

ORDINANCE NO. 1089

AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Alba, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City, imposing an occupation and license tax, and relating thereto.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALBA, MISSOURI:

SECTION 1. That there is hereby granted to Southern Union Company, a corporation operating a gas distribution system in the City of Alba, Missouri, hereinafter called the Grantee, its successors and assigns, the rights, privileges and franchise, for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof.

SECTION 2. All rates established and charges made by Grantee for gas distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, or other competent authority having jurisdiction in the premises, and the sale of gas to consumers shall be governed by the present operating rules, regulations and customers of Grantee and such rules and regulations as may hereafter be prescribed or approved.

SECTION 3. All mains, pipes and services which shall be laid or installed under this grant, shall be so located and laid so as not to obstruct or interfere with any water pipes, drains, sewers or other structures already installed; and Grantee shall, in working in connection with such mains, pipes and services, avoid, so far as may be practicable, interfering with the use of any street, alley or public thoroughfare, and where Grantee disturbs the surface of a street, alley or public thoroughfare, it shall at its own expense and in a manner satisfactory to the duly authorized representative of the City, replace such pavement or surface in substantially as good condition as before said work was commenced.

SECTION 4. Whenever because of public necessity or welfare the City engages in any public improvement construction project on any property owned by the City or dedicated wholly for public use and a portion of Grantee's plant system interferes with or obstructs such public improvement project, Grantee shall, as soon as reasonably possible after written request from the City, alter, reset, or relocate at its own expense such portions of Grantee's plant system located on such property for which the sole legal basis for occupancy is this franchise ordinance; provided, however, that where the City acquires additional property or right-of-way over Grantee's existing plant system, and thereafter requires Grantee to alter, reset or relocate its system, such alteration, resetting or relocation shall be at the expense of the City.

SECTION 5. Grantee shall not later than February 1 and August 1 respectively of each year during the term hereof, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) months' period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the company. So long as Grantee shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment on its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Grantee's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Grantee agrees to recognize the same as a valid tax and make said payments during such periods.

SECTION 6. That Ordinance No. 898 is hereby repealed.

SECTION 7. The Mayor of Alba, Missouri, is hereby empowered and directed to execute a true copy of this granted franchise, and the City Clerk of said City is hereby directed to affix the City seal upon said true copy, and to attest the signature of the Mayor on said true copy, and to deliver said properly executed copy to Southern Union Company, shall thereupon execute and deliver its acceptance of said granted franchise to City Clerk.

SECTION 8. This Ordinance shall take effect and be in force from and after its passage and approval; provided that Grantee shall have filed its written acceptance within sixty (60) days from the date of such passage and approval.

Passed this 13TH day of June, 1995.

ATTEST:

Gerald E. Meredith
City Clerk

Robert Akana
Mayor

Approved this 14 day of June, 1995

Robert Akana
Mayor

STATE OF Missouri)
COUNTY OF Jackson)

SS.

BE IT REMEMBERED, that on this 24th day of July, 1995, before me, the undersigned a Notary Public, came Eugene N. Dubay, Executive Vice President and Chief Operating Officer, and Brad Ziegler, Assistant Secretary of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, and such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Brenda L. Vogt
Notary Public

BRENDA L. VOGT
Notary Public - **Notary Seal**
STATE OF MISSOURI
Jackson County
My Commission Expires: **April 3, 1999**

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF ALMA, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF ALMA, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from July 1, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Alma, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Alma now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 5th DAY OF July, 2005.

Jeff Buford
Mayor

ATTEST:

Kay Fieno
CITY CLERK

APPROVED THIS 5th DAY OF July, 2005.

Jeff Buford
Mayor

This Acceptance of Ordinance received and filed this 27th day of July, 2005.

Key Fione
City Clerk

City of Alma, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 502 of the Ordinances of the City of Alma, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Alma, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 21st day of JULY, 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President

ck
RJM
7/19/05

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 21st day of JULY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



Bill No. _____

Ordinance No. 45040

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF ANDERSON, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF ANDERSON, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from April 6, 2004, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Anderson, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Anderson now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to three (3%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 11 DAY OF April, 2005.

Bob Cauway
Mayor

ATTEST:
Nancy Call
CITY CLERK

APPROVED THIS 11 DAY OF April, 2005.

Bob Cauway
Mayor

This Acceptance of Ordinance received and filed this 25 day of

May, 2005.
Nancy Call
City Clerk

City of Anderson, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 45040 of the Ordinances of the City of Anderson, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Anderson, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 17th day of MAY, 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President

OK
RJA
5/17/05

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

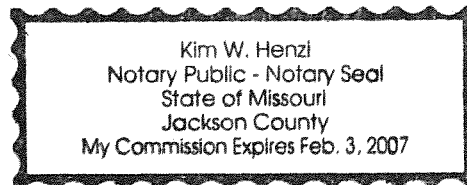
STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 17th day of MAY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



Bill No. 051

Ordinance No. 051

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF ARMSTRONG, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF ARMSTRONG, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from February 20, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Armstrong, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Armstrong now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 8 DAY OF March, 2005.

Dale Huber
Mayor

ATTEST:

Tess Sayre
CITY CLERK

APPROVED THIS 8 DAY OF March, 2005.

Dale Huber
Mayor

This Acceptance of Ordinance received and filed this 31st day of March, 2005.

Teresa Wagner
City Clerk

City of Armstrong, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 051 of the Ordinances of the City of Armstrong, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Armstrong, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 23rd day of MARCH, 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President

*DR
RJA
2/21/05*

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

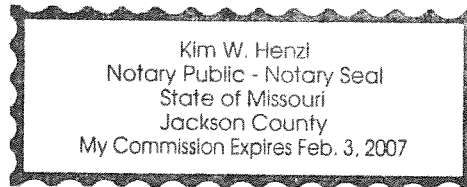
BE IT REMEMBERED, that on this 23rd day of MARCH, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:

Feb. 3, 2007



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF ASH GROVE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF ASH GROVE, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from November 7, 2004, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Ash Grove, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Ash Grove now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.


Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.


Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to four (4%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.


PASSED THIS 6th DAY OF December, 2004.


Mayor

ATTEST:


CITY CLERK

APPROVED THIS 6th DAY OF December, 2004.


Mayor

This Acceptance of Ordinance received and filed this 27th day of January, 2005.

Deborah A. Cox
City Clerk

City of Ash Grove, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 799 of the Ordinances of the City of Ash Grove, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Ash Grove, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 18th day of JANUARY, 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

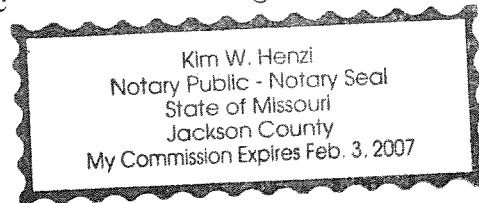
Deborah A. Cox
1/27/05

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 18th day of JANUARY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public



My Commission Expires:

Feb. 3, 2007

Bill No. 2007-2762

Ordinance No. 2007-2762

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF AURORA, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF AURORA, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from June 8, 2007, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Aurora, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Aurora now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit

such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to six (6%) percent of said gross receipts subsequent to the effective date of this franchise. So long as Company shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment of its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 12th DAY OF June, 2007.

Steven W. Kahn
Mayor

ATTEST:
Kathie Meddow
CITY CLERK

APPROVED THIS 12th DAY OF June, 2007.

Steven W. Kahn
Mayor

This Acceptance of Ordinance received
and filed this 23rd day of
July, 2007.

Kathie Needham

City Clerk

City of Aurora, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2007-2762 of the Ordinances of the City of Aurora, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Aurora, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 3rd day of JULY, 2007.

MISSOURI GAS ENERGY, a division of
Southern Union Company

ATTEST:

By Robert J. Hack

Robert J. Hack
Chief Operating Officer


Jenny Wockenfuss
Printed Name Jenny Wockenfuss

(135)

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

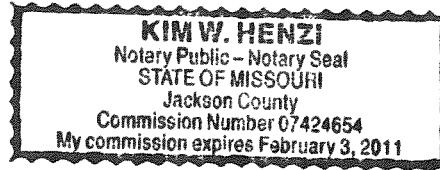
BE IT REMEMBERED, that on this 3rd day of JULY, 2007, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.


Kim W. Henzi
Notary Public

My Commission Expires:

Feb. 3, 2011



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF AVONDALE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AVONDALE, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from June 26, 2010, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Avondale, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Avondale now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 27th DAY OF April, 2010.




Mayor

ATTEST:



CITY CLERK

APPROVED THIS 27th DAY OF April, 2010.



Mayor

This Acceptance of Ordinance received and filed this 18th day of August, 2010.

Patricia Adams
City Clerk

City of Avondale, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2009-14 of the Ordinances of the City of Avondale, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Avondale, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 30th day of July, 2010.

MISSOURI GAS ENERGY, a division of Southern Union Company

By *Robert J. Hack*
Robert J. Hack
Chief Operating Officer

ATTEST:

Jenny Wockenfuuss
Printed Name JENNY WOCKENFUUSS

J

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 30th day of July, 2010, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2011



Ordinance No. 65

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF BALDWIN PARK, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF BALDWIN PARK, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system in the Village of Baldwin Park, Missouri, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from October 10, 2000, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said Village, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Baldwin Park now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of

streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the Village treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Trustees express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said Board of Trustees shall have declared the results of said vote.

PASSED THIS 28 DAY OF October, 2002.

Robert Patten
MAYOR

ATTEST:

Kerden Patten
VILLAGE CLERK

APPROVED THIS 28 DAY OF October, 2002.

Robert Patten
MAYOR

This Acceptance of Ordinance received and filed this 25th day of

January, 2003.

Kendra Pottler

Village Clerk

Village of Baldwin Park, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 65, passed and approved October 28, 2002, of the Ordinances of the Village of Baldwin Park, Missouri, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Village of Baldwin Park, Missouri, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said Village and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 9th day of December, 2002.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President and Chief Operating Officer

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

Handwritten note:
APD
1/26/02

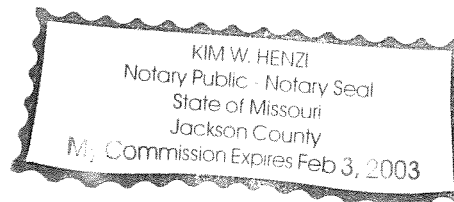
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 9th day of December, 2002, before me, the undersigned, a Notary Public, came James H. Oglesby, President and Chief Operating Officer, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2003



Ordinance No. 3.369

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF BATES CITY, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE CITY OF BATES CITY, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from March 28, 2001, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Bates City, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Bates City now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February, May, August and November 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the three (3) month period ending at the last meter reading preceding December 31, March 31, June 30 and September 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Trustees express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 14th DAY OF Jan, 2003.

Shawn E. Fox
Chairman of the Board of Trustees

ATTEST:

Stephanie Jackson
CITY CLERK

APPROVED THIS 14th DAY OF Jan, 2003.

Shawn E. Fox
Chairman of the Board of Trustees

This Acceptance of Ordinance received and filed this 11th day of March, 2003.

Stephanie Jackson
City Clerk

City of Bates City, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 3-369 of the Ordinances of the City of Bates City, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Bates City, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 6th day of MARCH, 2003.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President and Chief Operating Officer

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

SR
RJK
3/12/03

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 6th day of MARCH, 2003, before me, the undersigned, a Notary Public, came James H. Oglesby, President and Chief Operating Officer, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

Kim W. Henzi

My Commission Expires:
Feb. 3, 2007
~~2003~~



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF BELTON, MISSOURI, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BELTON, MISSOURI AS FOLLOWS:

SECTION 1. Definitions.

“Commission” is the Public Service Commission of the State of Missouri and any successor of such commission having jurisdiction of the subject matter herein.

“Facilities” shall include, but not be limited to, transmission lines, distribution lines, anchors, cables, conduits, valves, regulators, and all other apparatus and appliances incident thereto, under the ownership or control of Grantee, for all purposes for which they may be used, as are necessary for the production, transmission, and distribution of natural gas from or through Grantor to points beyond the limits thereof, for the purpose of carrying on a general natural gas distribution system, and other operations connected therewith or incident thereto, for all purposes, and to do all other things necessary and proper in providing natural gas service to the inhabitants of Grantor.

“Grantee” is Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation.

“Grantor” is the City of Belton, Missouri.

“Person” is any individual, firm, partnership, co-partnership, company, association, public or private corporation, joint stock company, trust, estate, political subdivision, governmental agency, or other legal entity recognized by law.

“Private Property” is property that belongs absolutely to a Person and of which that Person has the exclusive right of disposition.

“Public Ways” means the surface, the air space above the surface, and the area below the surface of any public right-of way, including, but not limited to, any street, road, highway, avenue, drive, boulevard, lane, path, alley, sidewalk, waterway, bridge, tunnel, park, parkway or other public right-of-way as are now within the present or future limits of Grantor, and any temporary or permanent fixtures or improvements located thereon now or hereafter held by Grantor in which Grantor holds rights sufficient, without consent of any other Person, to permit Grantee the use thereof for the purpose of installing, operating or maintaining its Facilities.

SECTION 2. Non-exclusive Rights Granted. There is hereby granted to Grantee, the rights, privileges and franchise for a period of ten (10) years from August 11, 2008, to construct, maintain and operate in the present and future Public Ways in the Grantor City its gas distribution system as now located, together with the right privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of Grantor City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Grantor City now in existence or hereafter enacted which are not inconsistent herewith.

SECTION 3. Use of the Public Ways. Grantee's facilities shall be so constructed and maintained as not to obstruct or hinder the usual travel or public safety on such Public Ways or obstruct the legal use by other utilities. Grantee's use of the Public Ways shall always be subject and subordinate to the reasonable public health, safety and welfare requirements of the Grantor. Grantee shall be subject to all applicable laws and statutes and/or rules, regulations, policies, resolutions and ordinances adopted by the Grantor, relating to the construction and use of the public right of way including but not limited to Chapter 19, Article III of the Belton City Code, as amended, attached hereto as Exhibit A and incorporated herein by reference.

SECTION 4. Construction and Maintenance of Facilities. Whenever it becomes necessary to construct or excavate in the Public Ways of the Grantor City in order to install, construct, maintain or repair any part of the Company's gas distribution system now located or to be located therein or thereon Public Property or Public Ways, the Grantee shall obtain a Right of Way Permit in accordance with Chapter 19, Article III of the Belton City Code, as amended, issued by the Grantor prior (except in the case of emergency) to commencement of each construction project. Such permits shall state the particular parts or points where said construction shall occur and the length of time in which such permits shall authorize the work to be done. Time of commencement and time of completion shall also be stated in said permits. The Grantee shall include with its permit application such plans and schedules for restoration of the Public Ways as the Grantor may reasonably require. The Grantor at all times shall have the right to inspect all construction being conducted by the Grantee or any person acting on its behalf and to stop any work being conducted if it does not meet Grantor's specifications and ordinances.

SECTION 5. Payment to Grantor. Grantee shall not later than the first day of each calendar month in each year, make a report to the City Council of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Grantor for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the Grantor's treasury a sum equal to seven (7%) percent of said gross receipts subsequent to the effective date of this franchise. So long as Grantee shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment of its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated

tax increment. Said percentage of Grantee's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Grantee agrees to recognize the same as a valid tax and make said payments during such periods.

SECTION 6. Relocation of Facilities. Whenever the Grantor engages in any public improvement construction project within the Public Ways or within a public utility easement, and a portion of Grantee's Facilities interferes with or obstructs such public improvement project, the Grantee shall, as soon as reasonably possible after written request from the Grantor, alter, reset or relocate at its own expense such portions of Grantee's Facilities located on such property; provided, however, that where the City acquires additional Public Ways or public utility easements over Grantee's existing Facilities and thereafter requires Grantee to alter, reset or relocate its Facilities, such alterations, resetting or relocation shall be at the expense of the Grantor.

SECTION 7. Force Majeure. It shall not be a breach or default under this franchise if either party fails to perform its obligations hereunder due to Force Majeure. Force Majeure shall include, but not be limited to, the following: 1) physical events such as acts of God, landslides, lightning, earthquakes, fires, freezing, storms, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery, equipment or distribution or transmission lines; 2) acts of others such as strikes, work-force stoppages, riots, sabotage, insurrections or wars; 3) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, executive order or regulation promulgated by a governmental authority having jurisdiction; and any other causes, whether of the kind herein enumerated or otherwise not reasonably within the control of the affected party to prevent or overcome. Each party shall make reasonable efforts to avoid Force Majeure and to resolve such event as promptly as reasonably possible once it occurs in order to resume performance; provided, however, that this provision shall not obligate a party to settle any labor strike.

SECTION 8. Indemnification and Insurance. Grantee shall indemnify, and forever hold harmless the Grantor, its officers, agents and employees from and against all suits, actions, , costs, claims, of any character brought because of bodily injury or death received or sustained, or loss or damage received or sustained by any person, persons or property to the extent arising out of or resulting from any negligent act or willful misconduct of the Grantee or its agents or employees in the Public Ways or on Public Property pursuant to this Agreement. The indemnity required hereunder shall not be limited by reason of the specification of any particular insurance coverage in this Agreement.

At all times while this Agreement remains in effect, and in recognition of the Indemnification provided in this Section 8, the Grantee shall, at its own cost and expense, maintain a program of third party liability insurance and/or self-insurance in the amounts specified below. As proof of this compliance, the Grantee shall, during the life of this

Agreement, keep on file with the City Clerk, a certificate of insurance with an insurance company licensed to do business in the State of Missouri and/or an affidavit of self-insurance which shall show the types and amounts of coverage.

Commercial General Liability, including coverage for contractual liability and products completed operations liability on an occurrence basis and not a claims made basis, with a limit of not less than Two Million Dollars (\$2,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage liability. The Grantor shall be included as an additional insured with respect to liability arising from Grantee's operations under this Franchise.

Or

Self-insurance providing coverage in the amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in aggregate, to protect the Grantor from and against all claims by any person whatsoever for loss or damage from personal injury, bodily injury, death or property damage occasioned by Grantee, or alleged to so have been caused or occurred.

SECTION 9. Bond. The Grantee shall, as a condition of making any excavation in, through or under any street, sidewalk, alley or Public Way in the Grantor, deposit with the Director of Finance a performance bond in the sum of FIVE THOUSAND DOLLARS (\$5,000) with sufficient surety to insure compliance with the requirements of Chapter 19, Article III of the Belton City Code, as amended, and a TWO HUNDRED DOLLAR (\$200) cash bond, or other such sum as may be established by Ordinance.

SECTION 10. Service Standards. All rates established and charges made by Grantee for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Commission, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Grantee and such rules and regulations as may hereafter be prescribed or approved.

In consideration of and as compensation for the right, privilege and franchise hereby granted, the Grantee, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Commission, if such gas is reasonably procurable and shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Grantor.

SECTION 11. Remedies. Upon a finding by either party hereto that the other party hereto has failed or refused to observe any terms and conditions of this Agreement, the non-offending party shall notify such other party in writing of the terms and conditions which it has not observed. The notice shall inform the offending party of the actions which it must take to correct the violation and shall grant such party seven (7) calendar

days to cure such failure or violation unless such failure or violation infringes upon the public safety or health in which case cure shall be immediate. In events of non-emergency, the non-offending party may agree to extend this seven (7) day cure period.

SECTION 12. Transfer and Rights and Obligations of Assignees. In the event of a sale, transfer, assignment or any other transaction Grantee may enter into which involves Grantee's rights, duties and privileges under this Ordinance, all provisions of this Ordinance which are obligatory upon, or which inure to the benefit of Grantee shall also be obligatory upon and shall inure to the benefit of any and all successors and assigns of Grantee. Further, all obligations, duties, liabilities, limitations, prohibitions, amendments and forfeitures by this Ordinance created or imposed upon Grantee shall be binding upon and be assumed, kept and performed by its legal and bona fide assigns and successors in interest, according to the true intent and purpose of this Ordinance, whether expressly so stated or not.

SECTION 13. Point of Contact and Notices. Grantee shall at all times maintain with the Grantor a local point of contact who shall be available at all times to act on behalf of Grantee in the event of an emergency. Grantee shall provide the Grantor with said local contact's name, address, telephone number, fax number and email address. Emergency notice by Grantee to the Grantor may be made by telephone to the City Clerk or Public Works Director. All other notices between parties shall be in writing and shall be made by personal delivery, depositing such notice in the U.S. Mail, Certified Mail, return receipt requested, or by facsimile. Any notice served by U.S. Mail or Certified Mail, return receipt requested, shall be deemed delivered five (5) calendar days after the date of such deposit in the U.S. Mail unless otherwise provided. Any notice given by facsimile is deemed received by the next business day. "Business day" for purposes of this section shall mean Monday through Friday, Grantor and/or Grantee observed holidays excepted.

Grantor:

City of Belton
506 Main Street
P.O. Box 230
Belton, MO 64012

Grantee:

Missouri Gas Energy
3420 Broadway
Kansas City, MO 64111
Attn: Legal Department

Or to replacement addresses that may be later designated in writing.

SECTION 14. Severability. If any clause, sentence or section of this Ordinance is deemed invalid, the remaining provisions shall not be affected.

SECTION 15. Repeal. Grantee's prior franchise ordinance, as adopted by Ordinance is hereby repealed.

Exhibit A

ARTICLE III. EXCAVATIONS

Sec. 19-31. Provisions declared supplemental.

The provisions of this article shall be in addition and supplemental to all other provisions of this Code and the ordinances of the city.

Sec. 19-32. Permit required; exception.

Any person or utility company who shall desire to make an excavation in any public right-of-way within the city limits shall first obtain a permit from the public works director for such cut (cost five dollars (\$5.00)). It shall be unlawful for any person, except employees of the city in the course of their employment, to open, dig into, remove the surface from, excavate, bore or tunnel under any street, sidewalk, alley, public right-of-way or public place without first obtaining a permit. Any work begun without a permit shall be stopped immediately upon notice from the city inspector. Excavations which are made in emergency situations shall be reported to the public works director on the morning of the next regular workday.

(Ord. No. 89-1884, § 1, 4-11-89; Ord. No. 89-1899, § 1, 6-13-89)

Sec. 19-33. Application for permit, fee.

The application for a permit required by this article shall contain such information as the administrative officer deems necessary, and shall be accompanied by a fee in the amount of five dollars (\$5.00).

Note: Additionally, the user's attention is also directed to the following § 19-34.

Sec. 19-34. Application; deposit; repair fee; deposit for permits.

(a) Applications for permits shall be accompanied by a copy of the surety and cash bonds required in section 19-35.

(b) In addition to all other deposits, repairs on the final surface of asphalt streets will be billed to the contractor or utility at the rate of twenty-five dollars (\$25.00) per square yard.

(c) In connection with block cuts if, in the opinion of the public works director, such cuts substantially reduce the anticipated life of the street surface, he may require that the person or company involved resurface the entire block or some lesser portion thereof so that the entire surface shall be restored to substantially the same condition it was in prior to the time cuts were made. In making this determination, the public works director shall take into consideration the age of the existing surface, the space between the cuts involved, and the type of paving surface involved.

(d) A ten (10) per cent penalty shall accrue when billings are not paid within sixty (60) days of receipt of monthly statements.

(Ord. No. 89-1884, § 1, 4-11-89; Ord. No. 89-1899, § 1, 6-13-89)

Sec. 19-35. Bond required for excavation of right-of-way.

All persons and contractors who are engaged in the business of excavating in the right-of-way shall be required to post a bond in the amount of five thousand dollars (\$5,000.00)

with sufficient surety to insure compliance with the requirements of this article, and a two hundred dollar (\$200.00) cash bond. Any contractor who consistently produces faulty backfill may be refused permits at the discretion of the public works director or city administrator. When in the opinion of the public works director the volume of the cuts exceeds the city's ability to properly make repairs, the bond requirements may be increased.

(Ord. No. 89-1884, § 1, 4-11-89; Ord. No. 89-1899, § 1, 6-13-89)

Sec. 19-36. Excessive repair work to be contracted out.

When in the opinion of the public works director the volume of paving cuts requested by a contractor exceeds the city's ability to repair the same within a reasonable period of time, the city may at its option, submit the repair work to public bid and accept the bid of the lowest responsible bidder and in such event shall charge the person or company concerned the actual costs of such repair together with the permit fees involved.

(Ord. No. 89-1884, § 1, 4-11-89; Ord. No. 89-1899, § 1, 6-13-89)

Sec. 19-37. Traffic, safety requirements.

(a) Traffic lanes and sidewalks shall be left open and maintained on streets while work is in progress. Blocking or barricading of streets and intersections will not be permitted, without the approval of the public works director, who shall in turn notify other departments of the city including the fire and police departments.

(b) Persons excavating in streets will be required to provide facilities enabling the use of intersections by pedestrians and driveways by residents located on streets where work is in progress. As a protection to traffic and pedestrians, barricades or dirt excavated shall be maintained adjacent to the excavation. When the work concerned is a public hazard, signs signifying the same shall be exhibited. Amber lights or flares shall be maintained on excavations from dusk to daybreak. Such equipment shall be located at each end and along the entire length of the excavation, and unless lights can be observed from any direction, additional lights or flares shall be provided. Lights shall also be maintained on tool boxes, machinery or other equipment left on public streets or alleys.

(Ord. No. 89-1884, § 1, 4-11-89; Ord. No. 89-1899, § 1, 6-13-89)

Sec. 19-38. Work to be inspected.

The cut and repair of any street or alley shall be under the supervision of the public works director. If the work is not completed to the satisfaction of the public works director, the public works director shall so notify the contractor or applicant by which the street or alley cut is being made and shall state in writing his objections thereto. If the contractor does not cause the street or alley repairs to be properly completed within ten (10) days from the receipt of the notice, he shall be deemed to be in violation of this article and the deposit shall be forfeited to the city.

(Ord. No. 89-1884, § 1, 4-11-89; Ord. No. 89-1899, § 1, 6-13-89)

Sec. 19-39. Backfill and pavement repairs.

