway 128 Shelbyville, Illinois 62565 PHONE: (217) 774-2311
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CUSTOMER DETAILS ("Customer"):  New Customer  Additional Tank

Name:	Point of Contact:	Account #:	
Mailing Address (if different than Delivery Address):	City:	State:	Zip:
Delivery Address ("Property"):	City:	State:	Zip:
Phone #:	EMAIL :		

### Propane Equipment ("Equipment"):

Tank/Regulator Ownership: \_\_\_\_\_ Company-owned \_\_\_\_\_ Customer-owned

**Delivery Preference:** \_\_\_\_\_ Customer "Will Call" for delivery \_\_\_\_\_ Company "Scheduled/Keep Full" delivery

		Tank Size	Serial Number

Unless otherwise agreed to in writing between Company and Customer, the Customer agrees to pay for propane delivered and the fees for services related to propane delivery and uses as set forth in the Schedule of Prices and Fees in effect on the date of such propane delivery or the performance of such services. Company may, from time to time, and without prior notice to Customer, amend or otherwise revise the prices and fees set forth in the Schedule of Prices and Fees. Customer may obtain the current Schedule of Prices and Fees from the Shelby Energy Company office at any time during regular office hours.

BY SIGNING THIS AGREEMENT, THE CUSTOMER ACKNOWLEDGES THAT CUSTOMER HAS BEEN MADE AWARE OF THE ODOR OF PROPANE. THE CUSTOMER SHOULD IMMEDIATELY NOTIFY SHELBY ENERGY COMPANY OF ANY PROPANE LEAKS OR THE ODOR OF PROPANE.

Shelby Energy Company and the undersigned Customer have hereto caused this Agreement, which includes and is subject to the Customer Propane Service Agreement Terms and Conditions attached hereto, to be executed the day and the year first above written.

SHELBY ENERGY COMPANY

**Customer Signature**

Sign and return this page

Authorized Representative



**Shelby Energy Company  
Customer Propane Service Agreement**

**Terms and Conditions for Propane Service  
Using Company-owned Tank**

**1. Ownership of property.** Customer represents and warrants that Customer (a) is the owner of the Property identified as the delivery address on the cover page or is the lawful tenant or occupant of the Property and (b) has the full authority to enter into this Agreement. If the Customer is not the Property owner, Customer agrees to defend, indemnify and hold the Company harmless from any cost, expense or damages, including reasonable attorney's fees and costs of litigation, incurred by Company as a result of any unauthorized installation of the Equipment by the Company at the Property.

**2. Installation and Title to Equipment; Access for Installation.** Company agrees to install the Equipment at the Property for the purpose of delivering and storing propane products sold by Company to Customer. Notwithstanding the foregoing, Company shall be under no obligation to install any Equipment in the event that Company determines, in its sole and unfettered discretion, that installation is not feasible and/or may not be accomplished without unusual or extraordinary expense to Company or damage to the Property. Company may substitute, modify or adjust the Equipment as may, in the Company's sole discretion, be necessary or desirable to service the Customer at the Property. Title to the Equipment shall remain, at all times, with Company, and Customer agrees to execute and deliver to Company such instruments as may be required by Company to properly record Company's ownership interest in the Equipment. Customer agrees that Customer will provide Company and its authorized representatives all access necessary at any time to install, inspect, service, maintain, remove, or replace all or any part of the Equipment. Customer agrees that Customer will not permit any other person or entity to service, maintain, remove or replace all or any part of the Equipment.

**3. Agreement to Buy and Sell; Access for Propane Deliveries.** Company agrees to sell and Customer agrees to purchase from Company all propane gas ("propane") required by Customer at the Property during the term of this Agreement. Customer agrees that the Equipment shall be used solely for the receipt and storage of propane supplied and/or sold by Company to the Customer. Customer agrees that Customer shall provide Company and its authorized representatives access on, over and across the Property to deliver, fill, and refill propane in the Equipment.

**4. Initial Term of Agreement; Renewal Terms.** This Agreement shall be for an initial term of one (1) year commencing on the date of installation of the Equipment and shall be automatically renewed for successive one (1) year renewal terms on the anniversary of the installation of the Equipment. Either party may terminate this Agreement at the expiration of the initial term or at the end of any renewal term by written notice to the other party not less than thirty (30) days prior to the end of such initial term or any renewal term.

**5. Price and Payment.** Customer agrees to pay Company for all propane delivered to Customer at the Property in accordance with the Company's Schedule of Prices and Fees then in effect, plus all applicable fees and/or taxes. Invoices shall be due and payable upon Customer's receipt thereof unless other credit terms have been approved by Company as stated on the Customer's invoice. Late charges shall be assessed on payments not made by the due date as stated on the Customer's invoice. Customer agrees to pay Company a service charge of 2% per month or, if lower, the maximum percentage allowed by law, on all sums not paid by the due date as stated on the Customer's invoice.