(a) *Generally.* After the work for which the cut was made has been completed, the backfill and pavement repairs shall be made in accordance with specifications which have been prepared by the public works director.

(b) *Asphalt streets.* The public works director shall be notified when the gravel backfill is completed or anticipated to be completed on any asphalt street. It will be the duty of the public works director to supervise the inspection of the gravel backfill and approve it prior to the pouring of eight (8) inches of unreinforced concrete by the contractor or utility. The street department will then complete the top surface asphalt paving repairs on the cut.

(c) *Non-asphalt streets.* The public works director shall be notified when the gravel backfill is completed or anticipated to be completed on any non-asphalt street. It will be the duty of the public works director to supervise the inspection of the gravel backfill and approve it prior to the pouring of the eight-inch slab and top surface concrete paving which will be done by the contractor in one (1) pour.

(Ord. No. 89-1884, § 2, 4-11-89; Ord. No. 89-1899, § 2, 6-13-89)

Sec. 19-40. Violations; penalty.

Any person violating any provision of this article, or any condition or regulation of a permit hereunder, shall be punished as provided in section 1-8, and furthermore shall be subject to having his permit revoked.

(Ord. No. 89-1884, § 2, 4-11-89; Ord. No. 89-1899, § 2, 6-13-89)

Secs. 19-41--19-49. Reserved.

This Acceptance of Ordinance received and filed this 24th day of November, 2009.

Patricia Ledger
City Clerk

City of Belton, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2009-3575 of the Ordinances of the City of Belton, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Belton, Missouri, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 12th day of November, 2009.

MISSOURI GAS ENERGY, a division of Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

ATTEST:

Jenny Wockenfuss
Printed Name Jenny Wockenfuss



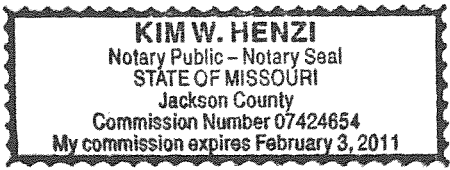
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 12th day of NOVEMBER, 2009, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
2-3-11



Bill No. 1042

Ordinance No. 1042

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF BILLINGS, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF BILLINGS, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from September 5, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Billings, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Billings now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

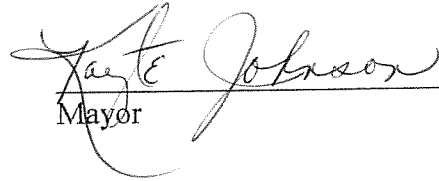
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 11th DAY OF August, 2005.



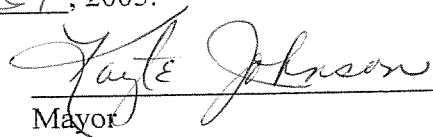
Mayor

ATTEST:



CITY CLERK

APPROVED THIS 11th DAY OF August, 2005.



Mayor

This Acceptance of Ordinance received and filed this 28th day of September, 2005.

Ruth M. Haskins
City Clerk

City of Billings, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 1042 of the Ordinances of the City of Billings, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Billings, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 1st day of SEPTEMBER 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
President

dl
PJA
8/21/05

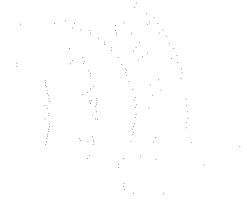
ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

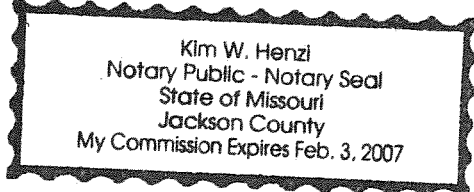
BE IT REMEMBERED, that on this 1st day of SEPTEMBER, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.


Kim W. Henzi

Notary Public

My Commission Expires:
Feb. 3, 2007



Ordinance No. 1098

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF BIRMINGHAM, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF BIRMINGHAM, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from October 8, 2010, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the Village of Birmingham, Missouri, herein called Village, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Birmingham now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time

open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the Village treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Trustees express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 17th DAY OF JAN, 2011.


CHAIRMAN, BOARD OF TRUSTEES

ATTEST:


VILLAGE CLERK

APPROVED THIS 17th DAY OF JAN, 2011.


CHAIRMAN, BOARD OF TRUSTEES

This Acceptance of Ordinance received
and filed this 21 day of
February 2011.

Jeanne Horkinson
Village Clerk

Village of Birmingham, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 1098 of the Ordinances of the Village of Birmingham, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Village of Birmingham, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 7th day of February, 2011.

MISSOURI GAS ENERGY, a division of
Southern Union Company

ATTEST:

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

Jenny Wockenfass
Jenny Wockenfass

TJ

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 17th day of February, 2011, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Linda L. Lane
Notary Public

My Commission Expires:

May 19, 2014



LINDA L LANE
My Commission Expires
May 19, 2014
Clay County
Commission #10418000

Bill No. 7 - 00

Ordinance No. 5.110 - 07

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF BLACKBURN, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF BLACKBURN, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from April 8, 2007, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Blackburn, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Blackburn now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise. So long as Company shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment of its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 14~~th~~ DAY OF May, 2007.

Karen Sims
Mayor

ATTEST:

Janet Eickholz
CITY CLERK

APPROVED THIS 14~~th~~ DAY OF May, 2007.

Karen Sims
Mayor

This Acceptance of Ordinance received and filed this 17th day of September, 2007.

[Signature]
City Clerk

City of Blackburn, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 5.110-07 of the Ordinances of the City of Blackburn, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Blackburn, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 22nd day of AUGUST, 2007.

MISSOURI GAS ENERGY, a division of Southern Union Company

By [Signature]
Robert J. Hack
Chief Operating Officer



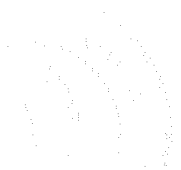
ATTEST:

[Signature]
Jenny Wockenfuss

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 22nd day of AUGUST, 2007, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

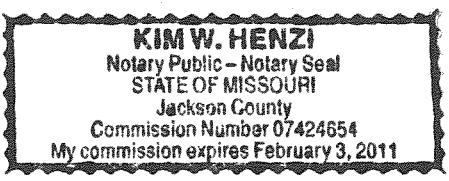
IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.



Kim W. Henzi
Notary Public

My Commission Expires:

Feb. 3, 2011



Proposed by: Legal

Bill No. 3953

Introduced by Councilman Quibell

Ordinance No. 4139

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF BLUE SPRINGS, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF BLUE SPRINGS, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from March 7, 2008, to construct, maintain and operate in the present and future streets, alleys, bridges, and public places in the City of Blue Springs, Missouri, herein called City, its gas distribution system as now located, together with the rights, privileges and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Blue Springs now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

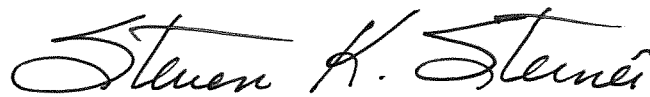
Section 3. That in consideration of and as compensation for the rights, privileges and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise. So long as Company shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment of it charges for natural gas services rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED by the City Council of the City of Blue Springs, Missouri, and approved by the Mayor of Blue Springs, this 19th day of February, 2008.



Steven K. Steiner, Mayor

ATTEST:



Kathy Richardson, City Clerk

1st reading: February 19, 2008

2nd reading: February 19, 2008

This Acceptance of Ordinance received
and filed this 11 day of
March, 2008.

Kathy Richardson
City Clerk

City of Blue Springs, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 4139 of the Ordinances of the City of Blue Springs, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Blue Springs, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 4th day of MARCH, 2008.

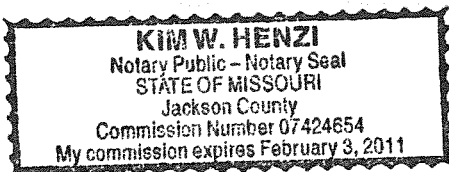
MISSOURI GAS ENERGY, a division of
Southern Union Company

ATTEST:

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

Kim W. Henzi
Printed Name Kim W. Henzi

(13)



STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 4th day of March, 2008, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Linda L. Lane
Notary Public

My Commission Expires:
May 19, 2010



LINDA L. LANE
My Commission Expires
May 19, 2010
Clay County
Commission #06418000

BILL NO. 02-21

ORDINANCE NO. 671

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF BUCKNER, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF BUCKNER, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system in the City of Buckner, Missouri, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Buckner now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

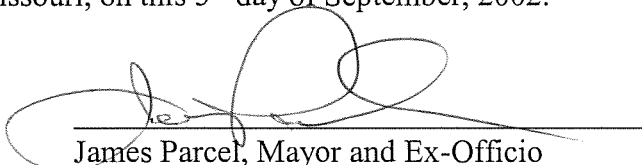
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys

or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

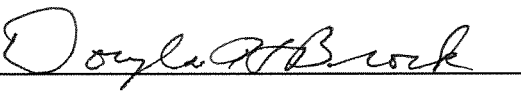
Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five percent (5%) of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees, except the City's standard business license) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Trustees express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

Read two times by title only on September 5, 2002, and duly passed by the Board of Aldermen of the City of Buckner, Missouri, on this 5th day of September, 2002.


James Parcel, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:


Douglas H. Brock, City Clerk/Administrator

APPROVED by the Mayor this 5th day of September, 2002.

This Acceptance of Ordinance received
and filed this 11th day of
November, 2002.

Douglas H. Brock
City Clerk

City of Buckner, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 671 of the Ordinances of the City of Buckner, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Buckner, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 29th day of OCTOBER, 2002.

MISSOURI GAS ENERGY, a division of
Southern Union Company

ATTEST:

By James H. Oglesby
James H. Oglesby
President and Chief Operating Officer

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

JK
12/4
10/25/02

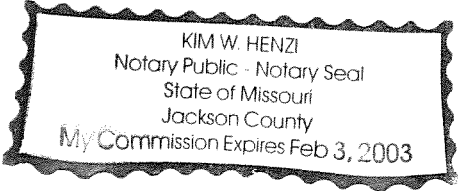
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 29th day of OCTOBER, 2002, before me, the undersigned, a Notary Public, came James H. Oglesby, President and Chief Operating Officer, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public Kim W. Henzi

My Commission Expires:
Feb. 3, 2003



Bill No. 107

Ordinance No. 107

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF BUTTERFIELD, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF BUTTERFIELD, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from September 1, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the Village of Butterfield, Missouri, herein called Village, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Butterfield now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

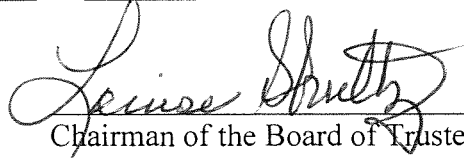
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time

open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the six (6) month period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the Village treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Trustees express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

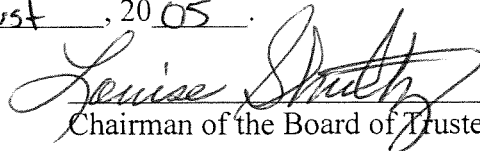
PASSED THIS 23 DAY OF August, 2005.


Chairman of the Board of Trustees

ATTEST:


VILLAGE CLERK

APPROVED THIS 23 DAY OF August, 2005.


Chairman of the Board of Trustees

This Acceptance of Ordinance received
and filed this 15th day of
October, 2005.

[Signature]
Village Clerk

Village of Butterfield, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 107 of the Ordinances of the Village of Butterfield, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Village of Butterfield, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said Village and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 22nd day of SEPTEMBER, 2005.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By [Signature]
James H. Oglesby
President and Chief Operating Officer

de
P/PA
9/21/05

ATTEST:

[Signature]
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
COUNTY OF JACKSON)

ss.

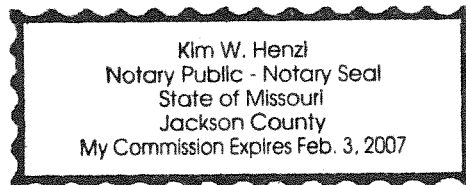
BE IT REMEMBERED, that on this 22nd day of SEPTEMBER, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President and Chief Operating Officer, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:

Feb. 3, 2007



Bill No. _____

Ordinance No. 248

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CAMDEN POINT, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CAMDEN POINT, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from April 13, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Camden Point, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Camden Point now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or

encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 9th DAY OF May, 2005.

Gloria Boyer
Mayor

ATTEST:

Julie Ann Dudley
CITY CLERK

APPROVED THIS 9th DAY OF May, 2005.

Gloria Boyer
Mayor

This Acceptance of Ordinance received
and filed this 21st day of
June, 2005.

Julie Ann Dudley
City Clerk

City of Camden Point, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 248 of the Ordinances of the City of Camden Point, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Camden Point, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 18th day of MAY, 2005.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By James H. Oglesby
James H. Oglesby
President

dk
RJN
5/20/05

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

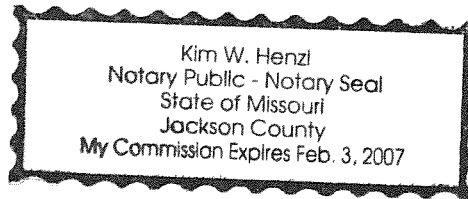
BE IT REMEMBERED, that on this 18th day of MAY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:

Feb. 3, 2007



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING AS GAS DISTRIBUTION SYSTEM IN THE CITY OF CAMERON, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI, AS FOLLOWS:

Section 1. There is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of ten (10) years from March 18, 2003, to construct, maintain and operate in the present and future right-of-ways in the City of Cameron, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to Ordinance 4816 and to all lawful ordinances of the City of Cameron now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's street, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the city. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. In consideration of, and as compensation for the right, privilege and franchise and use permit hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open

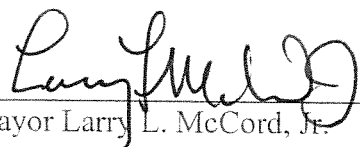
or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill and excavations and replace all pavements as prescribed by the Public Works Superintendent; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1, and August 1 respectively of each year, make a report to the governing board of the city of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payment during such periods.

Section 5. The Company shall secure a certificate of insurance for liability policies insuring Permittee and the City as coinsures for limits consistent with Section 8.9.1 of Ordinance 4816.

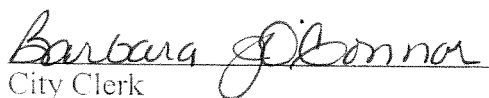
Section 6. If a majority of the Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

Read two times, passed and approved this 18th day of March 2003.



Mayor Larry L. McCord, Jr.

ATTEST:



City Clerk


SEAL

This Acceptance of Ordinance received
and filed this 23rd day of
April, 2003.

Barbara Johnson
City Clerk

City of Cameron, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 4981 of the Ordinances of the City of Cameron, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Cameron, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 15th day of April, 2003.

MISSOURI GAS ENERGY, a division of
Southern Union Company

ATTEST:

By James H. Oglesby
James H. Oglesby
President

OK
RJH
4/14/03

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

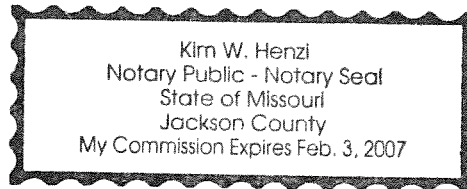
STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 15th day of April, 2003, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CARL JUNCTION, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CARL JUNCTION, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from April 30, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Carl Junction, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Carl Junction now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

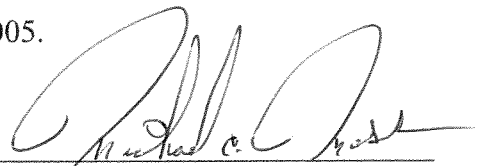
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or

encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 3rd DAY OF May, 2005.



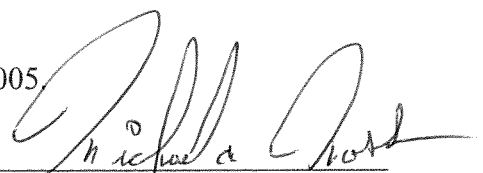
Mayor

ATTEST:



CITY CLERK

APPROVED THIS 3rd DAY OF May, 2005.



Mayor

This Acceptance of Ordinance received and filed this 26th day of May, 2005.

M. J. Matney
City Clerk

City of Carl Junction, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 05-20 of the Ordinances of the City of Carl Junction, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Carl Junction, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 18th day of MAY, 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President

Handwritten note:
OK
RJA
5/19/05

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 18th day of MAY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzl
Notary Public

My Commission Expires:
Feb. 3, 2007



Bill No. _____

Ordinance No. 1069

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE TOWN OF CARROLLTON, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID TOWN AND RELATING THERETO.

BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF CARROLLTON, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from August 4, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the Town of Carrollton, Missouri, herein called Town, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Town and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Town of Carrollton now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Town's streets, alleys, bridges or other public places at no expense to the Town when reasonably requested to do so by the Town. Such requests made by the Town shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Town; shall at all times save the Town harmless from any and all damages which said Town may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time

open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Town, if so desired; and shall repay said Town all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Town after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the Town of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Town for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the Town treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 18th DAY OF July, 2005.

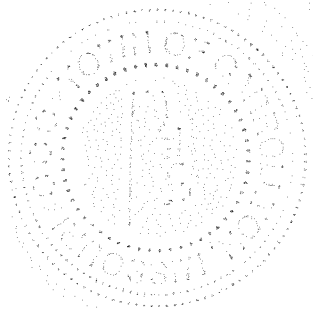
Sharon E. Melg
Mayor

ATTEST:

Carol Pink
TOWN CLERK

APPROVED THIS 18th DAY OF July, 2005.

Sharon E. Melg
Mayor



This Acceptance of Ordinance received
and filed this 15 day of
August, 2005.

Carol Pink
Town Clerk

Town of Carrollton, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 1069 of the Ordinances of the Town of Carrollton, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Town of Carrollton, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said Town and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 27th day of JULY, 2005.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By James H. Oglesby
James H. Oglesby
President

Handwritten: R
RJA
7/25/05

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 27th day of JULY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb-3, 2007



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CARTERVILLE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CARTERVILLE, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from August 14, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Carterville, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Carterville now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

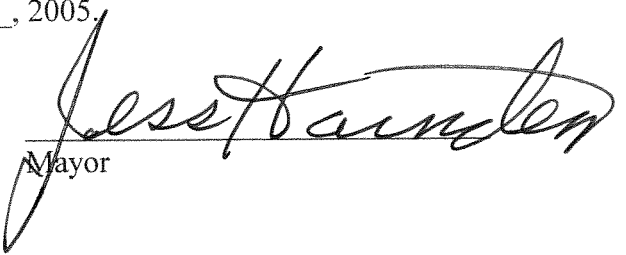
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

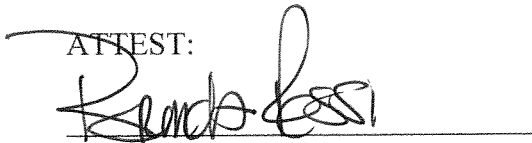
Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

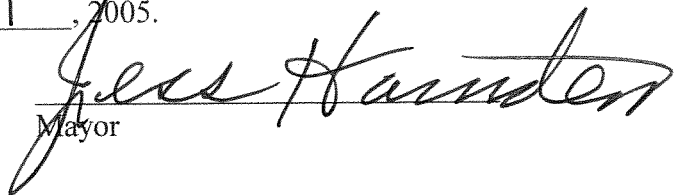
Section 5. If a majority of the City Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 2 DAY OF AUGUST, 2005.


Mayor

ATTEST:

CITY CLERK

APPROVED THIS 2 DAY OF AUGUST, 2005.


Mayor

This Acceptance of Ordinance received
and filed this 23 day of
AUGUST, 2005.

Barbara Bossi

City Clerk

City of Carterville, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2681 of the Ordinances of the City of Carterville, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Carterville, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 12th day of August, 2005.

MISSOURI GAS ENERGY, a division of
Southern Union Company

ATTEST:

By James H. Oglesby
James H. Oglesby
President


Handwritten signature of James H. Oglesby
Handwritten initials: dk, RJA, 8/12/05

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

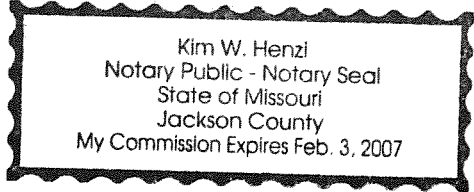
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 12th day of August, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.


Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CARTHAGE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CARTHAGE, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from June 26, 2010, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Carthage, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Carthage now in existence or hereafter enacted which are not inconsistent herewith.

Section 2. Whenever because of public necessity or welfare the City engages in any public improvement construction project on any property owned by the City or dedicated wholly for public use and a portion of Company's distribution system interferences with or obstructs such public improvement project, Company shall, as soon as reasonably possible after written request from the City, alter, reset, or relocate at its own expense such portions of Company's distribution system located on such property for which the sole legal basis for occupancy is this franchise ordinance; provided, however, that where the City acquires additional property or right-of-way over Company's existing distribution system, and thereafter requires Company to alter, reset or relocate its system, such alteration, resetting or relocation shall be at the expense of the City.

Section 3. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 4. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise

from the construction, maintenance and operation by the Company of its distribution system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; it shall at its own expense and in a manner reasonably satisfactory to the duly authorized representative of the City, replace such pavement or surface in substantially as good condition as before said work was commenced; and if it is desired that the City complete the repairs or replacement then the Company shall repay said City all expenses to which it has put in the repair or replacement of streets, highways or pavements at the current rate established by the City.

Section 5. All mains, pipes and services, which shall be laid or installed under this franchise, shall be so located and laid so as not to obstruct or interfere with any water pipes, drains, sewers or other structures already installed; and Company shall, in working in connection with such mains, pipes and services, avoid, so far as may be practicable, interfering with the use of any street, alley or other public thoroughfare, it shall at its own expense and in a manner reasonably satisfactory to the duly authorized representative of the City, replace such pavement or surface in as substantially as good condition as before said work was commenced.

Section 6. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 7. If a majority of the Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

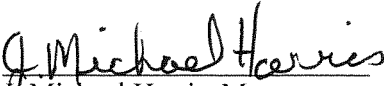
Section 8. Company shall carry all insurance and/or bonds as required by the Missouri Revised Statutes and shall provide a copy of any insurance policies and/or bonds to the city on a annual basis no later than January 31 of each calendar year.

Section 9. All ordinances or parts of ordinances in conflict herewith are hereby repealed. The validity of any section, clause, sentence or provision of any other parts of this ordinance shall not affect the validity of any other parts of this ordinance which can be given effect without such invalid part or parts.

Section 10. Company shall allow the City access to all financial records, submitted to the Public Service Commission, related to the sale of gas within the corporate limits of the City on a yearly basis.

Section 11. This ordinance shall take effect and be in force from and after its passage and approval.

PASSED AND APPROVED THIS. 13th DAY OF . July, 2010.


Michael Harris, Mayor

ATTEST:


CITY CLERK

This Acceptance of Ordinance received
and filed this 10th day of
August, 2010.

Lynn Campbell
City Clerk

City of Carthage, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 10-21 of the Ordinances of the City of Carthage, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Carthage, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 23rd day of July, 2010.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

ATTEST:

JENNY WOCKENFUSS
Printed Name Jenny Wockenfuuss

JJ

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

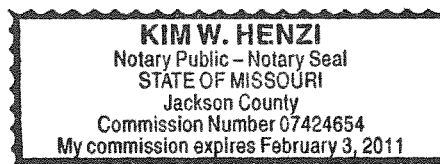
BE IT REMEMBERED, that on this 23rd day of July, 2010, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:

Feb. 3, 2011



AN ORDINANCE OF THE CITY OF CASSVILLE, MISSOURI GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CASSVILLE, MISSOURI, ITS SUCCESSORS AND ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY, IMPOSING AN OCCUPATION AND LICENSE TAX, AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CASSVILLE, MISSOURI AS FOLLOWS:

SECTION ONE: That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system in the City of Cassville, Missouri, herein called the Company, its successors and assigns, the rights, privileges and franchise, for a period of (20) twenty years from the February 18, 2003, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Cassville, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Cassville now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that the Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other placed at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

SECTION TWO: All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, or other competent authority having jurisdiction in the premises, and the transportation, distribution and the sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.


SECTION THREE: That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

SECTION FOUR: Company shall no later than February 1 and August 1 respectively of each year make a report to the Governing Body of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to four (4%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

SECTION FIVE: If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote of the Board of Aldermen.

SECTION SIX: Ordinance Number 942 and 1398 are hereby repealed, such repeal to be effective on the effective date hereof.

PASSED BY THE BOARD OF ALDERMEN AND APPROVED BY THE MAYOR THIS 17TH DAY OF MARCH, 2003.


James R. Craig, Jr., Mayor

ATTEST:


Kelly Paul, City Clerk

APPROVED AS TO FORM:


David A. Cole, Assistant City Attorney

This Acceptance of Ordinance received and filed this 8th day of May, 2003.

Kerry Paul
City Clerk

City of Cassville, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 1404 of the Ordinances of the City of Cassville, Missouri, the same being entitled:

“AN ORDINANCE of the City of Cassville, Missouri granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Cassville, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City, imposing an occupation and license tax, and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 24th day of April, 2003.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President

JK
FPH
4/24/03

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

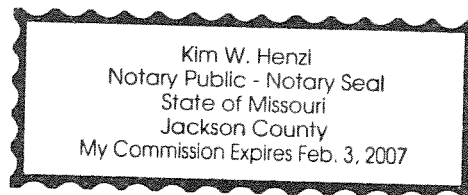
BE IT REMEMBERED, that on this 24th day of April, 2003, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:

Feb. 3, 2007



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CENTERVIEW, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CENTERVIEW, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from April 19, 2007, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Centerview, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Centerview now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or

encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

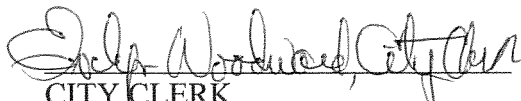
Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 19th DAY OF February, 2007.


Mayor

ATTEST:


CITY CLERK

APPROVED THIS 7th DAY OF March, 2007.


Mayor

REFERENCE ORDINANCE NO. 199, PROCEDURE TO ENACT ORDINANCES, Feb, 1994.

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CENTERVIEW, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

It was moved by Jeff Jones and seconded by James Foote that Bill No. 07-3 be introduced and read one time ~~(in full)~~ (by title only). (Strike one that does not apply.) Motion carried. Bill No. 07-3 was read ~~(in full)~~ (by title only).

It was moved by James Foote and seconded by Frank Todd that Bill No. 07-3 be read the second time ~~(in full)~~ (by title only). Thereupon Bill No. 07-3 was placed upon final passage with the following votes:

<u>YEA</u>	<u>NAY</u>
<u>J. M. Jones</u>	_____
<u>James Foote</u>	_____
<u>Frank Todd</u>	_____

Bill No. 07-3 was declared adopted and placed in the Ordinance Book as Ordinance No. 301.

This date: February 19, 2007

Mavis Chamberlain, Mayor
Mayor

ATTEST:

Salvy Orland, City Clerk
City Clerk

This Acceptance of Ordinance received
and filed this 4th day of
May, 2007.

Dale J. Howard, City Clerk
City Clerk

City of Centerview, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 301 of the Ordinances of the City of Centerview, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Centerview, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 30th day of April, 2007.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

ATTEST:

Jenny Wockenfuss
Jenny Wockenfuss

(TJ)

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 30th day of April, 2007, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.



Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2011



JOHN T. KAY

ATTORNEY AT LAW
405 NORTH HIGH STREET
CALIFORNIA, MISSOURI 65018
Business Phone: (573) 796-2186
Fax: (573) 796-2391



July 24, 2017

Missouri Gas Energy
Drawer 2
St. Louis, MO 63171

**Re: City of Clarksburg, Missouri
Business / Gross Receipts Tax**

Good Morning:

Your company supplies services to the City of Clarksburg, Missouri.

On April 4, 2017, the voters approved a ballot measure which imposes a business tax on utility providers equal to 6% of annual gross receipts.

On April 24, 2017, the Clarksburg Board of Aldermen enacted Ordinance 4-24-17A to implement the approved ballot measure. A copy of this ordinance is enclosed.

Please contact me if you have any questions about your compliance with the new enclosed ordinance.

Thank you.

Sincerely,

A handwritten signature in black ink that reads "John T. Kay". The signature is fluid and cursive, with a long, sweeping tail on the "y".

John T. Kay
City Attorney

JTK:sh
Enclosure: Ordinance 4-24-17A

**BEFORE THE BOARD OF ALDERMEN
OF THE CITY OF CLARKSBURG**

ORDINANCE NO. 4-24-17A

**AN ORDINANCE IMPOSING A BUSINESS FRANCHISE TAX /
GROSS RECEIPTS TAX ON CERTAIN PROVIDERS
OF UTILITY SERVICES WITHIN THE
CITY OF CLARKSBURG, MISSOURI**

BE IT RESOLVED by the Board of Alderman of the City of Clarksburg, Missouri
as follows:

1. On April 4, 2017, the voters of the City approved the following ballot:

Proposition A

Shall the City of Clarksburg, MO impose a business tax on all electric, gas, telecommunications,
internet, cable and other public utilities doing business in the City equal to 6% of annual gross
receipts?

Yes

No

2. Certification of passage of this ballot measure by the election authority is hereto
attached.
3. The purpose of this ordinance is to implement this ballot measure.
4. DEFINITIONS:
 - A. "gross receipts" is the aggregate amount of all sales and charges of the
commodities or services relative to the business of supplying or providing
electric, gas, telecommunications, internet, cable and other public utilities within
the City of Clarksburg, Missouri.

B. "person" shall mean any individual or business entity, public or private, engaged in the business of providing services within the City which include those enumerated in the ballot measure.

5. IMPOSITION OF TAX: Every person engaged in the business of providing electric, gas, telecommunication, internet, cable and the public utilities within the City shall pay a license / franchise tax equal to six percent (6%) of gross receipts from such business.

6. OTHER CITY TAXES: The payment of the license / franchise tax shall not exempt the person from the payment of any real or personal property taxes or sales tax lawfully due the City.

7. FILING OF STATEMENT OF GROSS RECEIPTS: Every person required to pay the license / franchise tax herein imposed shall cause to be filed with the City Collector on January 15 and July 15 of each year a true statement, under oath, of the gross receipts of such person for the six calendar months next preceding the filing of such statement. The City Collector, Treasurer or other authorized officer may investigate the correctness and accuracy of such semi-annual statements, and for that purpose shall have access at all reasonable times to the books, documents, papers or records of the licensee.

8. PAYMENT OF TAX: The tax imposed herein shall be payable semi-annually on January 20, and July 20 of each calendar year, based on the gross receipts for the preceding six-month period.

9. PENALTY FOR FAILURE TO PAY TAX: Any person required to be licensed by this ordinance who shall fail to file a semi-annual report as herein required or who shall willfully fail or refuse to pay the tax herein imposed when due shall, for such failure, for the first 30 days or any part thereof, pay, in addition to such license / franchise tax, a penalty of ten

percent (10%) of the gross tax due and unpaid, and for such failure or refusal of each succeeding 30 days or any part thereof, shall pay, as a penalty, three percent (3%) of such tax and penalties due so long as such tax shall remain unpaid.

10. EFFECTIVE DATE: The tax herein imposed shall be effective July 1, 2017 and the first semi-annual report shall be due January 15, 2018.

11. REPEAL OF EARLIER TAX. The franchise / business / gross receipts tax now in effect by the City shall be repealed effective July 1, 2017. This ordinance shall not implicitly repeal any other ordinances of the City of Clarksburg, Missouri.

12: This ordinance shall be in full force and effect upon passage.

This Ordinance was read three times and passed on this 24th day of April, 2017.

Attest: Shirley Elliott
City Clerk

William Jay Carpton
Mayor

**CERTIFICATION OF ELECTION RESULTS
BY MONITEAU COUNTY CLERK**

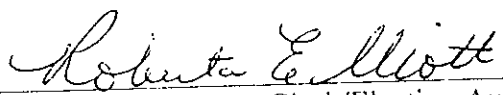
To Shirley Elliott, City Clerk of the City of Clarksburg, Missouri: The following is an Official Certificate of Election Results of the Municipal General Election held in the City of Clarksburg Missouri, Moniteau County Missouri, on the 4th day of April 2017.

City of Clarksburg Mayor	Write-in-Larry Carpenter	received	26
Alderman North	Write-in-Donna Ward	received	3
Alderman South	Write-in-Lanny Carpenter	received	19

City of Clarksburg Question	Received	YES	34
	Received	NO	8

CERTIFICATE OF ELECTION RESULTS

I, Roberta Elliott, County Clerk/Election Authority of Moniteau County, Missouri, do hereby certify that the foregoing is a full and accurate return of all votes cast at the above named polling place FOR and AGAINST Question at said election as certified to me by the duly qualified and acting judges of said election.



Roberta Elliott County Clerk/Election Authority
April 7th, 2017

Bill No. 3-28-05 A

Ordinance No. 3-28-05

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CLARKSBURG, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CLARKSBURG, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from June 23, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Clarksburg, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Clarksburg now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or

encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 28 DAY OF March, 2005.

Charles Parker
Mayor

ATTEST:

Linda Lucas
CITY CLERK

APPROVED THIS 28 DAY OF March, 2005.

Charles Parker
Mayor

This Acceptance of Ordinance received
and filed this 5th day of
May, 2005.

Linda Lucas
City Clerk

City of Clarksburg, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 3-28-05 of the Ordinances of the City of Clarksburg, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Clarksburg, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 12th day of APRIL, 2005.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By [Signature]
James H. Oglesby
President

Handwritten note:
OK
RDW
4/20/05

ATTEST:

[Signature]
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

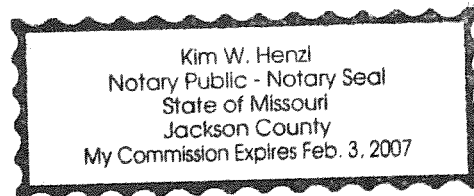
BE IT REMEMBERED, that on this 12th day of APRIL, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzl
Notary Public

My Commission Expires:

Feb. 3, 2007



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF CLAYCOMO, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF TRUSTESS OF THE VILLAGE OF CLAYCOMO, CLAY COUNTY, MISSOURI, AS FOLLOWS:

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system in the Village of Claycomo, Missouri, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said Village, it's gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Claycomo now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as it practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation of the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to

the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February and August 1 respectively of each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the Village treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise; Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Trustee express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED this 8th day of April 2002.



CHAIRMAN OF THE BOARD OF TRUSTEES

ATTEST:



LOIS A. ANDERSON, VILLAGE CLERK

APPROVED this 8th day of April 2002.



CHAIRMAN OF THE BOARD OF TRUSTEES

This Acceptance of Ordinance received
and filed this 3rd day of
July, 2002.

Ken A. Anderson
Village Clerk

Village of Claycomo, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2605 of the Ordinance of the Village of Claycomo, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Village of Claycomo, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said Village, and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 27th day of JUNE, 2002.

MISSOURI GAS ENERGY, a division of
Southern Union Company

BY

James H. Oglesby
James H. Oglesby
President

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 27th day of JUNE, 2002, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public
Kim W. Henzi

My Commission Expires:
Feb. 3, 2003



Bill No. 425

Ordinance No. 09-0013

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CLEVELAND, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CLEVELAND, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from January 16, 2010, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Cleveland, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Cleveland now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 20th DAY OF October, 2009.

Patricia R. Masterson
Mayor

ATTEST:

Tasneem Nawaz
CITY CLERK

APPROVED THIS 20th DAY OF October, 2009.

Patricia R. Masterson
Mayor

This Acceptance of Ordinance received and filed this 23rd day of November, 2009.

Tasneem Nawaz
City Clerk

City of Cleveland, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 09-0013 of the Ordinances of the City of Cleveland, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Cleveland, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 12th day of November, 2009.

MISSOURI GAS ENERGY, a division of Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

ATTEST:

Jenny Wockenfass
Printed Name Jenny Wockenfass



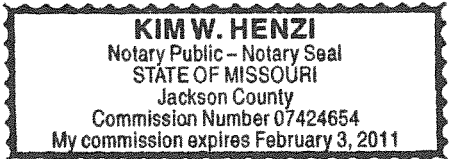
STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 12th day of NOVEMBER, 2009, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
2-3-11



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CLEVER, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CLEVER, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system in the City of Clever, Missouri, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Clever now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to four (4%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 8th DAY OF July, 2002.


DONALD E. CLARK, MAYOR

ATTEST:


CITY CLERK

APPROVED THIS 8th DAY OF July, 2002.


DONALD E. CLARK, MAYOR

This Acceptance of Ordinance received
and filed this 16th day of
AUGUST, 2002.


City Clerk

City of Clever, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

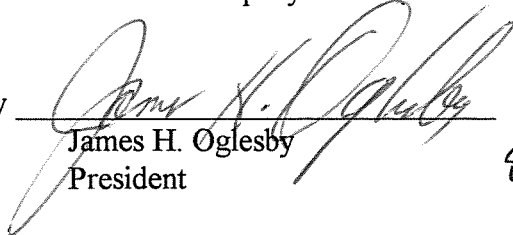
KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 308 of the Ordinances of the City of Clever, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Clever, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

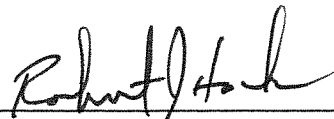
IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Assistant Secretary this 6th day of AUGUST, 2002.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By 
James H. Oglesby
President

SR
RPH
8/5/02

ATTEST:


Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 6th day of AUGUST, 2002, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2003



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CONCORDIA, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CONCORDIA, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from June 16, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Concordia, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Concordia now in existence or hereafter enacted which are not inconsistent herewith. This is an extension of the previous franchise agreement, Ordinance No. 352, approved February 4, 1985. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

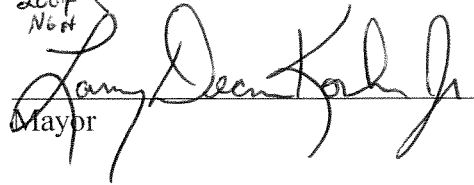
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or

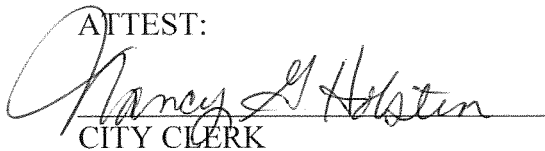
encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

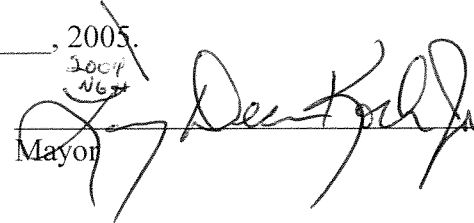
Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 4th DAY OF October, 2005.
~~2004~~
~~Nov~~


Mayor

ATTEST:

CITY CLERK

APPROVED THIS 4th DAY OF 04, 2005.
~~2004~~
~~Nov~~


Mayor

This Acceptance of Ordinance received and filed this 31st day of January, 2005.

Nancy G. Holton
City Clerk

City of Concordia, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 735 of the Ordinances of the City of Concordia, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Concordia, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 25th day of JANUARY, 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

DR
12/24/05

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 25th day of JANUARY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



BILL NO. 7-2015

ORDINANCE NO. 850

AN ORDINANCE GRANTING TO LACLEDE GAS COMPANY, A MISSOURI CORPORATION, DOING BUSINESS AS MISSOURI GAS ENERGY, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CORDER, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORDER, MISSOURI.

Section 1. The right, permission and authority for a period of twenty (20) years is hereby granted to, and vested in Laclede Gas Company, a corporation of the State of Missouri, doing business as Missouri Gas Energy ("Company"), its successors and assigns, to construct, reconstruct, excavate for, place, replace, extend and maintain all necessary or appropriate mains, service pipes, conduits, conductors, vaults, vaporizers, regulators and other equipment with all necessary or appropriate appurtenances and appliances in connection therewith, in, along, across, over and under the streets, roads, alleys, sidewalks, squares, bridges and other public places within the corporate limits of the City of Corder (hereinafter sometimes called "City"), as now fixed and within any future extensions of its limits as hereafter extended, and areas dedicated to the City for public utility use, for the purpose of transmitting, furnishing, transporting and distributing gas for light, heat, power and other purposes within the City of Corder, and in territory adjacent to said City and for the purpose of transporting and transmitting gas through said City; all such equipment, appliances and apparatus to be installed and maintained with due regard to the rightful use by other persons with vehicles or otherwise, of the streets, roads, alleys, sidewalks, squares, bridges and other public places and areas dedicated to the City for public utility use; and exercise of the rights, permission and authority hereby granted shall at all times be subject to proper regulation by the City in the exercise of its police powers.

Section 2. Extensions of, and additions to, the distribution system maintained by Company, its successors or assigns, in the City of Corder, shall be made in accordance with the rules and regulations governing such extensions and additions by Company now on file with the Public Service Commission of Missouri or in accordance with such amended rules and regulations governing such extensions and additions by Laclede, its successors or assigns, as may hereafter become effective in the manner provided by law. The financial responsibility for relocations of the Company's facilities within the City's rights-of-way shall be determined by State law as shall be specified by Statute or common law at the time of the relocation, and nothing herein shall be construed to confer upon the Company or the City any rights inconsistent therewith. The City will not vacate any public right-of-way containing any Company facilities without first advising the Company of its intention to vacate the right-of-way and cooperating with

the Company in reasonable attempts to obtain the necessary property rights to maintain its facilities in the right-of-way.

Section 3. Company shall hold said City harmless from all liability, including injury or damage to person or property arising from the negligence or mismanagement of Company or its subcontractors in the construction, reconstruction, excavation, extension, restoration or maintenance of the mains, service pipes, conduits, conductors or other equipment in along, across, over or under any of the streets, roads, alleys, sidewalks, squares, bridges or other public places in the City of Corder in the exercise of any of the rights and privileges conferred by this ordinance.

Section 4. The rights, privileges and authority hereby granted shall inure to and be vested in Company, its successors and assigns, successively, subject to all of the terms, provisions and conditions herein contained, and each of the obligations hereby imposed upon Company shall devolve and be binding upon its successors and assigns, successively, in the same manner.

Section 5. As consideration for the rights and privileges conferred by this ordinance, Company shall pay to said municipality the gross receipts taxes, if any, provided for by applicable ordinances, as the same may be amended from time to time so far as such ordinances are reasonably applicable to the condition and business of the Company, and charges to the Company for any use of the public rights-of-way shall be limited to reasonable right-of-way management costs.

Section 6. Company shall, within sixty (60) days after the passage and approval of this ordinance, file its acceptance thereof with the Clerk of the City of Corder, and this ordinance shall continue and remain in full force and effect as a renewal of the preceding franchise for a period of twenty (20) years from the effective date as determined in accordance with §88.251 RSMo (Supp. 1996).

Section 7. Neither acceptance of, nor compliance with, the provisions of this ordinance shall in any wise impair or affect, or constitute or be construed as a relinquishment or waiver of, any right, permission or authority which Company, its successors or assigns, may have independently of this ordinance; nor shall any use by Company, its successors or assigns, of public property or places in the City of Corder, as authorized by this ordinance or service rendered by Company, its successors or assigns, in said City, be treated as use solely of the rights, permission and authority provided for by this ordinance or as service referable solely to this ordinance or to any obligation of service consequent upon acceptance thereof or as in any wise indicating non-use of, non-compliance with, any obligation incident to, any right, permission or authority vested in Company, its successors or assigns, independently of this ordinance; and the acceptance provided for in Section 6 of this ordinance, and each and every compliance with the provisions of this ordinance or with any obligation arising from acceptance thereof, shall be subject to, and conditioned by, the provisions of this Section 7, with the same force and effect as though each of the provisions of this section were expressly incorporated in such acceptance and expressly declared by the acceptor, its successors or assigns, at and prior to the time of such compliance by it, as conditions of such compliance.

Section 8. All ordinances and parts of ordinances in conflict with this ordinance or with any of its provisions are, to the extent of such conflict, hereby repealed.

Section 9. This ordinance shall not relieve Company of the obligation to comply with any ordinance now existing in the City or enacted in the future requiring Company to obtain written permits or other approval from the City prior to commencement of construction of facilities within the street rights-of-way thereof, except Company shall not be required to obtain permits or other approval from the City for the maintenance and repair of its facilities.

Section 10. If any provision of this ordinance, or the application of such provision to particular circumstances, shall be held invalid, the remainder of this ordinance, or the application of such provision to circumstances other than those as to which it is held invalid, shall not be affected thereby.

Passed this 10th day of November, 2015.

Douglas D. Lorenz
Mayor, City of Corder

Signed and approved this 10th day of November, 2015.

Douglas D. Lorenz
Mayor, City of Corder

ATTEST:

Debbie Hood
City Clerk

This Acceptance of Ordinance received
and filed this 14th day of
December, 2015.

Debbie Good
City Clerk

City of Corder, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
)
CITY OF ST. LOUIS) ss.

KNOW ALL MEN BY THESE PRESENTS, That Laclede Gas Company, a corporation organized and existing under the laws of the State of Missouri and Grantee named in Ordinance No. 850 of the Ordinances of the City of Corder, Missouri, the same being entitled:

“AN ORDINANCE granting to Laclede Gas Company, a Missouri corporation, doing business as Missouri Gas Energy, operating a gas distribution system in the City of Corder, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF, Laclede Gas Company has caused this instrument to be signed by its Vice President, Operations Services and attested this 23rd day of November, 2015.

LACLEDE GAS COMPANY

By Craig Hoferlin
Craig Hoferlin
Vice President of Operations Services

ATTEST:

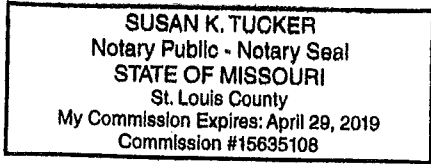
Ellen L. Sheroff
Printed Name Ellen L. Sheroff

000

STATE OF MISSOURI)
)
CITY OF ST. LOUIS) ss.

BE IT REMEMBERED, that on this 23rd day of November, 2015, before me, the undersigned, a Notary Public, came Craig Hoeflerlin, who is Vice President of Operations Services of Laclede Gas Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Missouri, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.



Susan K Tucker
Notary Public

My Commission Expires:

4-29-2019

AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Corder, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City, imposing an occupation and license tax, and relating thereto.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORDER, MISSOURI:

SECTION 1. That there is hereby granted to Southern Union Company, a corporation operating a gas distribution system in the City of Corder, Missouri, hereinafter called the Grantee, its successors and assigns, the rights, privileges and franchise, for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof.

SECTION 2. All rates established and charges made by Grantee for gas distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, or other competent authority having jurisdiction in the premises, and the sale of gas to consumers shall be governed by the present operating rules, regulations and customers of Grantee and such rules and regulations as may hereafter be prescribed or approved.

SECTION 3. All mains, pipes and services which shall be laid or installed under this grant, shall be so located and laid so as not to obstruct or interfere with any water pipes, drains, sewers or other structures already installed; and Grantee shall, in working in connection with such mains, pipes and services, avoid, so far as may be practicable, interfering with the use of any street, alley or public thoroughfare, and where Grantee disturbs the surface of a street, alley or public thoroughfare, it shall at its own expense and in a manner satisfactory to the duly authorized representative of the City, replace such pavement or surface in substantially as good condition as before said work was commenced.

SECTION 4. Whenever because of public necessity or welfare the City engages in any public improvement construction project on any property owned by the City or dedicated wholly for public use and a portion of Grantee's plant system interferes with or obstructs such public improvement project, Grantee shall, as soon as reasonably possible after written request from the City, alter, reset, or relocate at its own expense such portions of Grantee's plant system located on such property for which the sole legal basis for occupancy is this franchise ordinance; provided, however, that where the City acquires additional property or right-of-way over Grantee's existing plant system, and thereafter requires Grantee to alter, reset or relocate its system, such alteration, resetting or relocation shall be at the expense of the City.

SECTION 5. Grantee shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) months' period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the company. So long as Grantee shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment on its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Grantee's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Grantee agrees to recognize the same as a valid tax and make said payments during such periods.

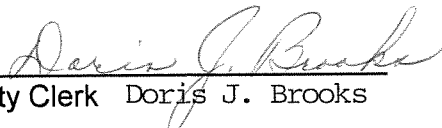
SECTION 6. That Ordinance No. 375 is hereby repealed.

SECTION 7. The Mayor of Corder, Missouri, is hereby empowered and directed to execute a true copy of this granted franchise, and the City Clerk of said City is hereby directed to affix the City seal upon said true copy, and to attest the signature of the Mayor on said true copy, and to deliver said properly executed copy to Southern Union Company, shall thereupon execute and deliver its acceptance of said granted franchise to City Clerk.

SECTION 8. This Ordinance shall take effect and be in force from and after its passage and approval; provided that Grantee shall have filed its written acceptance within sixty (60) days from the date of such passage and approval.


Passed this 9th day of November, 1995.

ATTEST:


City Clerk Doris J. Brooks


Mayor Timothy J. Biesemeyer

Approved this 9th day of November, 1995


Mayor Timothy J. Biesemeyer

This Acceptance of Ordinance received and filed this 21st day of December, 1995

Doris J. Beards
City Clerk

City of Corder, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, that Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware, the Grantee named in Ordinance No. 610 of the Ordinance of the City of Corder, Missouri, the same being entitled:

"AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Corder, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City, imposing an occupation and license tax, and relating thereto."

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF the said Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested by its Assistant Secretary this 15th day of December, 1995.

MISSOURI GAS ENERGY, a division of Southern Union Company

By C. Thomas Clowe
C. Thomas Clowe
President and Chief Operating Officer

ATTEST:

Brad Ziegler
Brad Ziegler
Assistant Secretary

APPROVED BY [Signature]

STATE OF Missouri)
)
COUNTY OF Jackson) ss.

BE IT REMEMBERED, that on this 15th day of December, 1995, before me, the undersigned a Notary Public, came C. Thomas Clowe, President and Chief Operating Officer, and Brad Ziegler, Assistant Secretary of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, and such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Brenda L. Vogt
Notary Public

BRENDA L. VOGT
Notary Public - Notary Seal
STATE OF MISSOURI
Jackson County
My Commission Expires: April 3, 1999

BILL NO. 1046-03

ORDINANCE NO. 927

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF CRANE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF CRANE, MISSOURI, AS FOLLOWS:

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from May 26, 2001, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Crane, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Crane now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to customers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer, free of cost, a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and deep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys, or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not

permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to seven (7%) percent of said gross receipts subsequent to the effective date of the franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 14th DAY OF April, 2003.
Stan White
Mayor

ATTEST:
[Signature]
City Clerk

APPROVED THIS 14th DAY OF April, 2003.
Stan White
Mayor

BILL NO. 1046-03

ORDINANCE NO. 927

BE IT REMEMBERED that the above Ordinance was adopted upon its third reading, by the following vote:

ALDERMAN Roberta Walker VOTES yes

ALDERMAN Dolores Shively VOTES yes

ALDERMAN Arthur Voge VOTES yes

ALDERMAN W. Bayle VOTES yes

This Acceptance of Ordinance received and filed this 6th day of May, 2003.

[Signature]
City Clerk

City of Crane, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 927 of the Ordinances of the City of Crane, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Crane, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 24th day of April, 2003.