**6. Fees.** Customer agrees to pay the prices and fees in effect on the date of any delivery or service rendered during any term of this Agreement, as set forth in the current Schedule of Prices and Fees, as it may be amended or revised from time to time by Company. Upon termination of this Agreement not resulting from a default by Company, Customer agrees to pay those fees relating to the termination of service to the Customer based upon the then-current Schedule of Prices and Fees.

**7. Maintenance.** Customer agrees that no services, connections, disconnections or the like will be made to Company's Equipment except by Company's employees or authorized contractors. At all times, the Customer shall grant Company necessary access to the Equipment in order to inspect, service, change or remove all or part of the Equipment. Customer agrees to indemnify and shall hold Company harmless from all losses, liabilities, damages, or expenses (including court costs and attorneys' fees) arising from (i) maintenance or repair of Company's Equipment by anyone other the Company or its authorized contractors; or (ii) defects or liabilities caused by equipment owned by the Customer or any third party.

**8. Termination.** This Agreement may expire at the end of an initial or renewal term as provided in section 4 above; provided however, that (a) either party may immediately terminate this Agreement by written notice should there be a material

default of the Agreement by the other party, or (b) the parties may terminate this Agreement by mutual agreement of the parties on a date agreed to by the parties. In the event of expiration or termination, Customer agrees to pay to Company (i) all sums due for propane sold or services performed by Company to Customer through the date of termination; and (ii) any applicable fees pursuant to section 6 above.

**9. Removal of Equipment; Credit for Propane in Removed Equipment.** Upon expiration of a term which is not renewed pursuant to section 4 or upon other termination of this Agreement as provided in section 8, Customer hereby grants to Company the right to remove its Equipment from the Property without notice to Customer or process of law. It is further agreed that Company shall not be liable for any damage to the Property occasioned by the removal of Company's Equipment. Until access to the Property is provided to Company to allow the removal of the Equipment, all fees pursuant to section 6 above will continue to accrue to Customer. When the Equipment is removed, Customer shall be responsible for any work, including grading and seeding, necessitated or caused by such removal and shall defend, indemnify and hold Company harmless from any and all damages or claims by any other person which may result from such removal. Company shall not be required to remove propane from the removed or to be removed Equipment, and Company shall not be required to provide a refund to Customer or any other person for propane sold to the Customer and contained in the removed Equipment.

**10. Default.** The failure of Customer to pay, when due, the purchase price for propane or other products sold or fees for services provided to Customer or any other sum due under this Agreement or the failure to do or perform any other obligation hereunder shall constitute a default under this Agreement. In the event of default, Company shall have all the rights and remedies provided at law or in equity, and in addition thereto, Company shall have the right to do any one or more of the following; (i) Company shall have the right, at its option, to credit, apply and/or offset any security deposit held by Company against any sum due from Customer hereunder without notice or demand; (ii) Company shall have the immediate right to terminate this Agreement and enter the Property and remove its Equipment without further notice or demand and charge the Customer the cost of such removal; and (iii) Company shall have the right to suspend deliveries of all propane or other products to Customer. The foregoing rights shall be cumulative and not exclusive of any other right or remedy at law or in equity.

**11. Change of Ownership of or Right to Occupy Property.** Customer agrees to notify Company not less than fifteen (15) days prior to any sale or change of ownership to the Property or the cessation of the Customer's right to occupy the Property at which the Equipment is located and to which propane is delivered pursuant to this Agreement. Customer shall advise any new owner of the Property or the new occupant of the existence of this Agreement, and Company shall not be required to provide a refund to Customer, the new owner, or the new occupant for propane sold to Customer. Notwithstanding any other provision of the Agreement, upon the sale of the Property or new occupancy of the Property, Customer's obligation to pay any fees pursuant to section 6 above may be waived by Company if the purchaser or new occupant of the Property assumes the Customer's obligations under this Agreement, or the new owner or occupant executes a new agreement, and Company continues as the supplier of propane to the new owner or occupant at the Property. No such waiver shall be effective against Company unless in writing.

**12. Damages and Indemnification.** Customer hereby releases and agrees to indemnify and hold Company, its agents, servants, employees, directors, officers, successors and assigns harmless from and against any damages, claims, liabilities and expenses (including attorney's fees) resulting (i) from Customer's use of Company's Equipment; and (ii) from any breach of this Agreement except to the extent such damages, claims, liabilities and expenses result from the sole negligence of Company or its agents, servants and employees. Company shall not be liable to Customer or other parties for personal injuries, property damages or other damages, losses or expenses resulting from the exhaustion of Customer's propane supply. This provision shall survive the expiration of the initial term or any renewal term of this Agreement or other termination of the Agreement. In no event shall Company be liable for prospective profits or special, indirect or consequential damages. Anything to the contrary herein notwithstanding, any claim by Customer against Company shall be waived and barred unless asserted by the commencement of an action within twelve (12) months after any allege event, action or inaction to which such claim relates.