MISSOURI GAS ENERGY, a division of Southern Union Company

By [Signature]
James H. Oglesby
President

*Dr PH
4/24/03*

ATTEST:

[Signature]
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

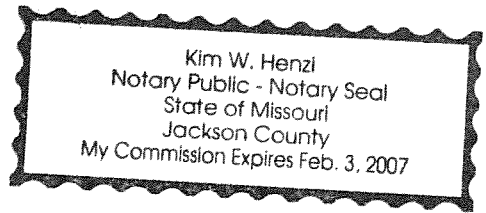
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 24th day of April, 2003, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



Bill No. 260

Ordinance No. 258

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF DEARBORN, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF DEARBORN, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from May 12, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Dearborn, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Dearborn now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.


Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 14th DAY OF March, 2005.



Mayor

ATTEST:



CITY CLERK

APPROVED THIS 14th DAY OF March, 2005.



Mayor

This Acceptance of Ordinance received
and filed this 31st day of
March, 2005.



City Clerk

City of Dearborn, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

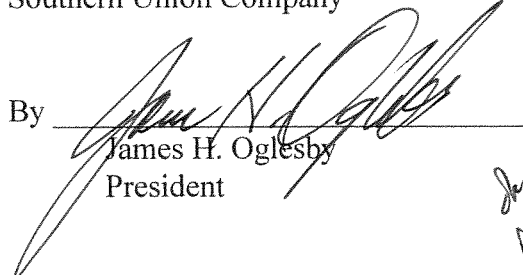
KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 258 of the Ordinances of the City of Dearborn, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Dearborn, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 23rd day of MARCH, 2005.

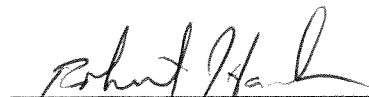
MISSOURI GAS ENERGY, a division of
Southern Union Company

By 

James H. Oglesby
President

de
RJH
3/21/05

ATTEST:



Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 23rd day of MARCH, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



Village of Dennis Acres

Bill No. 2003-05

Ordinance No. 2003-01

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF DENNIS ACRES, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF DENNIS ACRES, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the Village of Dennis Acres, Missouri, herein called Village, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Dennis Acres now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the six (6) month period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the Village treasury a sum equal to five (5%) of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. The franchise herein granted shall be conditioned upon the approval thereof by a majority of the qualified voters of the Village of Dennis Acres, Missouri, voting at an election for the purpose of testing the sense of the voters on said question. A ballot covering said question shall be submitted to the qualified voters of the Village of Dennis Acres, Missouri at an election to be held in said Village on the 4th day of November, 2003.

Section 6. The Village Clerk shall notify in writing the County Clerk of Newton County, Missouri to conduct said election and to cause legal notice of said election to be published once each week for two consecutive weeks, the first publication occurring in the second week prior to the election and the last publication occurring within one week prior to election and shall provide said County Clerk the name of the agency calling the election, a certified copy of the legal notice to be published and a sample ballot as required by law. The Company shall provide the Village Clerk with a deposit in the amount to be determined to be equal to the estimated cost of conducting the election which amount the Village Clerk shall in turn deposit with the County Clerk not later than the 26th day of August, 2003. Any additional cost of the election shall also be paid by the Company.

Section 7. The ballot to be used in said election shall be in the following form:

"Shall the rights, privileges and franchise to construct, acquire, operate and maintain a gas plant, mains and appurtenances in the streets, alleys, bridges and public places of the Village of Dennis Acres, Missouri, for the purpose of supplying natural gas to said Village and citizens and customers in the vicinity thereof, as provided in Ordinance No. 2003-01, be granted to Missouri Gas Energy, a division of Southern Union Company, A Delaware Corporation, its successors and assigns?"

YES ()
NO ()

INSTRUCTIONS TO VOTERS

If you are in favor of the question, place an X in the box opposite 'YES'.

If you are opposed to the question, place an X in the box opposite 'NO'."

Section 8. The election shall be held in those voting places in said Village designated by the County Clerk and shall be conducted and the result ascertained by the County Clerk as provided by law.

Section 9. Not later than the second Tuesday after the election, the County Clerk shall cause the returns to be certified to the Village of Dennis Acres as provided by law, and the Board of Trustees shall determine and by resolution shall declare the result of said election; and if a majority of the qualified voters voting at said election have expressed their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date the Board of Trustees shall have declared the results of said election. The cost of said election shall be paid by the Company.

PASSED THIS 28TH DAY OF JULY, 2003.

David M. Cunningham

Chairman of the Board of Trustees

ATTEST:

Norma Jean Richardson
VILLAGE CLERK

APPROVED THIS 28th DAY OF July, 2003.

David M. Cunningham

Chairman of the Board of Trustees

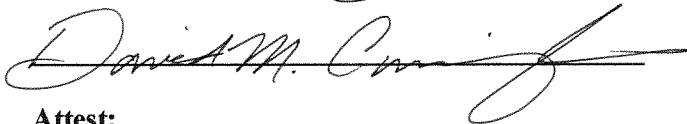
Village of Dennis Acres

Resolution No. 2003-01

A RESOLUTION DECLARING THE RESULT OF ELECTION BY THE CITIZENS OF THE VILLAGE OF DENNIS ACRES, MISSOURI, COUNTY OF NEWTON, TO APPROVE ORDINANCE NO. 2003-01:


We, the Board of Trustees of the Village of Dennis Acres, Missouri, County of Newton, hereby on this 22nd day of December, 2003 declare the passage of Ordinance 2003-01 by a vote of five (5) yea and four (4) nay in the election held the 4th day of November, 2003 as certified by the Clerk of the County of Newton, State of Missouri, granting to Missouri Gas Energy, a Division of Southern Union Company, a Delaware Corporation, a franchise to supply natural gas to the Village of Dennis Acres, Missouri as stipulated in Ordinance 2003-01.

Passed this 22nd day of December, 2003.



Chairman of the Board of Trustees

Attest:


Village Clerk

Approved this 22nd day of December, 2003.



Chairman of the Board of Trustees



KAY BAUM
COUNTY CLERK

OFFICE OF NEWTON COUNTY CLERK
P.O. BOX 488
NEOSHO, MISSOURI 64850

PHONE (417) 451-8221
FAX (417) 451-7434

DENNIS ACRES
P.O. BOX 4954
JOPLIN, MO 64803-4954

RE: CERTIFICATION OF NOVEMBER 4TH, 2003 ELECTION

I KAY BAUM, ELECTION AUTHORITY OF NEWTON COUNTY, MISSOURI DO HEREBY CERTIFY THAT THE RESULTS FOR THE NOVEMBER 4TH, 2003, ELECTION ARE AS FOLLOWS:

DENNIS ACRES VILLAGE QUESTION

YES	5
NO	4

IN TESTIMONY WHEREOF, I hereunto set my hand and affix the seal of the county at my office in Neosho, Missouri on this 5TH, day of November 2003.

KAY BAUM, Election Authority
Newton County, Missouri at Neosho

(SEAL)

This Acceptance of Ordinance received
and filed this 21 day of
February, 2004.

Norma Jean Richardson
Village Clerk
Village of Dennis Acres, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

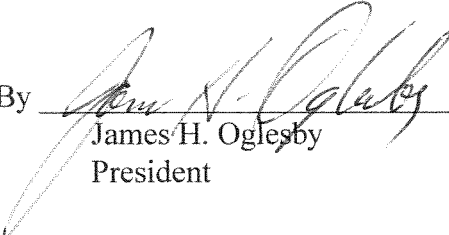
KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2003-01 of the Ordinances of the Village of Dennis Acres, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Village of Dennis Acres, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said Village, and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

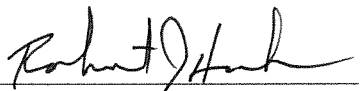
IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 9th day of JANUARY, 2004.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By 
James H. Oglesby
President

J
RJA
1/15/04

ATTEST:


Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

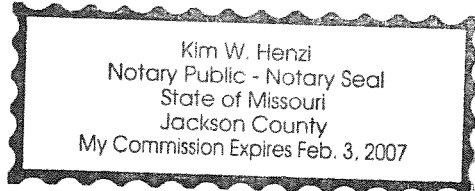
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 9th day of JANUARY, 2004, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



ORDINANCE NO. 226

AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Diamond, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City, imposing an occupation and license tax, and relating thereto.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DIAMOND,
MISSOURI:

SECTION 1. That there is hereby granted to Southern Union Company, a corporation operating a gas distribution system in the City of Diamond, Missouri, hereinafter called the Grantee, its successors and assigns, the rights, privileges and franchise, for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof.

SECTION 2. All rates established and charges made by Grantee for gas distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, or other competent authority having jurisdiction in the premises, and the provision of gas to consumers shall be governed by the present operating rules, regulations and customs of Grantee and such rules and regulations as may hereafter be prescribed or approved.

SECTION 3. All mains, pipes and services which shall be laid or installed under this grant, shall be so located and laid so as not to obstruct or interfere with any water pipes, drains, sewers or other structures already installed; and Grantee shall, in working in connection with such mains, pipes and services, avoid, so far as may be practicable, interfering with the use of any street, alley or public thoroughfare, and where Grantee disturbs the surface of a street, alley or public thoroughfare, it shall at its own expense and in a manner satisfactory to the duly authorized representative of the City, replace such pavement or surface in substantially as good condition as before said work was commenced.

SECTION 4. Whenever because of public necessity or welfare the City engages in any public improvement construction project on any property owned by the City or dedicated wholly for public use and a portion of Grantee's plant system interferes with or obstructs such public improvement project, Grantee shall, as soon as reasonably possible after written request from the City, alter, reset, or relocate at its own expense such portions of Grantee's plant system located on such property for which the sole legal basis for occupancy is this franchise ordinance; provided, however, that where the City acquires additional property or right-of-way over Grantee's existing plant system, and thereafter requires Grantee to alter, reset or relocate its system, such alteration, resetting or relocation shall be at the expense of the City.

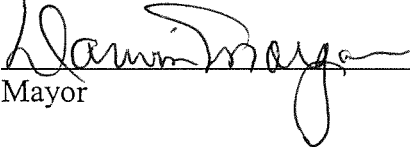
SECTION 5. Grantee shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the company. So long as Grantee shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment on its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Grantee's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Grantee agrees to recognize the same as a valid tax and make said payments during such periods.

SECTION 6. That Ordinance No. 218 is hereby repealed.

SECTION 7. The Mayor of Diamond, Missouri, is hereby empowered and directed to execute a true copy of this granted franchise, and the City Clerk of said City is hereby directed to affix the City seal upon said true copy, and to attest the signature of the Mayor on said true copy, and to deliver said properly executed copy to Missouri Gas Energy, a division of Southern Union Company, which shall thereupon execute and deliver its acceptance of said granted franchise to City Clerk.

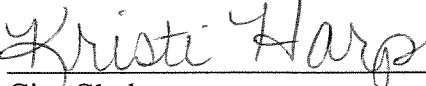
SECTION 8. This Ordinance shall take effect and be in force from and after its passage and approval; provided that Grantee shall have filed with the City Clerk its written acceptance within sixty (60) days from the date of such passage and approval.

Passed this 14th day of Dec, 1998.



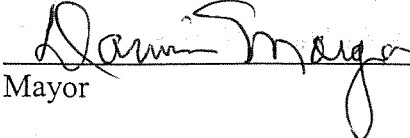
Mayor

ATTEST:



City Clerk

Approved this 14th day of Dec, 1998.



Mayor

This Acceptance of Ordinance received
and filed this 16th day of
Dec, 1998.

Kristi Harp
City Clerk

City of Diamond, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 226 of the Ordinance of the City of Diamond, Missouri, the same being entitled Bill 223

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Diamond, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City, imposing an occupation and license tax, and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Assistant Secretary this 13 day of January, 1999.

MISSOURI GAS ENERGY, a division of
Southern Union Company

ATTEST:

BY SW Catron
Steven W. Catron
President *SW*

Brad Ziegler
Brad Ziegler
Assistant Secretary

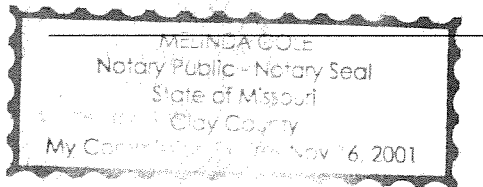
STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 13th day of January, 1999, before me, the undersigned, a Notary Public, came Steven W. Catron, President, and Brad Ziegler, Assistant Secretary, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Melinda Cole
Notary Public

My Commission Expires:



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF DREXEL, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF DREXEL, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from September 8, 2002, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Drexel, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Drexel now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

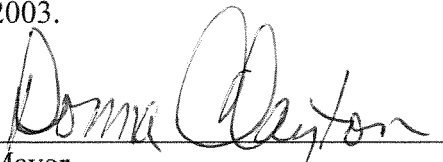
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 12th DAY OF February, 2003.



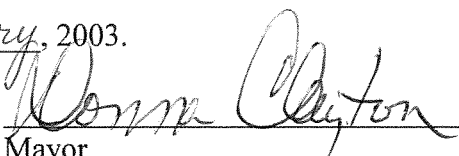
Mayor

ATTEST:



CITY CLERK

APPROVED THIS 12th DAY OF February, 2003.



Mayor

This Acceptance of Ordinance received and filed this 11th day of March, 2003.

Phyllis Hoeker
City Clerk

City of Drexel, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 416 of the Ordinances of the City of Drexel, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Drexel, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 6th day of MARCH, 2003.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President and Chief Operating Officer

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

SR
RJK
3/7/03

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

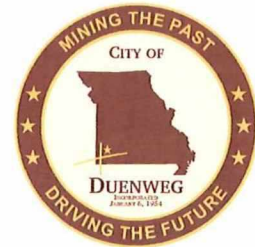
BE IT REMEMBERED, that on this 6th day of MARCH, 2003, before me, the undersigned, a Notary Public, came James H. Oglesby, President and Chief Operating Officer, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public
Kim W. Henzi

My Commission Expires:
Feb. 3, 2007





City of Duenweg

106 Webb Street/P.O. Box 105

Duenweg, MO 64841

Russell Olds, Mayor

Shirley J Lewis, City Clerk

(417) 623-2027

November 12th, 2020

SPIRE

700 Market Place

Saint Louis Mo. 63101

The City of Duenweg, Missouri has annexed properties that may qualify for franchise taxes.

Enclosed are copies of the annexation ordinances and corresponding maps of the annexed areas.

Sincerely,

A handwritten signature in blue ink that reads "Shirley J Lewis".

Shirley J Lewis

City Clerk

Enclosures

ORDINANCE ANNEXING TERRITORY – VOLUNTARY ANNEXATION

ORDINANCE ANNEXING CERTAIN ADJACENT TERRITORY INTO THE CITY OF DUENWEG, JASPER COUNTY, MISSOURI

WHEREAS, on April 8th, 2020, a verified petition signed by all the owners of the real estate hereinafter described requesting annexation of said territory into the City of Duenweg, Missouri, was filed with the city clerk; and

WHEREAS, said real estate as hereinafter described is adjacent and contiguous to the present corporate limits of the City of Duenweg, Missouri; and

WHEREAS, a public hearing concerning said matter was held at the Duenweg Municipal building, at the hour of 6:45 p.m. on September 24th, 2020; and

WHEREAS, notice of said public hearing was given by publication of notice thereof, on September 9th, 2020 in the Webb City Sentinel, a weekly newspaper of general circulation in the County of Jasper, State of Missouri; and

WHEREAS, at said public hearing, all interested persons, corporations or political subdivisions were afforded the opportunity to present evidence regarding the proposed annexation; and

WHEREAS, no written objection to the proposed annexation was filed with the Board of Aldermen of the City of Duenweg, Missouri, within fourteen days after the public hearing; and

WHEREAS, the Board of Aldermen of the City of Duenweg, Missouri, does find and determine that said annexation is reasonable and necessary to the proper development of the city; and

WHEREAS, the city is able to furnish normal municipal services to said area within a reasonable time after annexation; now

THEREFORE, be it ordained by the Board of Aldermen of the City of Duenweg, Missouri as follows:

SECTION I: Pursuant to the provision of Section 71.014 RSMo the following described real estate is hereby annexed into the City of Duenweg, Missouri, to wit:

LEGAL DESCRIPTION

Tract 1: All of a tract of land described as Commencing 231 feet East of the Southwest corner of the West One-half of the Southwest Quarter of the Southeast Quarter of Section 2, Township 27, Range 32, Jasper County, Missouri, thence East 429 feet, thence North 1320 feet, thence West 429 feet, thence South to the Point of Beginning.

Tract 2: All of a tract of land described as Beginning at the Southwest corner of the West One-half of the Southwest Quarter of the Southeast Quarter of Section 2, Township 27, Range 32, Jasper County, Missouri, thence East 231 feet, thence North 1320 feet, thence West 231 feet, thence South to the Point of beginning.

Tract 3: All of the Southeast Quarter of the Southwest Quarter of Section 2, Township 27, Range 32, Jasper County, Missouri, and the West 20 feet of the Southwest Quarter of the Southeast Quarter of section 2, Township 27, Range 32, Jasper County, Missouri.

SECTION II: The boundaries of the City of Duenweg, Missouri, hereby are altered so as to encompass the above described tract of land lying adjacent and contiguous to the present corporate limits.

SECTION III: The city clerk of the City of Duenweg, Missouri, hereby is ordered to cause three certified copies of this ordinance to be filed with the Jasper County Clerk.

SECTION IV: Ordinance NO. 2020-014 shall be in full force and effect from and after the passage by the Board of Aldermen and approval by the Mayor.

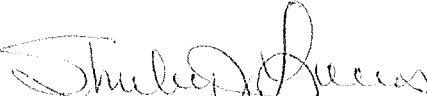
PASSED AND APPROVED BY THE BOARD OF ALDERMEN OF THE

CITY OF DUENWEG, MISSOURI, THIS 22nd DAY OF October, 2020.



Russell Olds, Mayor

ATTEST:



Shirley J Lewis, City Clerk

ORDINANCE ANNEXING TERRITORY – VOLUNTARY ANNEXATION

ORDINANCE ANNEXING CERTAIN ADJACENT TERRITORY INTO THE CITY OF DUENWEG, JASPER COUNTY, MISSOURI

WHEREAS, on April 8th, 2020, a verified petition signed by all the owners of the real estate hereinafter described requesting annexation of said territory into the City of Duenweg, Missouri, was filed with the city clerk; and

WHEREAS, said real estate as hereinafter described is adjacent and contiguous to the present corporate limits of the City of Duenweg, Missouri; and

WHEREAS, a public hearing concerning said matter was held at the Duenweg Municipal building, at the hour of 6:45 p.m. on September 24th, 2020; and

WHEREAS, notice of said public hearing was given by publication of notice thereof, on September 9th, 2020 in the Webb City Sentinel, a weekly newspaper of general circulation in the County of Jasper, State of Missouri; and

WHEREAS, at said public hearing, all interested persons, corporations or political subdivisions were afforded the opportunity to present evidence regarding the proposed annexation; and

WHEREAS, no written objection to the proposed annexation was filed with the Board of Aldermen of the City of Duenweg, Missouri, within fourteen days after the public hearing; and

WHEREAS, the Board of Aldermen of the City of Duenweg, Missouri, does find and determine that said annexation is reasonable and necessary to the proper development of the city; and

WHEREAS, the city is able to furnish normal municipal services to said area within a reasonable time after annexation; now

THEREFORE, be it ordained by the Board of Aldermen of the City of Duenweg, Missouri as follows:

SECTION I: Pursuant to the provision of Section 71.013 RSMo the following described real estate is hereby annexed into the City of Duenweg, Missouri, to wit:

LEGAL DESCRIPTION

Tract 1: All of the Northeast Quarter of the Southwest Quarter of Section 2, Township 27, Range 32, Jasper County, Missouri.

Tract 2: Together with a private roadway 20 feet in width described as Commencing at a point 20 feet North of the Northeast corner of the Southwest Quarter of the Southwest Quarter of Section 2, Township 27, Range 32, Jasper County,

Missouri, running along the East side of the said 40 acres tract to the public road on the South side.


SECTION II: The boundaries of the City of Duenweg, Missouri, hereby are altered so as to encompass the above described tract of land lying adjacent and contiguous to the present corporate limits.

SECTION III: The city clerk of the City of Duenweg, Missouri, hereby is ordered to cause three certified copies of this ordinance to be filed with the Jasper County Clerk.

SECTION IV: Ordinance NO. 2020-013 shall be in full force and effect from and after the passage by the Board of Aldermen and approval by the Mayor.

PASSED AND APPROVED BY THE BOARD OF ALDERMEN OF THE

CITY OF DUENWEG, MISSOURI, THIS 23rd DAY OF October, 2020.



Russell Olds, Mayor

ATTEST:



Shirley J Lewis, City Clerk

ORDINANCE ANNEXING TERRITORY – VOLUNTARY ANNEXATION

ORDINANCE ANNEXING CERTAIN ADJACENT TERRITORY INTO THE CITY OF DUENWEG, JASPER COUNTY, MISSOURI

WHEREAS, on April 8th, 2020, a verified petition signed by all the owners of the real estate hereinafter described requesting annexation of said territory into the City of Duenweg, Missouri, was filed with the city clerk; and

WHEREAS, said real estate as hereinafter described is adjacent and contiguous to the present corporate limits of the City of Duenweg, Missouri; and

WHEREAS, a public hearing concerning said matter was held at the Duenweg Municipal building, at the hour of 6:45 p.m. on September 24th, 2020; and

WHEREAS, notice of said public hearing was given by publication of notice thereof, on September 9th, 2020 in the Webb City Sentinel, a weekly newspaper of general circulation in the County of Jasper, State of Missouri; and

WHEREAS, at said public hearing, all interested persons, corporations or political subdivisions were afforded the opportunity to present evidence regarding the proposed annexation; and

WHEREAS, no written objection to the proposed annexation was filed with the Board of Aldermen of the City of Duenweg, Missouri, within fourteen days after the public hearing; and

WHEREAS, the Board of Aldermen of the City of Duenweg, Missouri, does find and determine that said annexation is reasonable and necessary to the proper development of the city; and

WHEREAS, the city is able to furnish normal municipal services to said area within a reasonable time after annexation; now

THEREFORE, be it ordained by the Board of Aldermen of the City of Duenweg, Missouri as follows:

SECTION I: Pursuant to the provision of Section 71.012 RSMo the following described real estate is hereby annexed into the City of Duenweg, Missouri, to wit:

LEGAL DESCRIPTION

All of the Northeast Quarter of the Southeast Quarter lying West of the Missouri Pacific Railroad, And All of the Northwest Quarter of the Southeast Quarter, All in Section 2, Township 27, Range 32, Jasper County Missouri, EXCEPT All that part of the North One-half of the Southeast Quarter of Section 2, Township 27, Range 32, Jasper County, Missouri, lying East of Missouri State Highway AA and West of the Railroad right-of-way.

SECTION II: The boundaries of the City of Duenweg, Missouri, hereby are altered so as to encompass the above described tract of land lying adjacent and contiguous to the present corporate limits.

SECTION III: The city clerk of the City of Duenweg, Missouri, hereby is ordered to cause three certified copies of this ordinance to be filed with the Jasper County Clerk.

SECTION IV: Ordinance NO. 2020-012 shall be in full force and effect from and after the passage by the Board of Aldermen and approval by the Mayor.

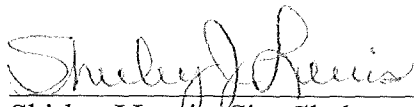
PASSED AND APPROVED BY THE BOARD OF ALDERMEN OF THE

CITY OF DUENWEG, MISSOURI, THIS 22nd DAY OF October, 2020.

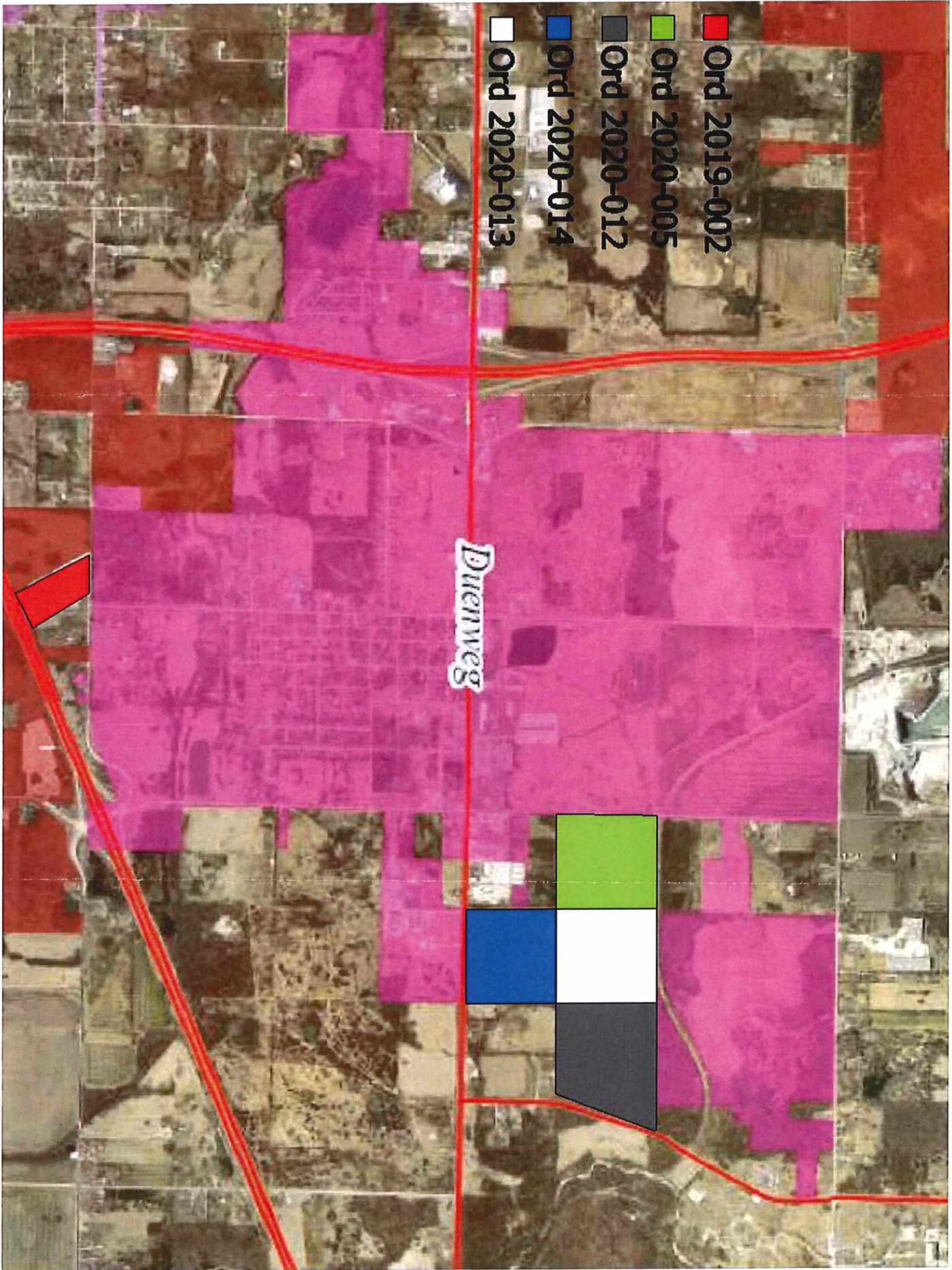


Russell Olds, Mayor

ATTEST:



Shirley J Lewis, City Clerk



■ Ord 2019-002

■ Ord 2020-005

■ Ord 2020-012

■ Ord 2020-014

■ Ord 2020-013

Duernweg

ORDINANCE NO. 1.299

AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Duenweg, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City, imposing an occupation and license tax, and relating thereto.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DUENWEG, MISSOURI:

SECTION 1. That there is hereby granted to Southern Union Company, a corporation operating a gas distribution system in the City of Duenweg, Missouri, hereinafter called the Grantee, its successors and assigns, the rights, privileges and franchise, for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof.

SECTION 2. All rates established and charges made by Grantee for gas distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, or other competent authority having jurisdiction in the premises, and the sale of gas to consumers shall be governed by the present operating rules, regulations and customers of Grantee and such rules and regulations as may hereafter be prescribed or approved.

SECTION 3. All mains, pipes and services which shall be laid or installed under this grant, shall be so located and laid so as not to obstruct or interfere with any water pipes, drains, sewers or other structures already installed; and Grantee shall, in working in connection with such mains, pipes and services, avoid, so far as may be practicable, interfering with the use of any street, alley or public thoroughfare, and where Grantee disturbs the surface of a street, alley or public thoroughfare, it shall at its own expense and in a manner satisfactory to the duly authorized representative of the City, replace such pavement or surface in substantially as good condition as before said work was commenced.

SECTION 4. Whenever because of public necessity or welfare the City engages in any public improvement construction project on any property owned by the City or dedicated wholly for public use and a portion of Grantee's plant system interferes with or obstructs such public improvement project, Grantee shall, as soon as reasonably possible after written request from the City, alter, reset, or relocate at its own expense such portions of Grantee's plant system located on such property for which the sole legal basis for occupancy is this franchise ordinance; provided, however, that where the City acquires additional property or right-of-way over Grantee's existing plant system, and thereafter requires Grantee to alter, reset or relocate its system, such alteration, resetting or relocation shall be at the expense of the City.

SECTION 5. Grantee shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) months' period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the company. So long as Grantee shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment on its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Grantee's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Grantee agrees to recognize the same as a valid tax and make said payments during such periods.

SECTION 6. That Ordinance No. 279 is hereby repealed.

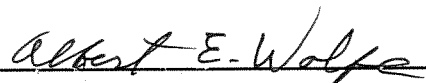
SECTION 7. The Mayor of Duenweg, Missouri, is hereby empowered and directed to execute a true copy of this granted franchise, and the City Clerk of said City is hereby directed to affix the City seal upon said true copy, and to attest the signature of the Mayor on said true copy, and to deliver said properly executed copy to Southern Union Company, shall thereupon execute and deliver its acceptance of said granted franchise to City Clerk.

SECTION 8. This Ordinance shall take effect and be in force from and after its passage and approval; provided that Grantee shall have filed its written acceptance within sixty (60) days from the date of such passage and approval.

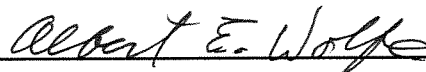
Passed this 3rd day of October, 1995.

ATTEST:


Cynthia Troutman
City Clerk


Albert E. Wolfe
Mayor

Approved this 3rd day of October, 1995


Albert E. Wolfe
Mayor

This Acceptance of Ordinance received and filed this 17th day of November, 1995

Cynthia Troutman
City Clerk

City of Duenweg, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, that Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware, the Grantee named in Ordinance No. 1229 of the Ordinance of the City of Duenweg, Missouri, the same being entitled: 1299

"AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Duenweg, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City, imposing an occupation and license tax, and relating thereto."

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF the said Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested by its Assistant Secretary this 13th day of November, 1995.

MISSOURI GAS ENERGY, a division of Southern Union Company

By C. Tom Clowe, Jr.
C. Tom Clowe, Jr.
President and Chief Operating Officer

ATTEST:

Brad Ziegler
Brad Ziegler
Assistant Secretary

STATE OF Missouri)
)
COUNTY OF Jackson) ss.

BE IT REMEMBERED, that on this 13th day of November, 1995, before me, the undersigned a Notary Public, came C. Thomas Clowe, President and Chief Operating Officer, and Brad Ziegler, Assistant Secretary of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, and such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.



Notary Public

BRENDA L. VOGT
Notary Public - Notary Seal
STATE OF MISSOURI
Jackson County
My Commission Expires: April 3, 1999

Bill No. 080905

Ordinance No. 080905

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF EAST LYNNE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF EAST LYNNE, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from July 7, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of East Lynne, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of East Lynne now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

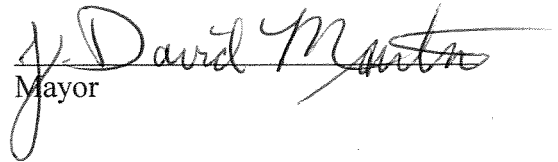
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

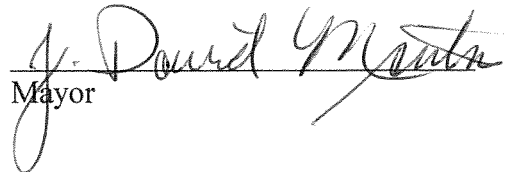
PASSED THIS 15th DAY OF August, 2005.


Mayor

ATTEST:


CITY CLERK

APPROVED THIS 15th DAY OF August, 2005.


Mayor

This Acceptance of Ordinance received and filed this 6th day of September, 2005.

Teri Riggs
City Clerk

City of East Lynne, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 080905 of the Ordinances of the City of East Lynne, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of East Lynne, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 26th day of AUGUST, 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President

Handwritten: JPH 8/22/05

ATTEST:

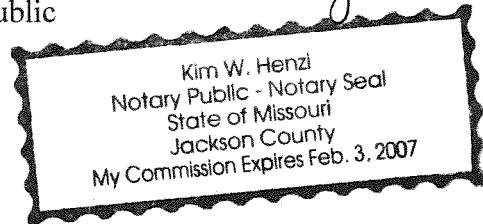
Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 26th day of AUGUST, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public



My Commission Expires:
Feb. 3, 2007

Bill No. 504

Ordinance No. 492

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF EDGERTON, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF EDGERTON, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from April 7, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Edgerton, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Edgerton now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 12TH DAY OF April, 2005.

Donna Hay
Mayor

ATTEST:

Sandra Masoner
CITY CLERK

APPROVED THIS 12TH DAY OF April, 2005.

Donna Hay
Mayor

This Acceptance of Ordinance received and filed this 5th day of May, 2005.

Sandra Mesonen
City Clerk

City of Edgerton, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 492 of the Ordinances of the City of Edgerton, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Edgerton, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 28th day of April, 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By [Signature]
James H. Oglesby
President
OH
RJA
4/15/05

ATTEST:

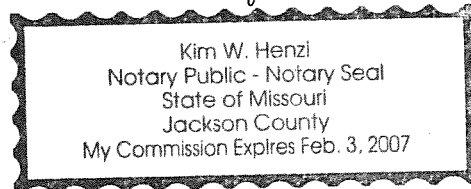
[Signature]
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 28th day of April, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public



My Commission Expires:

Feb. 3, 2007

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF EL DORADO SPRINGS, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL DORADO SPRINGS, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from August 15, 2002, to construct, maintain and operate in the present and future streets, alleys, bridges and public right-of-ways in the City of El Dorado Springs, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of El Dorado Springs now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

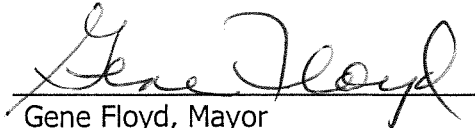
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one

time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.


Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to three (3%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the City Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

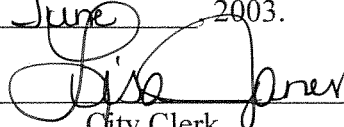
ADOPTED BY THE CITY COUNCIL OF THE CITY OF EL DORADO SPRINGS, MISSOURI, ON THIS 19TH DAY OF MAY, 2003.


Gene Floyd, Mayor

ATTEST:


Lisa Janes, City Clerk

This Acceptance of Ordinance received and filed this 12th day of

June 2003.


City Clerk

City of El Dorado Springs, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

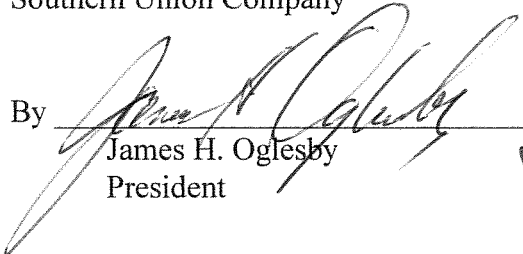
KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 1712 of the Ordinances of the City of El Dorado Springs, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of El Dorado Springs, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 9th day of JUNE, 2003.


MISSOURI GAS ENERGY, a division of Southern Union Company

By 

James H. Oglesby
President

Handwritten: R. P. H. 5/29/07

ATTEST:



Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 9th day of JUNE, 2003, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF EMMA, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF EMMA, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Emma, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Emma now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 1 DAY OF May, 2001.

Wilbert Meyer
MAYOR

ATTEST:

Josh R. Old
CITY CLERK

APPROVED THIS 1 DAY OF MAY, 2001.

Wilbert Meyer
MAYOR

AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation currently operating a gas distribution system in the City of Excelsior Springs, Missouri, a franchise to operate a natural gas distribution plant and system in said City, imposing an occupation and license tax and relating thereto.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EXCELSIOR SPRINGS, MISSOURI:

SECTION 1. Grant of Franchise: Term and Scope. The City of Excelsior Springs, Missouri hereby grants Southern Union Company (the "Grantee"), a Delaware corporation currently operating a gas distribution system in said City, the right, privilege and franchise for a period of twenty (20) years from the effective date hereof to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said City, Grantee's gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all to supply natural gas for all purposes to said City's inhabitants and consumers in the vicinity of said City.

SECTION 2. Rates. All rates established and charges made by Grantee for gas distributed and sold hereunder shall be subject to valid and lawful orders of the Missouri Public Service Commission, or other competent authority having jurisdiction in the premises. The sale of gas to consumers shall be governed by the present operating rules, regulations and customers of Grantee and such rules and regulations as may hereafter be prescribed or approved.

SECTION 3. Specific Conditions Regarding Placement and Repair. All mains, pipes and services that are laid or installed under this grant shall be located and laid so as not to obstruct or interfere with any water pipes, drains, sewers or other structures already installed. While working with or on Grantee's mains, pipes and services, Grantee and Grantee's contractors shall avoid, so far as practicable, interfering with the use of any street, alley or public thoroughfare. Grantee shall at its own expense and in a manner satisfactory to the duly authorized representative of the City, replace such pavement or surface to said City's specifications and in substantially as good condition as before said work was commenced. Grantee, by its acceptance of this franchise, acknowledges that repair of street cuts made by Grantee or its contractors is an integral and material part of Grantee's duties hereunder and that the City would not grant this franchise absent Grantee undertaking the repair of street cuts, both those done under the previous franchise and this franchise. In the event Grantee fails or neglects to fulfill this repair obligation within a reasonable time, said City will be entitled to perform such repairs at Grantee's expense.

SECTION 4. Reasonable Regulation. The City reserves the right to enforce reasonable regulations concerning construction, operation and maintenance of facilities located along, over or

under streets, alleys and other public premises in the placement of those facilities; provided, that subsequent regulation shall not require Grantee to replace or substantially modify Grantee's facilities that were in compliance with applicable regulations of the City at the time such facilities were constructed.

SECTION 5. Performance Bond. Grantee shall obtain a faithful performance bond prior to performing any capital improvement project with respect to Grantee's facilities in excess of \$50,000. Grantee shall file such bond with the City Clerk of said City and maintain such bond in full force and effect for the duration of such project. The bond shall be executed by a security company approved by the City Clerk and in form satisfactory to the City Attorney in the amount of 10% of the cost of the project. The City may recover jointly and severally from Grantee and the surety of the bond any damages or losses suffered by the City as a result of Grantee failing to comply with one or more of the provisions of the franchise in connection with such project. The performance bond shall provide that thirty (30) days' prior written notice of cancellation, material change or intention not to renew the bond be given to said City. Neither the provisions of any performance bond accepted by said City pursuant to this section nor any damages recovered by said City under such bond shall be construed to excuse Grantee's faithful performance or limit its liability under the franchise or for damages, nor shall such bond preclude exercise of any other right or remedy given to said City by law, whether exercise concurrently or subsequently.

SECTION 6. Public Improvements. Whenever because of public necessity or welfare the City engages in any public improvement construction project on any property owned by the City or dedicated wholly for public use and a portion of Grantee's plant system interferes with or obstructs such public improvement project, Grantee shall, as soon as reasonably possible after written request from the City, alter, reset, or relocate at its own expense such portions of Grantee's plant system located on such property for which the sole legal basis for occupancy is this franchise ordinance; provided, however, that if the City acquires additional property or right-of-way over Grantee's existing plant system located on property occupied by Grantee and not owned by the City, and the City thereafter requires Grantee to alter, reset or relocate its system thereon, such alteration, resetting or relocation shall be at the City's expense.

SECTION 7. Consideration. Grantee shall not later than the last day of each calendar month in each year during the term hereof, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the prior calendar month; and at the time of making such reports, pay into the City treasury a sum equal to six (6%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the company. So long as Grantee shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment on its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Grantee's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes and fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for

this franchise, Grantee agrees to recognize the same as a valid tax and make said payments during such periods.

SECTION 8. Assignment. Grantee shall have the right to assign the franchise and to sell, lease, license or permit others to use or transfer Grantee's interest in all or any part of its facilities that are installed or operated under this Ordinance; provided, that Grantee's successors or assigns shall be bound by this Ordinance to the same extent as if an original party hereto and shall comply with the applicable occupational license provisions of Chapter 605 of the City's Code, as may be amended from time-to-time.

SECTION 9. Holdover. In the event Grantee holds over after expiration or other termination of this franchise, Grantee shall render compensation to said City pursuant to the provisions of this Ordinance until the effective date of the new franchise. If and while the City accepts such consideration, the City and Grantee shall continue to operate under and be bound by this Ordinance.

SECTION 10. Repeal of Prior Ordinance. Ordinance No. 6526 is hereby repealed.

SECTION 11. Coordination of Activities. Grantee shall give the Director of Public Works of said City written notice at least thirty (30) days prior to the date of any non-emergency construction work by Grantee. The Director of Public Works of said City shall give Grantee at least thirty (30) days written notice prior to the date of any non-emergency construction work by the City that is likely to affect Grantee's facilities. Any such notice given by Grantee or the City shall specify the location and extent of construction to be installed. The City shall keep Grantee informed as to its pavement replacement schedule so that, to the extent practicable, said City and Grantee may coordinate the timing of their activities such that Grantee's construction regarding its mains, pipes and services occurs prior to new overlay by the City of pavement or surface thereover. The Director of Public Works of the said City and Grantee's representative shall meet upon request by either, but in any event not less than annually, to discuss the status of street cut repairs and to discuss construction goals for the following period.

SECTION 12. Execution of Ordinance. The Mayor of Excelsior Springs, Missouri, is hereby empowered and directed to execute a true copy of this granted franchise, and the City Clerk of said City is hereby directed to affix the City seal upon said true copy, and to attest the signature of the Mayor on said true copy, and to deliver said properly executed copy to Grantee, shall thereupon execute and deliver its acceptance of said granted franchise to City Clerk.

SECTION 13. Acceptance. This Ordinance shall take effect and be in force from and after its passage and approval.

READ, PASSED AND APPROVED this 8th day of January, 1996.

Bill Mordue
Bill Mordue, Mayor

ATTEST:

Frances Smith
Frances Smith, City Clerk

APPROVED BY:

Craig H. Hubler
Craig H. Hubler, City Manager

This Acceptance of Ordinance received and filed this 8th day of March, 1996

Sharon Palmer
Deputy City Clerk

City of Excelsior Springs, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, that Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware, the Grantee named in Ordinance No. 96-11 of the Ordinance of the City of Excelsior Springs, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Excelsior Springs, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City, imposing an occupation and license tax, and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF the said Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested by its Assistant Secretary this 12th day of February, 1996.

MISSOURI GAS ENERGY, a division of Southern Union Company

By C. Thomas Clowe
C. Thomas Clowe
President and Chief Operating Officer

ATTEST:

Brad Ziegler
Brad Ziegler
Assistant Secretary

STATE OF Missouri)
)
COUNTY OF Jackson) ss.

BE IT REMEMBERED, that on this 12th day of February, 1996, before me, the undersigned a Notary Public, came C. Thomas Clowe, President and Chief Operating Officer, and Brad Ziegler, Assistant Secretary of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, and such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Brenda L. Vogt
Notary Public

BRENDA L. VOGT
Notary Public - Notary Seal
STATE OF MISSOURI
Jackson County
My Commission Expires: April 3, 1999

AN ORDINANCE GRANTING TO LACLEDE GAS COMPANY, A DIVISION
LACLEDE GROUP, INC., A MISSOURI CORPORATION, OPERATING A GAS DISTRIBUTION
SYSTEM IN THE CITY OF EXETER, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE
TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM
IN SAID CITY AND RELATING THERETO

BE IT ORDAINED AND IT IS ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF
EXETER, MISSOURI AS FOLLOWS:

Section One: That there is hereby granted to Laclede Gas Company, a subsidiary of Laclede Group, Inc., a Missouri Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from April 23, 2004, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Exeter, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful Ordinances of the City of Exeter, now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company. This is an acknowledgement of the Assignment of Franchise Agreement from Missouri Gas Energy, a Division of Southern Union Company to Laclede Gas Company, a subsidiary of Laclede Group, Inc.

Section Two: All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section Three: That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of the said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highway or pavement in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section Four: Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to three percent (3%) of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof, and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section Five: If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise, said franchise shall become effective September 1, 2013, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED AND APPROVED BY THE BOARD OF ALDERMEN OF THE CITY OF EXETER
ON THIS 15th DAY OF October, 2013.



Mayor

ATTEST: Mylene Eisenbraun
Secretary

This Acceptance of Ordinance received and filed this 14th day of Nov., 2013.

Mylene Eisenblaus
City Clerk
City of Exeter, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Laclede Gas Company, Missouri Gas Energy Division, a corporation organized and existing under the laws of the State of Missouri and Grantee named in Ordinance No. 1015-13 of the Ordinances of the City of Exeter, Missouri, the same being entitled:

“AN ORDINANCE granting to Laclede Gas Company, Missouri Gas Energy Division, a Missouri corporation, operating a gas distribution system in the City of Exeter, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Laclede Gas Company, Missouri Gas Energy Division, has caused this instrument to be signed by its Field Operations Vice President and attested this 12th day of November, 2013.

LACLEDE GAS ENERGY,
Missouri Gas Energy Division

ATTEST:

BY Steven Holcomb
Steven Holcomb
Field Operations Vice President

Sheri Gray
Printed Name: Sheri Gray

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 13th day of November, 2013, before me, the undersigned, a Notary Public, came Steven Holcomb, Field Operations Vice President of Laclede Gas Company, Missouri Gas Energy Division, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Missouri, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Linda L. Lane
Notary Public

My Commission Expires:

May 19, 2014



LINDA L LANE
My Commission Expires
May 19, 2014
Clay County
Commission #10418000

Bill No. 121404

Ordinance No. 121404

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF EXETER, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF EXETER, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from April 23, 2004, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Exeter, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Exeter now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to three (3%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 14th DAY OF December, 200 4.



Mayor

ATTEST:

Myna Eisenbraun
CITY CLERK

APPROVED THIS 14th DAY OF December, 200 4.



Mayor

This Acceptance of Ordinance received
and filed this 26th day of
January, 2005.

Myna Eisenbraun
City Clerk

City of Exeter, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 121404 of the Ordinances of the City of Exeter, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Exeter, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 18th day of JANUARY, 2005.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By

James H. Oglesby
President

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

OR
P9A
1/26/05

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 18th day of JANUARY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



CERTIFICATE OF CLERK

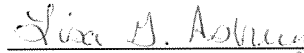
I, Robin Overstreet, do hereby certify that:

I am the City Clerk of the City of Fayette, Missouri; the attached is a true and correct copy of the original Sections 12-17 through 12-27 of the City of Fayette's Code of Ordinances passed on the 20th day of March pertaining to a natural gas franchise; and it has not been rescinded or modified, as to the date of this certificate. IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Fayette this 19th day of April, 2007.



Robin Overstreet, CMC/MRCC, City Clerk
City of Fayette, Missouri

SEAL.



Lisa Asbury, Assistant City Clerk
(Witness)

CITY OF FAYETTE

BILL NO.: 37-03

ORDINANCE NO.: 07-04

AN ORDINANCE REPEALING SECTIONS 12-17 THROUGH 12-27 AND ENACTING IN ITS PLACE A NEW SECTION 12-17 THROUGH 12-21, SAID SECTIONS RELATING TO THE NATURAL GAS FRANCHISE.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF FAYETTE, MISSOURI, AS FOLLOWS:

Section I. Sections 12-17 through 12-27 of the Code of Ordinances of the City of Fayette is hereby repealed, and a new Sections 12-17 through 12-21 is hereby enacted as follows:

Section II. Sections 12-17 through 12-21 as enacted hereby, shall read as follows:

Sec. 12-17 Franchise.

That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privilege and franchise for a period of twenty (20) years from May 4, 2007, to construct, maintain and operate in the present and future streets alleys, bridges and public places in the City of Fayette, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Fayette now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such request made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Sec 12-18. Charges Subject to Public Service Commission.

All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Sec. 12-19. Duties of Gas Company.

That in consideration of and as compensation for the right, privilege and franchise

hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of a highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Sec. 12-20 Report on Gross Receipts.

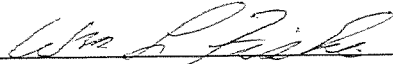
Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise. So long as Company shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment of its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Sec. 12-21 Effective Date.

If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.


Secs 12-22 -- 12-32 Reserved.

This Ordinance, having been made available to the public at and on the date of passage was read two (2) times by title only and passed this 20th day of March, 2007.



BILL FISHER, Mayor

ATTEST:



ROBIN OVERSTREET, CMC, City Clerk

This Acceptance of Ordinance received
and filed this 11th day of
May, 2007.

Robin Overstreet
City Clerk

City of Fayette, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 07-04 of the Ordinances of the City of Fayette, Missouri, the same being entitled:

“AN ORDINANCE REPEALING SECTIONS 12-17 THROUGH 12-27 AND ENACTING IN ITS PLACE A NEW SECTION 12-17 THROUGH 12-21, SAID SECTIONS RELATING TO THE NATURAL GAS FRANCHISE.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 2nd day of MAY, 2007.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

(TJ)

ATTEST:

Jenny Wockenfuss
Printed Name Jenny Wockenfuss

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 2nd day of MAY, 2007, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2011



Bill No. 1999-10

Ordinance No. 142

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF FERRELVIEW, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE VILLAGE OF FERRELVIEW, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the Village of Ferrelview, Missouri, herein called Village, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Ferrelview now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

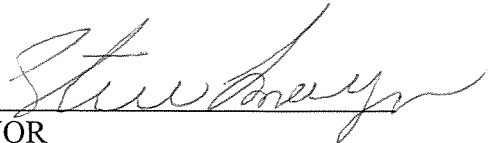
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time

open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February and August 1 respectively of each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the Village treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. So long as Company shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment of its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 24th DAY OF May, 1999.


MAYOR

ATTEST:


VILLAGE CLERK

APPROVED THIS _____ DAY OF _____, 1999.

MAYOR

This Acceptance of Ordinance received and filed this 24th day of May, 1999.

Angie Ryan
Village Clerk

Village of Ferrelview, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
)
COUNTY OF PLATTE) ss.

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 142 of the Ordinance of the Village of Ferrelview, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Village of Ferrelview, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said Village, and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Assistant Secretary this 2^d day of August, 1999.

MISSOURI GAS ENERGY, a division of Southern Union Company

BY Steven W. Cattron
Steven W. Cattron
President

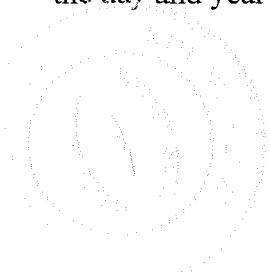
ATTEST:

Robert J. Hack
Robert J. Hack
Assistant Secretary

STATE OF MISSOURI)
)
) ss.
COUNTY OF PLATTE)

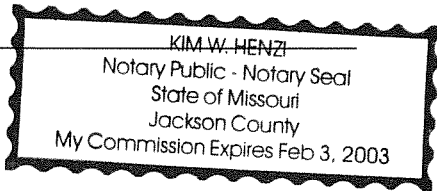
BE IT REMEMBERED, that on this 2^d day of August, 1999, before me, the undersigned, a Notary Public, came Steven W. Cattron, President, and Robert J. Hack, Assistant Secretary, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.