**13. Unforeseeable Interruption of Service.** It is agreed that Company will supply Customer and Customer will purchase all of Customer's propane requirements during the initial term and any renewal term of this Agreement, but Company shall not be liable to Customer or any other person or entity for failure to do so if such failure is caused by events outside of Company's control, including, without limitation, any act of God, war, labor strikes or disturbances, shortage or unavailability of supply, fire, flood or other accident.

**14. Collection Costs.** In the event of default or in the event Company is required to commence an action or proceeding to recover its Equipment or any sum due hereunder for the sale of propane or any other products or services, Customer, and Customer's successors and assigns jointly and severally agree to pay the reasonable expenses, including

attorney's fees, incurred by Company in collection of such amount and in enforcing its rights hereunder.

**15. Waiver.** The failure of Company to exercise any right or remedy under this Agreement shall not be deemed a waiver of any of the obligations of Customer or the rights of Company hereunder, or be deemed a waiver of any similar default occurring at a later date. No modification of the Agreement shall be binding on Company unless in writing signed by an authorized representative of Company.

**16. Notice.** All notices hereunder shall be in writing and shall be delivered personally or sent using the United States Postal Service to the address specified herein unless changed by notice. Notice by mail shall be deemed given on the date such notice is deposited in the United States mail, postage prepaid and properly addressed.

**17. Disclaimer of All Warranties.** Company makes no representations or warranties, either express or implied, with respect to any Equipment or service supplied or performed including, but not limited to, any warranties of merchantability or fitness for a particular purpose. Under no circumstance will Company be liable for incidental, consequential or special damages, including without limitation damages to Customer's plumbing, septic system, driveway or landscaping.

**18. Assignment.** This Agreement shall be binding upon the heirs, personal representatives, executors, administrators, successors and assigns of the parties hereto whose signatures appear below; provided the Customer may not assign this Agreement without the prior written consent of Company, except as stated in section 11 of this Agreement.

**19. Entire Agreement.** This Agreement, including any addendum or attachments hereto and made part of hereof, supersedes all prior Agreements between the parties and constitutes the entire Agreement between the parties. Customer acknowledges that Customer has read the above terms, understand them and agrees to be bound by them.

**Customer further represents and agrees that (i) Customer has been made aware of the odor of propane; (ii) that Customer will make all occupants of Customer's Property and any residence or structure on such Property aware of the odor of propane; and (iii) Customer is, and prior to operating the Equipment will ensure that all occupants of Customer's residence or structure on such Property are, familiar with how to shut off the Equipment in the event the odor of propane is detected.**

## Shelby Energy Company

### Schedule of Prices and Fees for Customer Propane Service Agreements Effective as of July 1, 2024

**THIS SCHEDULE OF PRICES AND FEES FOR CUSTOMER PROPANE SERVICE AGREEMENTS IS SUBJECT TO CHANGE BY COMPANY AT ANY TIME.**

**Propane Price:** Unless otherwise agreed to in writing between Company and Customer, the price per gallon of propane sold by Company to Customer shall be the current price charged by Company for sale of propane on the date of delivery to Customer. Customer may obtain the current price charged by the Company for propane by contacting the Company by telephone at (217) 774-2311. Company may, as a condition to making the first or subsequent delivery of propane to Customer, require Customer to prepay, or to pay at delivery, the amount due for the propane delivered.

**Delivery Fee for Propane Deliveries Less than the 250-gallon Minimum Delivery Amount:** The minimum delivery to Customer to Equipment having a capacity of 500 gallons or more shall be 250 gallons. Unless otherwise agreed to by an authorized representative of the Company, if a delivery of less than 250 gallons of propane is made by Company to Customer and is delivered to Equipment having a capacity of 500 gallons or more, Customer shall be charged and pay a delivery fee for such delivery.

**Fee for Propane Deliveries after Regular Company Working Hours:** If, at Customer's request, a propane delivery is made to Customer at a time other than the Company's regular working hours, Customer shall be charged and pay a delivery fee for each such delivery.

**Fee for Out-of-Gas/Leak Checks:** If the Company performs an out-of-gas/leak check due to Customer allowing gas tank to become empty, Customer shall be charged and pay a fee for each such service. If the Company mistakenly allows a Scheduled/Keep Full Customer to run out, no Leak Check Fee will be charged.

**Tank Rent for Company-owned Equipment:** Customer shall be charged and pay tank rent for the use of Company-owned Equipment at the following rates per year, said amounts to be billed by Company to Customer as follows: (a) the tank rent for the one-year initial term shall be billed to the Customer effective as of the commencement date of such initial term under the Customer Propane Service Agreement, and (b) the tank rent for each subsequent one-year renewal term shall be billed to the Customer on each anniversary date of the commencement of the initial term under the Customer Propane Service Agreement.

\$50.00 per year for tank with capacity less than 500 gallons

\$25.00 per year for tank with capacity equal to or greater than 500 gallons

Sign up for your online account at:

**[shelbyenergyco.coop](https://shelbyenergyco.coop)**

View activity, see statements, pay online, and much more!