Kim W. Henzi
Notary Public

My Commission Expires:



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF FREEMAN, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF FREEMAN, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from February 10, 2008, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Freeman, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Freeman now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.


Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise. So long as Company shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment of its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

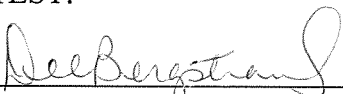
Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 11th DAY OF February, 2008.




Mayor

ATTEST:



CITY CLERK

APPROVED THIS 11th DAY OF February, 2008



Mayor

This Acceptance of Ordinance received
and filed this 28th day of
February, 2008.

Dee Bergstrom
City Clerk

City of Freeman, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 1197 of the Ordinances of the City of Freeman, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Freeman, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 15th day of Feb., 2008.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By *Robert J. Hack*
Robert J. Hack
Chief Operating Officer

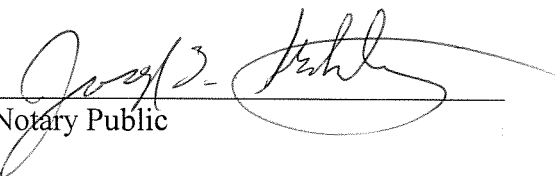
ATTEST:

Jenny Wockenfass
Printed Name JENNY
WOCKENFASS

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 15th day of FEBRUARY, 2008, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.



Notary Public

My Commission Expires:

Joseph L Stokely - Notary Public
Notary Seal for State of
Missouri - Jackson County
My Commission Expires 3/14/2008

Ordinance No. 100 (Corrected)

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF FREISTATT, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE VILLAGE OF FREISTATT, MISSOURI.

Section 1. That, effective from August 31, 1998, there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from August 31, 1998, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the Village of Freistatt, Missouri, herein called Village, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Freistatt now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time

open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February and August 1 respectively of each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the Village treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 1 DAY OF July, 2002

Billy E. Cole
Printed Name: Billy E Cole
Title: Mayor

ATTEST:

Roy Oberman
VILLAGE CLERK

APPROVED THIS 1 DAY OF July, 2002

Roy Oberman
Printed Name: Roy Oberman
Title: Village Clerk

This Acceptance of Ordinance received
and filed this 3rd day of
Oct, 2002.

[Signature]
Village Clerk

Village of Freistatt, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 100^{CORRECTED}, passed and approved July 1, 2002, of the Ordinances of the Village of Freistatt, Missouri, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Village of Freistatt, Missouri, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said Village and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Assistant Secretary this 23rd day of September, 2002.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By [Signature]
James H. Oglesby
President

OK
RDH
9/23/02

ATTEST:

[Signature]
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

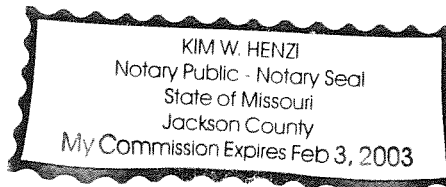
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 23rd day of September, 2002, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2003



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF GARDEN CITY, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF GARDEN CITY, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from July 1, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Garden City, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Garden City now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

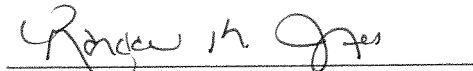
Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 19 DAY OF July, 2005.



Mayor

ATTEST:



CITY CLERK

APPROVED THIS 19 DAY OF July, 2005.



Mayor

This Acceptance of Ordinance received and filed this 2nd day of August, 2005.

Randal H. Jones
City Clerk

City of Garden City, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2005-366B of the Ordinances of the City of Garden City, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Garden City, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 28th day of JULY, 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President
*JH
RJA
7/24/05*

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 28th day of JULY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



- **ARTICLE 4. - GAS**

- **Sec. 6.105.150. - Levy and amount of tax.**

There is hereby levied and assessed as an occupation licensing tax on the gross receipts, subsequent to the effective date of the ordinance from which this article is derived, a sum equal to seven percent of the gross receipts of any person or company now or hereafter operating a gas distribution system in the corporate limits of the city.

(Code 1974, § 17-24)

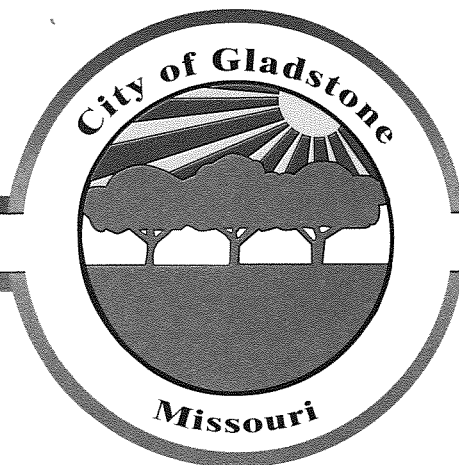
Editor's note—

In accordance with RSMo 393.275, the city, via Ordinance Nos. 3.011, 3.140, 3.206 and 3.207, maintained at the current rate the tax levied by the preceding section.

- **Sec. 6.105.160. - Report of gross receipts; when tax due and payable.**

Any person or company operating a gas distribution system in the city shall, on the last day of each calendar month, make a report to the city council of its gross receipts from the sale of gas for domestic and commercial purposes within the corporate limits of the city for the preceding calendar month (ending at the last meter reading preceding the last day of such month); and at the time of making such reports, pay into the city treasury a sum equal to seven percent of the gross receipts, which shall be charged to the operating expense of the company. Domestic and commercial sales shall be considered the sales made other than on special contracts providing for standby fuel and interruption of service at any time demands of domestic and commercial consumers may so require. Such percentage of the grantee's gross receipts is hereby levied and assessed as an occupation and license tax for the privilege of engaging in the business recited in this article during the term hereof; and as a further consideration for this franchise, the grantee agrees to recognize the tax as a valid tax and makes that payment during such period.

(Code 1974, § 17-25)



P.O. BOX 10719
GLADSTONE, MISSOURI 64188-0719

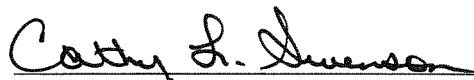
7010 NORTH HOLMES
GLADSTONE, MISSOURI 64118-2646

816-436-2200
816-436-2228 FAX

CERTIFICATION OF THE CITY CLERK

The undersigned, City Clerk of the City of Gladstone, Missouri, does hereby certify: That the attached Ordinance No. 4.074 is a true and correct copy of the Ordinance enacted at a legally convened meeting of the City Council of the City of Gladstone, Missouri held on May 12, 2008; and, further that such Ordinance has been fully recorded in the journal of proceedings and records in the City Clerk's office.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 19th day of May, 2008.


Cathy L. Swenson
City Clerk



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF GLADSTONE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

LEGISLATIVE FINDINGS

1. Missouri Gas Energy ("MGE"), is the sole provider of natural gas within the City of Gladstone, that utilizes an underground distribution system through City rights-of-way.
2. MGE and its predecessor "The Gas Service Company," have been providing natural gas to the homes and businesses in the City through its natural gas distribution system under a franchise granted by the City on the 28th day of August, 1973, as Ordinance No. 1.965.
3. MGE has requested that the City of Gladstone renew its utility franchise for distribution of natural gas within the City for an additional twenty (20) year period.
4. The City Clerk has made the proposed franchise terms available for inspection by the public for the thirty (30) day period required under Sections 78.630 and 88.251, RSMO, and has posted a notice to the public of the availability of the franchise terms for inspection.
5. The City Council is satisfied that the terms of the renewal of the natural gas distribution franchise for MGE will serve the best interests of the citizens of the City of Gladstone.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GLADSTONE, MISSOURI:

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from the effective date of this ordinance, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Gladstone, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Gladstone now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company. The City of Gladstone and Company hereby agree and acknowledge that the former franchise agreement, Ordinance No. 1.950 (the "1993 Franchise Agreement"), between the City of Gladstone and Company's predecessor in interest, expired on August 13, 1993. Both parties continued to perform after the expiration of the 1993 Franchise Agreement in the same manner they did when such agreement was formally in effect. The City of Gladstone and Company hereby ratify and confirm such performance between August 13, 1993 and the effective date of this Ordinance.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by

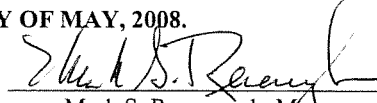
the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

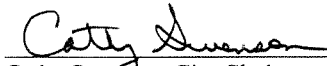
Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to seven (7%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the City Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED, SIGNED, AND MADE EFFECTIVE BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI THIS 12TH DAY OF MAY, 2008.


Mark S. Revenaugh, Mayor

ATTEST:


Cathy Swanson, City Clerk

1st Reading: May 12, 2008

2nd Reading: May 12, 2008



This Acceptance of Ordinance received and filed this 18 day of

June, 2008.

Cathy Swenson
City Clerk

City of Gladstone, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 4.074 of the Ordinances of the City of Gladstone, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Gladstone, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 6th day of JUNE, 2008.

MISSOURI GAS ENERGY, a division of Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

(RJ)

ATTEST:

Jenny Wockenfuss
Printed Name Jenny Wockenfuss

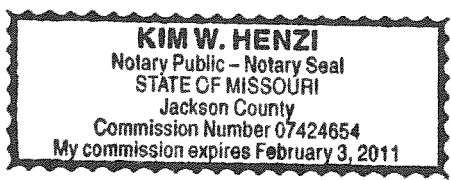
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 6th day of JUNE, 2008, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
2-3-11



Bill No. 242

Ordinance No. 244

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF GLENAIRE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF GLENAIRE, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system in the Village of Glenaire, Missouri, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said Village, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Glenaire now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to

enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February and August 1 respectively of each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the Village treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Trustees express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 15th DAY OF May, 2001.

Jesse Dewey
MAYOR

ATTEST:

Jennifer Beadshaw
VILLAGE CLERK

APPROVED THIS 15th DAY OF May, 2001.

Jesse Dewey
MAYOR

This Acceptance of Ordinance received
and filed this 19th day of
June, 2001.


City Clerk

City of Glenaire, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 244 of the Ordinances of the City of Glenaire, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Glenaire, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City, and relating thereto.”

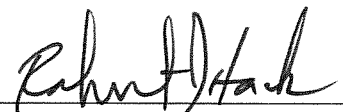
hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Assistant Secretary this 5th day of JUNE, 2001.

MISSOURI GAS ENERGY, a division of
Southern Union Company

ATTEST:

BY 
Steven W. Cattron
President


Robert J. Hack
Assistant Secretary

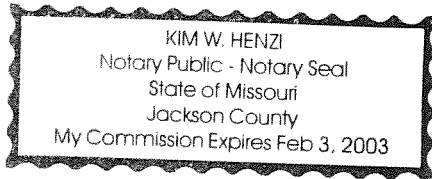
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 5th day of JUNE, 2001, before me, the undersigned, a Notary Public, came Steven W. Cattron, President, and Robert J. Hack, Assistant Secretary, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF GOLDEN CITY, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF GOLDEN CITY, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from August 16, 2001, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Golden City, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Golden City now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or

encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 2nd DAY OF June, 2003.

Ralph Bell
Mayor

ATTEST:

Ernest B. Rodgers
CITY CLERK

APPROVED THIS 2nd DAY OF June, 2003.

Ralph Bell
Mayor

This Acceptance of Ordinance received
and filed this 18th day of
June, 2003.

Raymond L. Snodgrass
City Clerk

City of Golden City, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 668 of the Ordinances of the City of Golden City, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Golden City, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 12th day of JUNE, 2003.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By James H. Oglesby
President

ok
MPK
6/24/03

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 12th day of JUNE, 2003, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF GOODMAN, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF GOODMAN, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from April 15, 2004, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Goodman, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Goodman now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to three (3%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 21st DAY OF December, 2004.

Randy Cooper
Mayor

ATTEST:

Paula W. Chase
CITY CLERK

APPROVED THIS 21st DAY OF December, 2004.

Randy Cooper
Mayor

This Acceptance of Ordinance received
and filed this 26 day of
January, 2005.

Paula W. Chase
City Clerk

City of Goodman, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2004-360 of the Ordinances of the City of Goodman, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Goodman, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 18th day of JANUARY, 2005.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By James H. Oglesby
President

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

R
RPA
1/18/05

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 18th day of JANUARY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



Bill No. 5-03

Ordinance No. 333

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF GOWER, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF GOWER, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from March 6, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Gower, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Gower now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 11 DAY OF April, 2005.

Randy Jameson
Mayor

ATTEST:

Jane Clark
CITY CLERK

APPROVED THIS 11th DAY OF April, 2005.

Randy Jameson
Mayor

This Acceptance of Ordinance received
and filed this 5th day of
May, 2005.

Jane Clark
City Clerk

City of Gower, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 333 of the Ordinances of the City of Gower, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Gower, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 2nd day of MAY, 2005.

MISSOURI GAS ENERGY, a division of
Southern Union Company

ATTEST:

By

James H. Oglesby
President

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

dh
PJM
4/27/05

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 2nd day of May, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



ATTEST AS A TRUE COPY BY
KHALILAH HOLLAND, DEPUTY CLERK
CITY OF GRAIN VALLEY
ON THIS 15th DAY OF October 2012
BY Khalilah Holland
DEPUTY CITY CLERK

CITY OF
GRAIN VALLEY

STATE OF
MISSOURI

BILL NO. B12-61

ORDINANCE NO.
SECOND READING
FIRST READING

2260
October 24, 2012 (6-0)
October 22, 2012 (6-0)

INTRODUCED BY:
ALDERMAN SCULLY

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF GRAIN VALLEY, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO

WHEREAS, the Board of Aldermen approves all franchise agreements and fee for utility providers in the City of Grain Valley, Missouri; and

WHEREAS, the City Franchise Agreement between Missouri Gas Energy and the City must be renewed; and

WHEREAS, upon execution of this ordinance the City of Grain Valley will enter into a 20 year Franchise Agreement with Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation.

NOW THEREFORE, BE IT ORDAINED by the Board of Aldermen of the City of Grain Valley, Missouri as follows:

SECTION 1: That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from August 12, 2012, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Grain Valley, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Grain Valley now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

SECTION 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

SECTION 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

SECTION 4. Company shall not later than February 1, May 1, August 1 and November 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the three (3) month period ending at the last meter reading preceding December 31, March 31, June 30 and September 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

SECTION 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

This Acceptance of Ordinance received and filed this 14th day of December, 2012.

Jamie Rehnsmeyer
City Clerk

City of Grain Valley, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2260 of the Ordinances of the City of Grain Valley, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Grain Valley, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 26th day of November, 2012.

MISSOURI GAS ENERGY, a division of Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

ATTEST:

Wendy Demaris
Printed Name Wendy Demaris

TJ

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

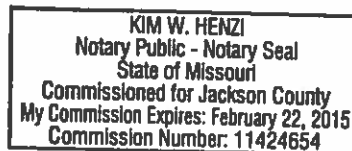
BE IT REMEMBERED, that on this 26th day of NOVEMBER, 2012, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:

Feb. 22, 2015



**CERTIFIED
COPY**

CITY OF GRANDVIEW

BILL NO. 6453

ORDINANCE NO. 6240

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF GRANDVIEW, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND MATTERS RELATING THERETO.

WHEREAS, the Board of Aldermen ("Board") of the City of Grandview, Missouri ("City") approved Ordinance No. 3773 on August 23, 1988, granting KPL Gas Service, the predecessor to Missouri Gas Energy ("MGE"), a franchise to operate a natural gas distribution plant and system in the City; and

WHEREAS, the franchise granted by Ordinance No. 3773 expires by its terms on August 22, 2008; and

WHEREAS, the Board deems it to be in the best interest of the City to renew the franchise agreement with MGE.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF GRANDVIEW, MISSOURI, AS FOLLOWS:

Section 1. Grant of Franchise. There is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from August 22, 2008, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Grandview, Missouri ("City"), its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Grandview now in existence or hereafter enacted and which are not inconsistent herewith, including, without limitation, Article II (Gas Companies) of Chapter 22 (Public Utilities) of the Code of Laws of the City of Grandview ("Code") and Article II (Rights-of-Way Management) of Chapter 26 (Streets and Sidewalks) of the Code. Provided, further, that whenever, by reason of changes to a street or in the location or manner of constructing a drainage facility, sanitary sewer or other City-owned underground or above-ground structure, in conjunction with a public improvement project, it is deemed necessary by the City that Company move, alter, change, adapt or conform its existing

facilities, Company shall make the alterations or changes, on alternative right-of-way provided by the City, if available. Such alterations or changes shall be performed as soon as practicable after being so ordered in writing by the City at Company's expense and without claim for reimbursement or damages against the City (provided the adjustments are required due to a public improvement project), unless those facilities requiring alterations or changes were constructed within a private utility easement that pre-dates the public rights-of-way, in which case Company would be due reimbursement of the reasonable cost of relocation.

Section 2. Rates. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. Company Responsibilities. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

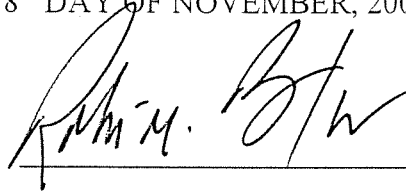
Section 4. License Fee. Company shall not later than the last day of each calendar month in each year, make a report to the Director of Finance of the City of its gross receipts from the sale of natural gas for domestic, commercial and industrial consumption within the corporate limits of said City for the preceding month; and at the time of making such report, pay into the City treasury a license fee equal to seven (7%) percent of said gross receipts reported subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the

Company. Said percentage of Company's gross receipts is hereby levied and assessed as a license fee (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods. The Company agrees that payment of license fees as required by this Section 4 shall be made in conformance with Chapter 22, Article II, of the Code of Laws of the City of Grandview, including but not limited to, the right of the City or its representatives to examine the Company's books as may be necessary to determine the correctness of the gross receipts required by Section 22-8 of the Code.

Section 5. Effective Date. If a majority of the Board of Aldermen expresses their assent to the granting of said franchise, said franchise shall become effective on August 22, 2008, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

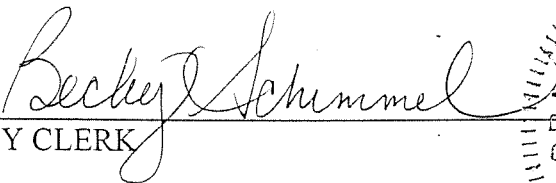
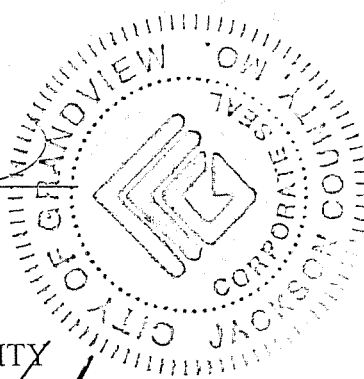
PASSED THIS 18th DAY OF NOVEMBER, 2008.

APPROVED THIS 18th DAY OF NOVEMBER, 2008.

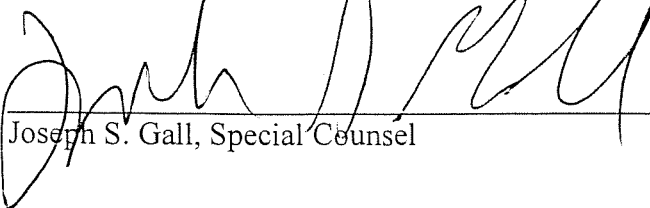


MAYOR

ATTEST:


CITY CLERK

APPROVED AS TO FORM AND LEGALITY


Joseph S. Gall, Special Counsel

This Acceptance of Ordinance received
and filed this 10th day of
DECEMBER, 2008.

Becky Schimmel
City Clerk

City of Grandview, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 6240 of the Ordinances of the City of Grandview, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Grandview, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 4th day of DECEMBER, 2008.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

ATTEST:

Jenny Wockenfuss
Printed Name Jenny Wockenfuss

(TJ)

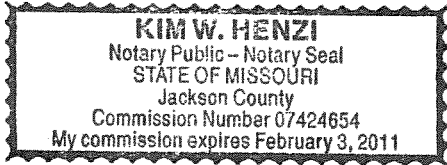
STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 4th day of DECEMBER, 2008, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2011



Bill No. _____

Ordinance No. _____

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF GRAYSON, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF GRAYSON, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from November 4, 2004, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the Village of Grayson, Missouri, herein called Village, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Grayson now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time

open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the six (6) month period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the Village treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Trustees express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

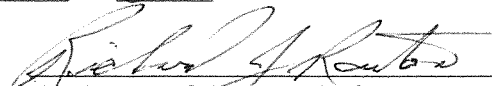
PASSED THIS Dec DAY OF 12, 2004.


Chairman of the Board of Trustees

ATTEST:


VILLAGE CLERK

APPROVED THIS Dec DAY OF 12, 2004.


Chairman of the Board of Trustees

This Acceptance of Ordinance received
and filed this Tuesday day of

Jan 25, 2005.

Harvey D. Bell
Village Clerk

Village of Grayson, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. _____ of the Ordinances of the Village of Grayson, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Village of Grayson, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said Village and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 18th day of JANUARY, 2005.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By James H. Oglesby
James H. Oglesby
President and Chief Operating Officer

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

dk
RJA
1/25/05

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 18th day of JANUARY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President and Chief Operating Officer, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzl
Notary Public

My Commission Expires:
Feb. 3, 2007



Bill No. _____

Ordinance No. 2-2003

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF GREENFIELD, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF GREENFIELD, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from August 4, 2001, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Greenfield, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Greenfield now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 18 DAY OF February, 2003.

Heida Wallace
Mayor

ATTEST:

Cathy Harrington
CITY CLERK

APPROVED THIS 18 DAY OF February, 2003.

Heida Wallace
Mayor

This Acceptance of Ordinance received
and filed this 21st day of
March, 2003.

Cathy Harrington
City Clerk

City of Greenfield, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2-2003 of the Ordinances of the City of Greenfield, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Greenfield, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 14th day of MARCH, 2003.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By James H. Oglesby
James H. Oglesby
President

SK
PJH
3/21/03

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 14th day of MARCH, ~~2002~~²⁰⁰³, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzl
Notary Public

My Commission Expires:
Feb. 3, 2007



Bill No. 2091

Ordinance No. 2005-07-0504

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF GREENWOOD, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF GREENWOOD, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from June 30, 2005, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Greenwood, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Greenwood now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

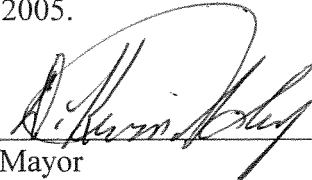
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or

encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

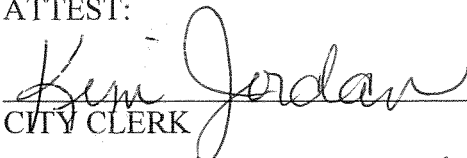
Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 5th DAY OF July, 2005.



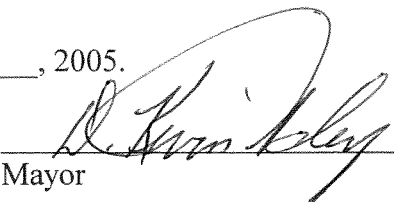
Mayor

ATTEST:



CITY CLERK

APPROVED THIS 5th DAY OF July, 2005.



Mayor

This Acceptance of Ordinance received
and filed this 15th day of
August, 2005.

Kim Jordan
City Clerk

City of Greenwood, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2005-07-05-04 of the Ordinances of the City of Greenwood, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Greenwood, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 21st day of JULY, 2005.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By James H. Oglesby
James H. Oglesby
President

dh
RJA
7/19/05

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

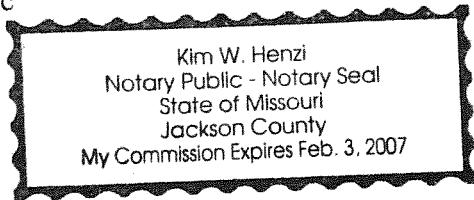
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 21st day of JULY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007



COUNCIL BILL NO. 049

ORDINANCE NO. 3044 (27-08)

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF HARRISONVILLE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HARRISONVILLE, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from February 7, 2008, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Harrisonville, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Harrisonville now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges, or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish, at its cost, but subject to the rules, regulations and tariffs as adopted by the Public Service Commission of the State of Missouri, to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages

which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation by using best efforts to perform such excavations in conjunction with City improvements, and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time; provided, however, if those tariffs adopted by the Missouri Public Service Commission change such that Company is no longer obligated to provide each consumer, at its cost, a recognized standard meter or other instrument for measurement of gas sold, then within thirty (30) days of City's receipt of Company's written notification regarding such change, Company and City shall meet to discuss a possible amendment to this franchise regarding the allocation of cost for such meters.

Section 4. Notwithstanding the foregoing, nothing in this Ordinance, and specifically in Section 3 of this Ordinance, shall excuse Company's compliance with Chapter 530 of the Municipal Code of the City as it may be amended from time to time. When determined necessary by the City, utility coordination meetings with Company shall be held.

Section 5. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise. So long as Company shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment of its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

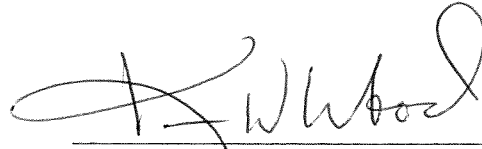
Section 6. In the event the tax imposed herein is finally determined by any Court having proper jurisdiction to be invalid, then the City shall provide Company with written notice of such Court decision. Within thirty (30) days of Company's receipt of such notice, Company and City shall use reasonable efforts to renegotiate this franchise. If within such thirty (30) days City and Company have not negotiated a new franchise, or an amendment to the current franchise, then City, at its option, may, upon written notice to Company, terminate said franchise with Company.

Section 7. If a majority of the Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

Vote taken as follows:

Ayes: Aldermen Fools, Licht, Young, Coburn, Dickerson, Kidd
Nays: None
Absent: Aldermen Hammonds and Mollenhour
Abstain: None

Read two times by title only on August 4, 2008, and passed by the Board of Aldermen of the City of Harrisonville, Missouri, and approved by the Mayor this 4th day of August, 2008.



Kevin Wood, Mayor and Ex-Officio
Chairman of the Board of Aldermen

ATTEST:


Debbie Grant, City Clerk

APPROVED by the Mayor this 4th day of August 2008.

This Acceptance of Ordinance received and filed this 23rd day of September, 2008.

Debbie Grant
City Clerk

City of Harrisonville, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 3044 (27-08) of the Ordinances of the City of Harrisonville, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Harrisonville, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 16th day of SEPTEMBER, 2008.

MISSOURI GAS ENERGY, a division of Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

TJ

ATTEST:

Mike Noack
Printed Name Mike Noack

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

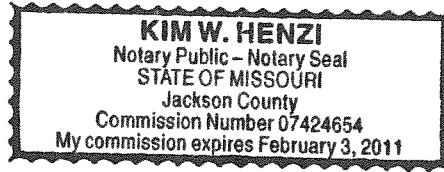
BE IT REMEMBERED, that on this 16th day of SEPTEMBER, 2008, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:

2-3-11



AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF HIGGINSVILLE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF HIGGINSVILLE, MISSOURI, AS FOLLOWS:

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from June 16, 2005, to construction maintain and operate in the present and future streets, alleys, bridges and public places in the City of Higginsville, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construction, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Higginsville now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale or transportation of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

Read two (2) times and passed by title this 21st day of MAY 2007.

Bill Kolas
MAYOR BILL KOLAS

ATTEST:

Richard Reyna
CITY CLERK RICHARD REYNA

APPROVED BY THE MAYOR THIS 21st DAY OF MAY 2007.

Bill Kolas
MAYOR BILL KOLAS

ATTEST:

Richard Reyna
CITY CLERK RICHARD REYNA

M/S by RHOAD and KING to accept first reading, motion CARRIED.

M/S by WAGNER and FLEISCHMANN to accept second and final reading and assign Ordinance No. 2241.

Said Ordinance passed by the following roll call votes:

Fleischmann YES, King YES, Knehans YES, Rhoad YES, Schmidt YES, and Wagner YES.

This Acceptance of Ordinance received and filed this 1st day of AUGUST, 2007.

Richard Reyna
City Clerk

City of Higginsville, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 2241 of the Ordinances of the City of Higginsville, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Higginsville, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 3rd day of JULY, 2007.

MISSOURI GAS ENERGY, a division of Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

ATTEST:


Jenny Wockenfuss
Printed Name Jenny Wockenfuss

(15)

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

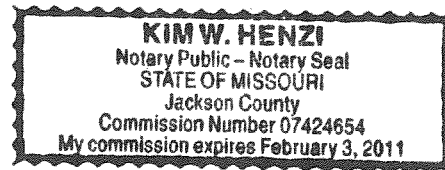
BE IT REMEMBERED, that on this 3rd day of JULY, 2007, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.


Kim W. Henzi
Notary Public

My Commission Expires:

Feb. 3, 2011



Bill No. 04-19-08

Ordinance No. 19-08

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF HOLDEN, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDANINED BY THE COUNCIL OF THE City of Holden, MISSOURI

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights privileges and franchise for a period of twenty (20) years from August 7, 2008, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Holden, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Holden now in existence or hereafter enacted which are not inconsistent herewith.

Section 2. Whenever because of public necessity or welfare the City engages in any public improvement construction project on any property owned by the city or dedicated wholly for public use and a portion of Company's plant system interferes with or obstructs such public improvement project Company shall, as soon as reasonably possible after written request from the City, alter reset or relocate at its own expense such portions of Company's plant system located on such property for which the sold legal basis for occupancy is this franchise ordinance; provided, however, that where the City acquires additional property or right of way over Company's existing plant system, and thereafter requires Company to alter, reset or relocate its system, such alteration, resetting or relocation shall be at the expense of the City.

Section 3. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 4. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part hereof; shall limit all excavations of street, alleys

or public places to the necessity of efficient operation and shall not on any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same as good condition as when altered or removed; shall perform all work on streets, alleys, and public places, under supervision of a representative of said City if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 5. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one(1)month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise. So long as Company shall be required, by any regulatory authority having jurisdiction to separately state the franchise tax increment of its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payment during such periods.

Section 6. If a majority of the Council express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 13 DAY OF May, 2008.

Mich Wu
MAYOR

ATTEST:

Sheila Spies
CITY CLERK

APPROVED THIS 13 DAY OF MAY, 2008.

Mich Wu
MAYOR

This Acceptance of Ordinance received and filed this 11th day of July, 2008.

Sheila Spores
City Clerk

City of Holden, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 19-08 of the Ordinances of the City of Holden, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Holden, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 3rd day of JULY, 2008.

MISSOURI GAS ENERGY, a division of Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

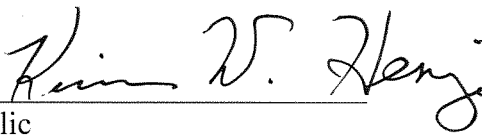
ATTEST:
Jenny Wockenfuss
Printed Name Jenny Wockenfuss

(10)

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

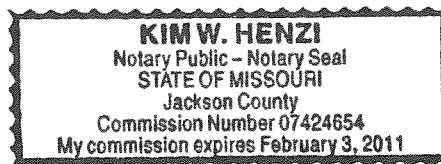
BE IT REMEMBERED, that on this 3rd day of JULY, 2008, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.



Notary Public

My Commission Expires:
2-3-11



Bill No. 15-03

Ordinance No. 356

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF HOLT, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF HOLT, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from November 19, 2001, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Holt, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Holt now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

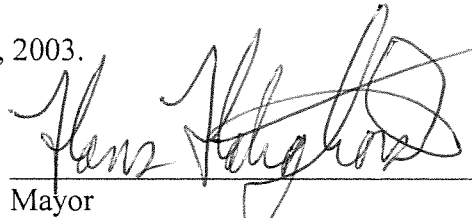
Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the six (6) month period ending at the last meter reading preceding December 31, and June 30 respectively; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 4th DAY OF June, 2003.



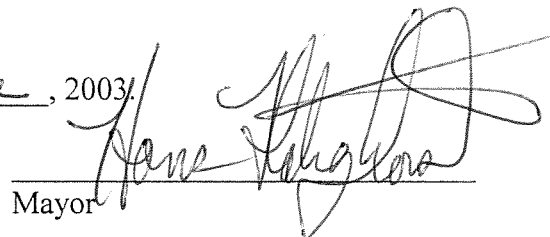
Mayor

ATTEST:



CITY CLERK

APPROVED THIS 4th DAY OF June, 2003.



Mayor

This Acceptance of Ordinance received
and filed this 21st day of
June, 2003.

Rita Waters
City Clerk

City of Holt, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 356 of the Ordinances of the City of Holt, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Holt, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 19th day of JUNE, 2003.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By James H. Oglesby
James H. Oglesby
President

SR
RJA
6/17/03

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

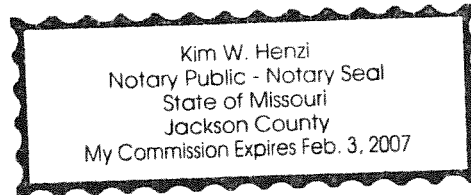
STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 19th day of JUNE, 2003, before me, the undersigned, a Notary Public, came James H. Oglesby, President, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2007





MISSOURI GAS ENERGY

3420 Broadway • Kansas City, MO • 64111-2404 • (816) 360-5755

NOV 15 2013

ROBERT J. HACK
CHIEF OPERATING OFFICER

August 9, 2013

Via Certified Mail
Return Receipt Requested

City Clerk
City of Houston Lake, Missouri
5417 NW Adrian
Houston Lake, Missouri 64151

Re: Franchise Agreement that expires 11/9/2017 between City of Houston Lake, Missouri and Missouri Gas Energy, a division of Southern Union Company (the "Agreement")

Dear Sir/Madam:

Southern Union Company ("SUG") has entered into a Purchase and Sale Agreement (the "Purchase Agreement") with Laclede Gas Company ("Laclede") under which it will sell its Missouri Gas Energy division's gas distribution business assets to Laclede. As part of the Purchase Agreement, SUG, doing business in Missouri as Missouri Gas Energy, will assign to Laclede all of its rights, duties, and obligations under certain contractual arrangements, including its municipal franchise agreements. The Missouri Public Service Commission approved Laclede's purchase of the MGE assets on July 17th, 2013. I have attached the Commission's order for your reference.

This letter is to advise you that SUG will assign all of its rights and obligations under the Agreement to Laclede upon Closing of the transaction, which is expected to occur on or after September 1, 2013. The same terms, conditions, and effective dates will continue in the Agreement – only the name of your natural gas provider will change.

Laclede has provided valuable, reliable gas service to Missouri customers since 1857. Laclede is a subsidiary of the Laclede Group, Inc., a public utility holding company registered on the New York Stock Exchange. Laclede is the largest natural gas distribution utility in Missouri, serving more than 632,000 residential, commercial, and industrial customers in St. Louis and surrounding counties of eastern Missouri. With the acquisition of SUG's Missouri Gas Energy assets, Laclede will serve over 1,100,000 natural gas customers in Missouri. Laclede's management team is committed to providing reliable and efficient service to its new customers. While rebranding discussions are underway, Laclede will continue to do business in your municipality for the near future as "Missouri Gas Energy."



August 9, 2013

Page 2

The assignment of the Agreement will be to "Laclede Gas Company, a Missouri Corporation, 720 Olive Street, St. Louis, MO 63101." **We request your signed acknowledgment and a duly passed ordinance returned no later than October 15, 2013 with an effective date of September 1, 2013.** Please send these documents to:

Laclede Gas Company
ATTN: Legal Department
720 Olive Street
St. Louis, MO 63101

Thank you for your assistance. Should you have any questions, please contact Todd Jacobs, Senior Director – Legal at 816-360-5976 or todd.jacobs@sug.com (MGE) or David Abernathy, Vice President and Associate General Counsel, at 314-342-0536 or dabernathy@lacledegas.com (Laclede).

Sincerely,

SOUTHERN UNION COMPANY

A handwritten signature in black ink, appearing to read "R. J. Hack", written over a horizontal line.

Robert J. Hack
Chief Operating Officer
Missouri Gas Energy

THE UNDERSIGNED HEREBY ACKNOWLEDGES THE ASSIGNMENT OF THE AGREEMENT TO LACLEDE GAS COMPANY EFFECTIVE AT CLOSING OF THE PURCHASE AGREEMENT:

[Party Name]

By: A handwritten signature in black ink, appearing to read "Michael Hallauer", written over a horizontal line.
Name: MICHAEL HALLAUER
Title: MAYOR
Date: 11-11-13

BILL NO. 11113-1

ORDINANCE NO. 342

AN ORDINANCE AUTHORIZING MISSOURI GAS ENERGY TO ASSIGN THE "FRANCHISE AGREEMENT" WITH MISSOURI GAS ENERGY TO LACLEDE GAS COMPANY.

WHEREAS, The City of Houston Lake, Missouri and Missouri Gas Energy (a subdivision of Southern Union Company) entered into a "Franchise Agreement" regarding the distribution of gas to Houston Lake, Missouri, said "Franchise Agreement" to expire on November 9, 2017; and


WHEREAS, Southern Union Company has entered into a Purchase and Sale Agreement with Laclede Gas Company under which Southern Union Company will sell its Missouri Gas Energy division's gas distribution business assets to Laclede thereby assigning all of Missouri Gas Energy's rights, duties and obligations under the "Franchise Agreement" to Laclede with the same terms, conditions, and effective dates continuing in the "Franchise Agreement"; and

WHEREAS, The City of Houston Lake, Missouri desires to assign the "Franchise Agreement" with Missouri Gas Energy to Laclede Gas Company with Laclede Gas Company assuming all the rights, duties, obligations, terms and conditions of Missouri Gas Energy under the "Franchise Agreement".

BE IT ORDAINED BY THE BOARD OF ALDERPERSONS OF THE CITY OF HOUSTON LAKE, MISSOURI AS FOLLOWS:

SECTION 1. The Mayor of Houston Lake, Missouri is authorized to execute any and all documentation necessary to assign the "Franchise Agreement" to Laclede Gas Company.

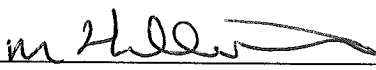
PASSED THIS 11 DAY OF NOVEMBER, 2013.


MAYOR

ATTEST:


CITY CLERK

APPROVED THIS 11 DAY OF NOVEMBER, 2013.


MAYOR

Bill No. 1110971

Ordinance No. 249

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF HOUSTON LAKE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF HOUSTON LAKE, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system in the City of Houston Lake, Missouri, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from the effective date hereof, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in said City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Houston Lake now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.


Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or

encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. If a majority of the Board of Alderman express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.


PASSED THIS 10th DAY OF November, 1997.


MAYOR

ATTEST:


CITY CLERK

APPROVED THIS 10th DAY OF November, 1997.


MAYOR

This Acceptance of Ordinance received
and filed this 9th day of
December, 1997.

Mary A. Head
City Clerk

City of Houston Lake, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 249 (Bill No. 111097) of the Ordinance of the City of Houston Lake, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Houston Lake, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused the instrument to signed by its President and attested by its Assistant Secretary this 8th day of December, 1997.

MISSOURI GAS ENERGY, a division of
Southern Union Company

By C. Thomas Clowe
C. Thomas Clowe
President

ATTEST:

Brad Ziegler
Brad Ziegler
Assistant Secretary

STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

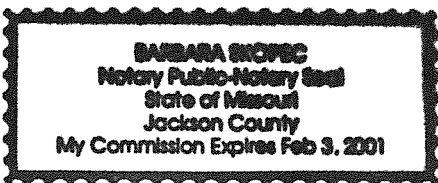
BE IT REMEMBERED, that on this 8th day of December, 1997, before me, the undersigned, a Notary Public, came C. Thomas Clowe, President, and Brad Ziegler, Assistant Secretary, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Barbara Skopiec
Notary Public

My Commission Expires:

February 3, 2001



Bill No. _____

Ordinance No. 279A

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE CITY OF HOUSTONIA, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID CITY AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF HOUSTONIA, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from August 18, 2007, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the City of Houstonia, Missouri, herein called City, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said City and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the City of Houstonia now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the City's streets, alleys, bridges or other public places at no expense to the City when reasonably requested to do so by the City. Such requests made by the City shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said City; shall at all times save the City harmless from any and all damages which said City may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time open or encumber more of any highway or public place than shall be reasonably necessary to enable

Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said City, if so desired; and shall repay said City all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said City after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than the first day of each calendar month in each year, make a report to the governing board of the City of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said City for the one (1) month period ending on the first day of the month next preceding that on which the report is due; and at the time of making such reports, pay into the City treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise. So long as Company shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment of its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.


Section 5. If a majority of the Board of Aldermen express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 12th DAY OF June, 2007.



Mayor

ATTEST:



CITY CLERK

APPROVED THIS 12th DAY OF June, 2007.



Mayor

This Acceptance of Ordinance received and filed this 13th day of August, 2007.

Rebecca Arnold
City Clerk

City of Houstonia, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 279A of the Ordinances of the City of Houstonia, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the City of Houstonia, Missouri, its successors or assigns, a franchise to operate a natural gas distribution plant and system in said City and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its Chief Operating Officer and attested this 31st day of JULY, 2007.

MISSOURI GAS ENERGY, a division of Southern Union Company

By Robert J. Hack
Robert J. Hack
Chief Operating Officer

ATTEST:

Jenny Wockenfuss
Printed Name Jenny Wockenfuss

(155)

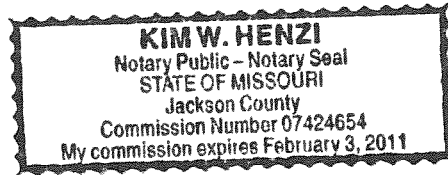
STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss.

BE IT REMEMBERED, that on this 31st day of JULY, 2007, before me, the undersigned, a Notary Public, came Robert J. Hack, Chief Operating Officer of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who is personally known to me to be such officer, and who is personally known to me to be the same person who executed as such officer the above and foregoing instrument of writing on behalf of said corporation, and he duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

My Commission Expires:
Feb. 3, 2011



Bill No. _____

Ordinance No. 146

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF HUGHESVILLE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF HUGHESVILLE, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from October 7, 2004, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the Village of Hughesville, Missouri, herein called Village, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Hughesville now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.


Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time

open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the six (6) month period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the Village treasury a sum equal to five (5%) percent of said gross receipts subsequent to the effective date of this franchise, which shall be charged to the operating expenses of the Company. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Trustees express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.


PASSED THIS 11th DAY OF January, 2005.


Chairman of the Board of Trustees

ATTEST:


VILLAGE CLERK

APPROVED THIS 11th DAY OF January, 2005


Chairman of the Board of Trustees

This Acceptance of Ordinance received and filed this 31st day of January, 2005.

Leis J Gray
Village Clerk

Village of Hughesville, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 146 of the Ordinances of the Village of Hughesville, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Village of Hughesville, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said Village and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 25th day of JANUARY, 2005.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President and Chief Operating Officer

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

Handwritten note:
DR
RJA
1/24/05

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 25th day of JANUARY, 2005, before me, the undersigned, a Notary Public, came James H. Oglesby, President and Chief Operating Officer, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public

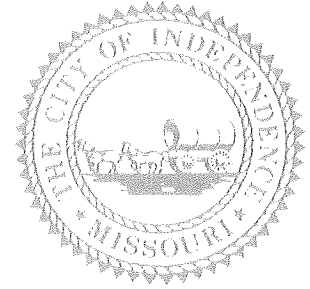
My Commission Expires:
Feb. 3, 2007



City of Independence

111 EAST MAPLE • P.O. BOX 1019 • INDEPENDENCE, MISSOURI 64051-0519

www.ci.independence.mo.us • (816) 325-7000



August 15, 2013

AUG 19 2013

Mr. David Abernathy
Vice President and Associate General Counsel
Laclede Gas Company
720 Olive Street
St. Louis, MO 63101

Mr. Abernathy:

The City Clerk forwarded the attached August 9, 2013 letter from Mr. Robert J. Hack, Chief Operating Officer, for Missouri Gas Energy (MGE) regarding the purchase of MGE by Laclede Gas Company. In this letter Mr. Hack requested the City, by Ordinance, acknowledge the assignment to Laclede Gas Company of the Franchise Agreement between MGE and the City.

In my opinion it is not necessary for the Council of the City of Independence to approve an Ordinance that acknowledges Laclede's purchase of MGE. I have attached a copy of Ordinance No. 17697 that was approved on December 20, 2010 and is the Franchise Agreement that currently exists with MGE. Section 13 of this Franchise Agreement addresses the possibility of a sale, transfer, or assignment of MGE and the responsibility of the successor company, Laclede.

Should you have any questions regarding this information please feel free to contact me at the above address or by calling me at 816-325-7173.

A handwritten signature in black ink, appearing to read "James C. Harlow".

James C. Harlow
Director of Finance & Administration

c: City Clerk, Ordinance No. 17697



MISSOURI GAS ENERGY

3420 Broadway • Kansas City, MO • 64111-2404 • (816) 360-5755

ROBERT J. HACK
CHIEF OPERATING OFFICER

August 9, 2013

Via Certified Mail
Return Receipt Requested

City Clerk
City of Independence, Missouri
111 E. Maple Avenue
Independence, Missouri 64050

RECEIVED

AUG 16 2013

CITY OF INDEPENDENCE
FINANCE

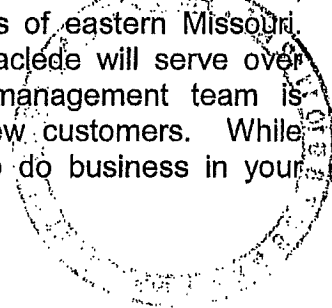
Re: Franchise Agreement that expires 12/19/2020 between City of Independence, Missouri and Missouri Gas Energy, a division of Southern Union Company (the "Agreement")

Dear Sir/Madam:

Southern Union Company ("SUG") has entered into a Purchase and Sale Agreement (the "Purchase Agreement") with Laclede Gas Company ("Laclede") under which it will sell its Missouri Gas Energy division's gas distribution business assets to Laclede. As part of the Purchase Agreement, SUG, doing business in Missouri as Missouri Gas Energy, will assign to Laclede all of its rights, duties, and obligations under certain contractual arrangements, including its municipal franchise agreements. The Missouri Public Service Commission approved Laclede's purchase of the MGE assets on July 17th, 2013. I have attached the Commission's order for your reference.

This letter is to advise you that SUG will assign all of its rights and obligations under the Agreement to Laclede upon Closing of the transaction, which is expected to occur on or after September 1, 2013. The same terms, conditions, and effective dates will continue in the Agreement – only the name of your natural gas provider will change.

Laclede has provided valuable, reliable gas service to Missouri customers since 1857. Laclede is a subsidiary of the Laclede Group, Inc., a public utility holding company registered on the New York Stock Exchange. Laclede is the largest natural gas distribution utility in Missouri, serving more than 632,000 residential, commercial, and industrial customers in St. Louis and surrounding counties of eastern Missouri. With the acquisition of SUG's Missouri Gas Energy assets, Laclede will serve over 1,100,000 natural gas customers in Missouri. Laclede's management team is committed to providing reliable and efficient service to its new customers. While rebranding discussions are underway, Laclede will continue to do business in your municipality for the near future as "Missouri Gas Energy."





August 9, 2013

Page 2

The assignment of the Agreement will be to "Laclede Gas Company, a Missouri Corporation, 720 Olive Street, St. Louis, MO 63101." **We request your signed acknowledgment and a duly passed ordinance returned no later than October 15, 2013 with an effective date of September 1, 2013.** Please send these documents to:

Laclede Gas Company
ATTN: Legal Department
720 Olive Street
St. Louis, MO 63101

Thank you for your assistance. Should you have any questions, please contact Todd Jacobs, Senior Director – Legal at 816-360-5976 or todd.jacobs@sug.com (MGE) or David Abernathy, Vice President and Associate General Counsel, at 314-342-0536 or dabernathy@lacledegas.com (Laclede).

Sincerely,

SOUTHERN UNION COMPANY

A handwritten signature in black ink, appearing to read "R. J. Hack", is written over a horizontal line.

Robert J. Hack
Chief Operating Officer
Missouri Gas Energy

THE UNDERSIGNED HEREBY ACKNOWLEDGES THE ASSIGNMENT OF THE AGREEMENT TO LACLEDE GAS COMPANY EFFECTIVE AT CLOSING OF THE PURCHASE AGREEMENT:

[Party Name]

By: _____

Name: _____

Title: _____

Date: _____

BILL NO. 10-173

ORDINANCE NO. 17697

AN ORDINANCE GRANTING A FRANCHISE TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, ITS SUCCESSORS AND ASSIGNS, TO OPERATE AND MAINTAIN A GAS DISTRIBUTION SYSTEM IN THE CITY OF INDEPENDENCE, MISSOURI; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF FRANCHISE; PROVIDING FOR CITY REGULATION OF THE GAS SYSTEM; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF ITS PROVISIONS.

WHEREAS, there is a need to enter into a new franchise agreement with Missouri Gas Energy, a Division of Southern Union Company;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI, AS FOLLOWS:

SECTION 1. SHORT TITLE.

This Ordinance shall be known and may be cited as the Missouri Gas Energy Franchise Ordinance Referencing Agreement (the "Agreement").

SECTION 2. DEFINITIONS.

For the purposes of this Agreement, the following terms, phrases, words, and their derivations shall have the meaning given herein, unless the context or use clearly indicates another or different meaning is intended.

- 2.1 "City" is the City of Independence, Missouri.
- 2.2 "City Council" is the Council of the City of Independence, Missouri.
- 2.3 "Commission" is the Public Service Commission of the State of Missouri and any successor of such commission having jurisdiction of the subject matter herein.
- 2.4 "Company" is the grantee of rights under this Agreement, which is Missouri Gas Energy, a division of Southern Union Company, doing business as Missouri Gas Energy ("MGE"), and any successor or assigns thereof acting through their officers, agents or employees within the scope of their respective duties and authorities.
- 2.5 "Construction" is the process utilized to install, excavate or repair Company assets on the public property and public ways including utility easements and rights-of-way.

- 2.6 "Corporate Authorities" are the Mayor and the City Council of the City of Independence, Missouri.
- 2.7 "Gas Distribution System" shall include (a) through (c) below:
- (a) "Gas Facilities" includes the piping, fuel lines, fixtures, valves, regulators, appliances and apparatus of any kind, owned and/or used by the Company, which are part of the mechanism by which gas is transported and supplied.
 - (b) "Main" is a gas pipe owned, operated and maintained by Company as a distribution line that serves as a common source of supply for more than one service line.
 - (c) "Service Line" is the pipe installed from Company's Main to the inlet of Company's meter or to the connection to a customer's piping, whichever is farther downstream.
- 2.8 "Gas Service" is the availability of gas supplied or transported over or through Company's facilities to any person or customer regardless of whether or not the person or customer makes use of such gas service and regardless of whether Company, person or the customer owns the gas transported over Company's facilities while such gas is in the Company's possession.
- 2.9 "Gross Receipts" shall represent all amounts received from the sale or transportation of natural gas; delayed payment charges (forfeited discounts); collection, disconnection and reconnection charges; insufficient fund charges; customer read charges, but shall not include compensation received by Company for collecting sales tax. So long as Company shall be required by any regulatory authority having jurisdiction, to separately state the gross receipts tax increment on its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall include the separately stated gross receipts tax increment.
- 2.10 "Infrastructure" means the City's streets, sidewalks, curbs, gutters, waterlines, pavements, alleys, sewer line and storm water facilities.
- 2.11 "Liability" includes, but is not limited to actual loss or damage to property or injury to or death of persons; actual responsibility for such loss, damage, injury or death; and any and all judgments, decrees, costs and expenses of every sort and kind incident to such loss, damage, injury or death or responsibility, including, but not limited to, court costs, fines and reasonable attorney's fees.
- 2.12 "Person" is any individual, firm, partnership, co-partnership, company, association, public or private corporation, joint stock company, trust, estate, political subdivision, governmental agency, or other legal entity recognized by law.

- 2.13 “Public Property” means all real property and all improvements thereon, owned, leased to, leased by or otherwise controlled by the City.
- 2.14 “Public Ways” means the surface, the air space above the surface and the area below the surface of any public right-of-way, including, but not limited to, any street, highway, avenue, drive, boulevard, lane, path, alley, sidewalk, waterway, bridge, tunnel, park, parkway or other public right-of-way, including public utility easements or rights-of-way over which the City has jurisdiction, and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the City in which the City holds rights sufficient, without consent of any other Person, to permit Company the use thereof for the purpose of installing, operating or maintaining its Gas Distribution System.
- 2.15 “Tariff” shall be defined as the schedule of rates and charges and general terms and conditions for gas service filed by the Company with the Commission, as amended and approved by the Commission.
- 2.16 “Utility Coordinator” is an individual appointed by the City to facilitate communications between the City and the Company. The Utility Coordinator will serve as a contact for the Company to help expedite permits and to maintain City policy affecting Company work.
- 2.17 “Utility Construction and Maintenance Permit”, is a permit issued by the City to the Company to allow construction, alteration, repair or maintenance of a main or any part of the Gas Distribution System in or on Public Property.

SECTION 3. RULES OF CONSTRUCTION.

- 3.1 This Agreement shall be construed in accordance with the following provisions. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. To the extent terms or words used in this Agreement are defined in Commission rules, regulations and orders, the Company’s Tariff or the Adopted International Codes, those definitions are incorporated by reference herein. Where the provisions hereof conflict in any way with the Company’s Tariff, or the rules, regulations or orders of the Commission which specifically pertain to Company and with which the Company is required to comply, the conflicting provisions hereof shall be void and the relevant provisions of such rules, regulations or orders shall prevail.
- 3.2 The words “shall” and “will” are always mandatory and not merely directory.
- 3.3 The provisions of this Agreement shall be read as a whole so as to effect the purposes of this Agreement.
- 3.4 Section headings are descriptive and used merely for the purpose of organization.

Where inconsistent with the text, section headings are to be disregarded.

SECTION 4. NON-EXCLUSIVE RIGHTS GRANTED.

- 4.1 There is hereby granted by the City to the Company the right and privilege to erect, construct, operate, maintain a Gas Distribution System, and to import, transport, sell and distribute gas, whether natural, manufactured, or mixed, within the City, and for these purposes to establish the necessary facilities and equipment and to lay and maintain Mains, Service Lines and any other appurtenances necessary to the sale and distribution of gas in the Public Property and Public Ways of the City. The right to use and occupy said Public Property and Public Ways for the purposes herein set forth shall not be exclusive, and the City reserves the right to make a similar use or grant a similar use of said Public Property and Public Ways, to any Person at any time during the period of this Agreement.
- 4.2 **Emergency Access to Public Ways and Public Property.** In the event of an emergency which the Company reasonably believes poses a threat of immediate harm to the public or to any of the Gas Facilities, the Company is hereby granted access to the Public Ways and Public Property, without a permit, to ameliorate the threatened harm. The Company shall immediately advise the City of any such emergency.

SECTION 5. MUNICIPAL RIGHTS RESERVED.

- 5.1 **Police Powers and City Rights.** The City expressly reserves the right to adopt, from time to time, in addition to the provisions contained herein, such ordinances, rules and regulations as the appropriate City authorities may deem necessary in the exercise of police power for the protection of the health, safety and welfare of the City's citizens and their properties.
- 5.2 **Regulation of Public Ways and Public Property.** The City expressly reserves the right to enforce reasonable regulations concerning access to or use of the Public Ways and Public Property, as may from time to time be provided by ordinance, including requirements for permit applications.

SECTION 6. INDEMNIFICATION AND INSURANCE.

- 6.1 The Company shall indemnify, become responsible for and forever hold harmless the City, its officers, agents and employees from and against Liability to the extent caused by any negligent act, error, or omission, or willful misconduct of the Company or its agents or employees in the Public Ways or on Public Property pursuant to this Agreement or by virtue of or pursuant to an order, rule, regulation or authorization of the Commission. The indemnity required hereunder shall not be limited by reason of the specification of any particular insurance coverage in this Agreement.

- 6.2 To the extent permitted by law, the City shall indemnify, become responsible for and forever hold harmless the Company, its officers, agents and employees from and against Liability to the extent caused by any negligent act, error, or omission, or willful misconduct of the City or its agents or employees in the Public Ways or on Public Property pursuant to this Agreement.
- 6.3 **Comprehensive Liability Insurance or Self Insurance.** At all times while this Agreement remains in effect, and in recognition of the Indemnification provided in the foregoing Sections 6.1, the Company shall, at its own cost and expense, maintain a program of third party liability insurance and/or self-insurance in the amounts specified below to protect the City, its officers, employees and agents from any liability for bodily injury, death and property damage occasioned by the activities of the Company or any Person acting on its behalf. As proof of this compliance, the Company shall, during the life of this Agreement, keep on file with the Clerk of the City a certificate of insurance with an insurance company licensed to do business in the State of Missouri and/or affidavit of self-insurance which shall show the types and amounts of coverage. Any affidavit of self-insurance shall be signed by an employee or officer of the Company who has knowledge of the Company's self-insurance program and is authorized to make representations as to the scope of said program, and shall contain a statement making such representations. The insurance coverage required by the City is set out in Exhibit A attached hereto and incorporated herein by reference.
- 6.4 Any right to indemnification as set forth in this franchise shall survive the termination of this franchise

SECTION 7. SERVICE STANDARDS.

- 7.1 **Maintenance of Facilities.** The Company shall maintain and operate its Gas Distribution System and render efficient Gas Service in accordance with the rules and regulations as set forth by the Commission.
- 7.2 **Nondiscrimination.** The Company shall not, as to rates, charges, service, facilities, rules, regulations or in any other respect, make or grant any preference or advantage to any Person or subject any Person to any prejudice or disadvantage, except as allowed pursuant to its Tariff on file with the Commission.
- 7.3 **Service Interruptions**
- 7.3.1 The Company shall make all reasonable efforts to prevent interruptions of Gas Service. When interruptions occur, the Company shall reestablish Gas Service with the shortest possible delay consistent with general safety and public welfare.

7.3.2 The Company shall make all reasonable efforts to notify the City Utility Coordinator, or the appropriate City authorities if the Utility Coordinator is not immediately available, of major service interruptions within the City within one (1) hour after the Company learns of such interruption. "Major service interruption" shall mean any interruption which may affect public health or safety or an interruption affecting more than five (5) customers. If at the time such notification is made the Company is not able to provide an estimate of when Gas Service is expected to be restored, such information shall be provided to the Utility Coordinator or the appropriate City authorities as it becomes available.

7.3.3 The Company shall make a good faith effort to notify potentially affected customers and the Utility Coordinator prior to performing any work on its Gas Distribution System that may result in an interruption of Gas Service to customers in the City.

SECTION 8. COMPANY RULES.

The Company shall have the authority to promulgate such rules, regulations, terms and conditions governing the conduct of its business as shall be reasonably necessary to enable the Company to exercise its rights and perform its obligations under this Agreement, to the extent that such rules, regulations, terms, and conditions do not conflict with, or require approval by any relevant jurisdiction.

SECTION 9. CONDITIONS ON PUBLIC PROPERTY.

9.1 The Company shall, as a condition of making any excavation in, through or under any street, sidewalk, alley, or Public Way in the City, deposit with the Director of Public Works a performance bond in the penal sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00), or such other sum as may be established by ordinance, conditioned that the principal thereunder shall save harmless and indemnify the City on account of damages to any persons or property occurring by reason of any excavations as provided for in this Agreement; provided, however, if Company has over \$25,000,000 in net assets and otherwise qualifies pursuant to RSMo 67.1830(6)(a), Company shall be exempt from such performance bond requirement. In such event, Company shall provide an affidavit of net assets upon City's request. The Company or any Person acting on its behalf may construct, repair, maintain, renew or replace Gas Facilities, Service Lines, Mains and any apparatus necessary to the operation and maintenance of the Gas Distribution System in the City located in the Public Ways or on Public Property, subject to the following conditions:

9.2 **Use.** The Gas Distribution System placed by the Company in or on the Public Property and Public Ways in the City shall be placed so as not to obstruct or interfere with Public Ways and Public Property existing or hereafter existing. All Gas Facilities, Mains and Service Lines must be in a standard location and at a

standard depth and in accordance with the Public Works Manual, as codified in Chapter 20 of the City Code, as adopted and as continually amended. The Company shall avoid interfering with the use of any street, alley or other highway where the paving or surface of the streets would be disturbed. All new installation must be on the opposite side of the street as the water line and in accordance with the latest edition of the City's Public Works Manual. New installation shall not be located within thirty-six (36) inches of any water and sanitary sewer lines or stormwater facilities. Should Company determine that it cannot comply with this provision, then before any work is done or a permit applied for, Company shall contact the City Utility Coordinator for approval of any variance from these installation requirements. The requirements set forth in this paragraph shall not be construed to imply an obligation of the Company to relocate existing Gas Distribution Systems.

9.2.1 Neither the Company nor any Person acting on its behalf may unreasonably interfere with the use of the Public Ways or Public Property by the general public or by other Persons authorized to use or be present upon said Public Ways or Public Property.

9.3 **Utility Coordinator and Construction Meetings.** In an effort to facilitate issue resolution, construction planning, and franchise management, the City shall identify a Utility Coordinator to serve as the principal contact between the City and Company. Representatives of the Company and the City shall meet and confer on an as needed basis or not less than quarterly, concerning all construction projects proposed by the Company, the City, or private development that will affect the provision of Gas Service or the Gas Distribution System by the Company and the use of Public Property and Public Ways.

9.4 **Company Contact.** The Company shall identify one (1) individual to serve as the principal contact between the Company and the City Utility Coordinator. This officer or employee shall be present at all quarterly meetings or any other meetings scheduled as needed, and handle City complaints and service requests and expedite resolution thereof between the City and the Company.

9.5 **Construction on Public Property and Public Ways.**

9.5.1 Whenever it becomes necessary to construct or excavate in the Public Property or Public Ways of the City in order to install, construct, maintain or repair any part of the Company's Gas Distribution System now located, or to be located, therein or thereon Public Property or Public Ways, the Company shall obtain a Utility Construction and Maintenance Permit issued by the City, prior to commencement of each Construction project. Such permits shall state the particular parts or points where said Construction shall occur and the length of time in which such permits shall authorize the work to be done. Time of commencement and time of completion shall also be stated in said permits. The Company shall include

with its permit application such plans and schedules for restoration of the Public Ways or Public Property as the City may reasonably require. The City at all times shall have the right to inspect all Construction being conducted by the Company or any Person acting on its behalf and to stop any work being conducted if it does not meet City specifications and ordinances.

- 9.5.2 When the Company, or any Person acting on its behalf, performs any Construction in or affecting the Public Ways or Public Property, it shall, at its own expense, remove any obstructions therefrom and restore such Public Ways or Public Property, to as good a condition as existed before the Construction was undertaken, including landscape and tree replacement, unless otherwise directed by the City. Cuts in the City streets are prohibited except when no other reasonable construction alternatives exist as reasonably determined by the Utility Coordinator. Company, at its expense, shall repair any curb or pavement replacement or restoration in a condition consistent with the City's Public Works Manual for a period of two (2) years after acceptance by the City of the replacement or restoration of all street cuts. Prior to commencement of any Construction in or affecting the Public Ways or Public Property by Company pursuant to this Agreement, Company shall provide at its own cost, preconstruction photos when said Construction impacts Infrastructure.
- 9.5.3 If weather or other conditions do not permit the complete restoration of Public Property and Public Ways required by Section 9, the Company may temporarily restore the affected Public Ways or Public Property upon receiving the approval of the City Utility Coordinator, provided that such approval shall not be unreasonably withheld. Such temporary restoration shall be at the Company's sole expense and the Company shall promptly undertake and complete the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration.
- 9.5.4 If the Company fails, neglects or refuses to restore the Public Ways or Public Property or to remove any obstruction therefrom, the City may, after affording the Company a reasonable opportunity to correct the situation, as will be determined by the Utility Coordinator, give five (5) days written notice to the Company, or such longer period if mutually agreed upon, and thereafter restore such Public Ways or Public Property or remove the obstruction therefrom. No such prior written notice shall be required in the event that the City determines that an emergency situation exists. The Company shall pay the City for any such restoration or removal within thirty (30) days after receiving a bill from the City for such work. The City may file a claim against the performance bond in lieu of payment to the City if not paid in full within forty-five (45) days of billing.

9.6 **Inspection of Restoration Work.**

9.6.1 All restoration work shall be subject to inspection by the Utility Coordinator and/or his designee. Immediately after the Construction has been completed, the Company herein shall notify the City Utility Coordinator that the work has been completed and is ready for final inspection. If, upon final inspection, the Utility Coordinator or his designee finds such work to be not in conformance with City standards, Company shall replace the work at its cost within two (2) weeks of final inspection by the Utility Coordinator.

9.6.2 Company shall not open or encumber, at any one time, any more of such Public Property or Public Ways than may, in the opinion of the Utility Coordinator, be reasonably necessary to enable the Company to proceed in laying or repairing its Gas Distribution System. Nor shall the Company permit any property so opened or encumbered by the Company to remain open for a longer period of time than shall, in the opinion of the City Utility Coordinator, be reasonably necessary. In all cases where any Public Property or Public Ways shall be excavated or encumbered by the Company herein, the Company shall take all precautions for the protection of the public as is reasonable in such circumstances and as may be required by the general ordinances of the City.

9.7 **City Projects.** Whenever the City shall construct or maintain Infrastructure, along or across Public Property or Public Ways or alters or changes the grade of any street, alley or other Public Way where the Company shall have installed any of its Gas Distribution System, it shall be the duty of the City to provide reasonable advance notice to the Company and to provide such plans as Company may reasonably require. Company shall, at its own expense, move or relocate the appropriate parts of its Gas Distribution System so as to conform to the locations of the Public Property, Public Ways or Infrastructure. It shall be the further responsibility of Company to review all construction projects submitted to it by the City and to notify the City of all necessary alterations of Company's Gas Distribution System which will be occasioned by proposed construction. Upon reasonable notification by the City of the timing of the construction project, Company shall complete the required alteration of its Gas Distribution System within the time reasonably directed by the Utility Coordinator at Company's expense.

9.8 **Utility Locate.** Company or its contractor shall, not in excess of two (2) working days from receipt of the notice from the City or the City Utility Coordinator requesting the location of underground facilities, identify the approximate location of underground Gas Facilities so as to enable the City to locate the facilities in advance of and during any work performed by the City or by Persons acting on its behalf. If the City states in the notice of intent that the City's planned work will involve tunneling or horizontal boring, the Company shall inform the

Utility Coordinator of the depth, to the best of its knowledge or ability, of its Gas Facilities according to the records of the Company. Company and City shall follow all requirements set out in the Missouri Underground Facility Safety and Damage Prevention Act, when applicable.

- 9.9 **Right of Way Acquisition.** Acquisition of right of way shall be the responsibility of the Company if acquisition is required by Construction projects proposed by the Company. Such acquisition shall occur in a timely fashion so as not to interfere with the timely completion of a City construction project.
- 9.10 **Construction Standards.** The quality of all Company Construction and restoration shall comply with the laws, statutes, ordinances, and regulations promulgated by Federal, State and Local governments.

SECTION 10. Remedies.

- 10.1 Subject to the limitations in Sections 10.2, 10.3 and 10.4 below, in the event the Company or the City fails to fulfill any of their respective obligations under this Agreement, the City or the Company, whichever the case may be, will have claims for breach of contract and specific performance against the other in addition to any other remedy provided under this Agreement or otherwise provided by law, except that no remedy that would have the effect of amending the specific provisions of this Agreement shall become effective without such action as would be necessary to formally amend the Agreement.
- 10.2 In the event that the Company violates any terms of this Agreement for conduct that is subject to the exclusive jurisdiction of a competent authority other than the City, the sole remedy for such violation shall be before that other competent authority. For purposes of determining the applicability of this section, no provision of this Agreement may be used as the sole basis to defeat the exclusive jurisdiction of such other competent authority.
- 10.3 In the event that the Company violates any term of this Agreement for conduct that is also a violation of another applicable City ordinance, the Company shall be subject to remedies under that other ordinance plus ordinary contract remedies under this Agreement.
- 10.4 Subject to the limitation of Section 10.2, upon the finding by either party hereto that the other party hereto has failed or refused to observe any terms and conditions of this Agreement, the non-offending party shall notify such other party in writing of the terms and conditions which it has not observed. Waiver of any breach of this Agreement shall not constitute a waiver of any subsequent breach of the same or any other provision in this Agreement. The notice shall inform the offending party of the actions which it must take to correct the violation and shall grant such party seven (7) calendar days to cure such failure or violation unless such failure or violation infringes upon the public safety or

health, in which case cure shall be immediate. In events of non-emergency, the non-offending party may agree to extend this seven (7) day cure period. In the case of an emergency, the notice need not be made in writing. If a competent authority other than the City has determined that the action giving rise to the City's notice constituted a violation of an applicable rule, regulation or order of such competent authority, then the cure period granted by the City shall be no less than the cure period ordered by such competent authority. If the offending party does not eliminate or correct such failure or violation in accordance with the notice, the party's rights under this Agreement may be forfeited or such party may be subjected to any other remedies afforded by this Agreement, including the assessment of reasonable attorney's fees incurred by the non-offending party.

SECTION 11. REVOCATION OR SUSPENSION BY PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI.

In the event that the Commission revokes or suspends any license, certificate, or other authorization held by the Company for the purpose of either operating any portion of its Gas Distribution System within the City or providing Gas Service within the City, then the Company's rights under this Agreement shall likewise be revoked or suspended, without further notice from the City. The Company's rights under this Agreement shall be reinstated (1) if the Commission rescinds its revocation or suspension; (2) if the revocation or suspension order is overturned upon review by the Commission; (3) if the Commission reinstates the Company's license; or (4) if the suspension expires of its own terms. The original termination date of this Agreement shall not be affected if the rights forfeited under this Agreement are reinstated.

SECTION 12. NON-DISCRIMINATION AND EQUAL OPPORTUNITY.

The Company and City represent that they will not discriminate against any person employed or seeking employment with respect to hiring, promotion or tenure, or to terms, conditions or privileges of employment, on account of race, color, sex, religion, national origin or ancestry.

SECTION 13. TRANSFER AND RIGHTS AND OBLIGATIONS OF ASSIGNEES.

In the event of a sale, transfer, assignment or any other transaction Company may enter into which involves the Company's rights, duties and privileges under this Agreement, all provisions of this Agreement which are obligatory upon, or which inure to the benefit of the Company shall also be obligatory upon and shall inure to the benefit of any and all successors and assigns of the Company. Further, all obligations, duties, liabilities, limitations, prohibitions, amendments and forfeitures by this Agreement created or imposed upon Company, shall be binding upon and be assumed, kept and performed by its legal and bona fide assigns and successors in interest, according to the true intent and purpose of this Agreement, whether expressly so stated or not.

SECTION 14. LAWS, RULES AND REGULATIONS.

- 14.1 **Compliance with Laws, Rules and Regulations.** While this Agreement remains in effect, the Company shall promptly and fully comply with all applicable statutes, ordinances, judgments, decrees, orders, rules and regulations of any competent authority other than the City having jurisdiction over the Company's activities.
- 14.2 **Compliance with Municipal Ordinances, Rules and Regulations.** While this Agreement remains in effect, the Company shall promptly and fully comply with all applicable orders, rules, regulations and ordinances of the City.
- 14.3 **Violation of Laws, Rules and Regulations.** Any claim by the City that the Company has violated any provision of Section 16, shall be subject to the procedures set forth in Section 10 of this Agreement.

SECTION 15. PAYMENT TO CITY.

The Company shall, not later than the twentieth (20) day of each calendar month in each year, make a report to the Finance Director of the City of its gross receipts from the sale or transportation of gas within the corporate limits of said City for the one (1) month period ending on the last day of the month preceding that on which the report is due; and at the time of making reports, pay into the City treasury a sum equal to the City's then current gross receipts tax on gross receipts of the Company. Company's gross receipts tax is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company and the City agree that with a period of sixty (60) days notice, City shall have the right to adjust the gross receipts tax rates.

SECTION 16. RECORDS AND REPORTS AND INSPECTION OF FACILITIES.

The City shall have access upon reasonable notice and during the Company's normal business hours, to such of the Company's plans, contracts and records relating to the Gas Distribution System and the operations of the Company within the City so as to determine whether the Company is complying with the terms of this Agreement and any City ordinance relating to the conduct of Company's operations in the City.

- 16.1. **Gross Revenue Report.** The Company shall provide to the City an annual summary report showing gross revenues received by the Company from its operations within the City during the preceding year and such other information as the City shall request with respect to properties and expenses related to the Company's Gas Service within the City.

SECTION 17. TERM OF FRANCHISE.

The Franchise granted by this Agreement and rights herein granted shall take effect and be in force from and after the final passage of the Ordinance, as required by law, and shall

continue in force and effect for a term of twenty (20) years after the effective date of this Agreement.

SECTION 18. EFFECTIVE DATE.

This Agreement shall be in full force and effect from and after the passage of the authorizing ordinance and receipt of the Company's acceptance by the City.

SECTION 19. RENEWAL.

At any time during the first sixty (60) days of the last year occurring prior to the expiration date of the Agreement, Company may request the City to enter into negotiations toward renewing or extending this Agreement. Any renewal or extension shall be according to terms that are mutually agreeable and neither party shall be bound to accept any particular terms or to renew any or all of the rights granted by this Agreement.

SECTION 20. TERMINATION.

The rights and obligations of the Company under this Agreement shall be terminated upon the end of the term of this Agreement or if either party hereto has exercised its options to terminate under Section 10 or upon the Company's violation or forfeiture as provided in any other section of this Agreement.

SECTION 21. NOTICES.

Notices required to be given in writing under this Agreement shall be effective when delivered personally to the addressees or when forty-eight (48) hours have elapsed after the notice is deposited in the United States Mail in a sealed envelope with registered or certified mail postage prepaid thereon, addressed to the party which notice is being given. Such addresses may be changed by either party upon notice to the other party given as provided in this section. At the date of execution herein the addresses of the parties are as follows:

Company:

Missouri Gas Energy, a division of Southern Union Company
3420 Broadway
Kansas City, MO. 64111
Attn. Chief Operating Officer

City:

City of Independence
111 East Maple
Independence, Missouri 64050
Attn. Public Works Director

With copy to:

City of Independence
111 East Maple
Independence, Missouri 64050
Attn. City Counselor

SECTION 22. ACCEPTANCE.

The Company shall accept this Agreement by filing with the City Clerk an unconditional written acceptance hereof, to be duly executed according to law, along with proof of compliance required by Section 6.3. The failure of the Company to so accept this Agreement within sixty (60) days of enactment shall be deemed a rejection hereof by the Company, and the rights and privileges herein granted shall absolutely cease unless said period of time shall be extended by an ordinance duly passed by the Corporate Authorities for that purpose before the expiration of the sixty (60) day period.

SECTION 23. REOPENER.

At any time, but not more than once in any five (5) year period, either party may require both parties to negotiate in good faith on any proposed amendment to this Agreement. The object of any proposed amendment shall be set forth in a written notice.

SECTION 24. AMENDMENTS.

No revision, modification or amendment of this Agreement shall be effective unless it has been passed by the Corporate Authorities and accepted by the Company in writing.

SECTION 25. SEVERABILITY.

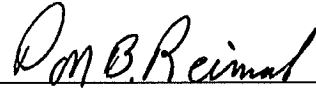
If any section, sentence, paragraph or clause of the Agreement shall be declared invalid or unconstitutional, such declaration shall not affect the validity of any of the remaining sections, sentences, paragraphs or clauses.

SECTION 26. FORCE MAJEURE.

The Company shall not be deemed in violation of this Agreement for the delay in performance or failure to perform in whole or in part its obligations under this Agreement due to war or act of war, whether an actual declaration is made or not, insurrection, riot, act of public enemy, fire, flood or other act of God or by other events to the extent that such events are caused by circumstances beyond the Company's control and are not caused by negligence on the part of the Company or any Person acting on its behalf. In the event that the delay in performance or failure to perform affects only part of the Company's capacity to perform its obligations under this Agreement, the Company shall perform such obligations to the extent it is able to do so in as expeditious a manner as possible. The Company shall promptly notify the City Utility Coordinator in writing of any event covered by this section and the date, nature and cause


thereof. Furthermore, the Company, in such notice, shall indicate the anticipated extent of such delay and the obligations under this Agreement to be affected thereby.

PASSED THIS 20 DAY OF DECEMBER, 2010, BY THE CITY COUNCIL
OF THE CITY OF INDEPENDENCE, MISSOURI.

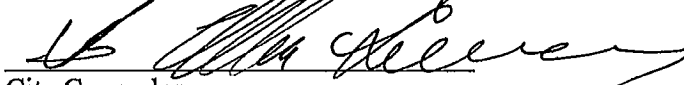


Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:


City Clerk

APPROVED - FORM AND LEGALITY:


City Counselor

REVIEWED BY:

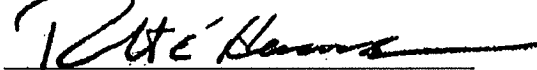

City Manager

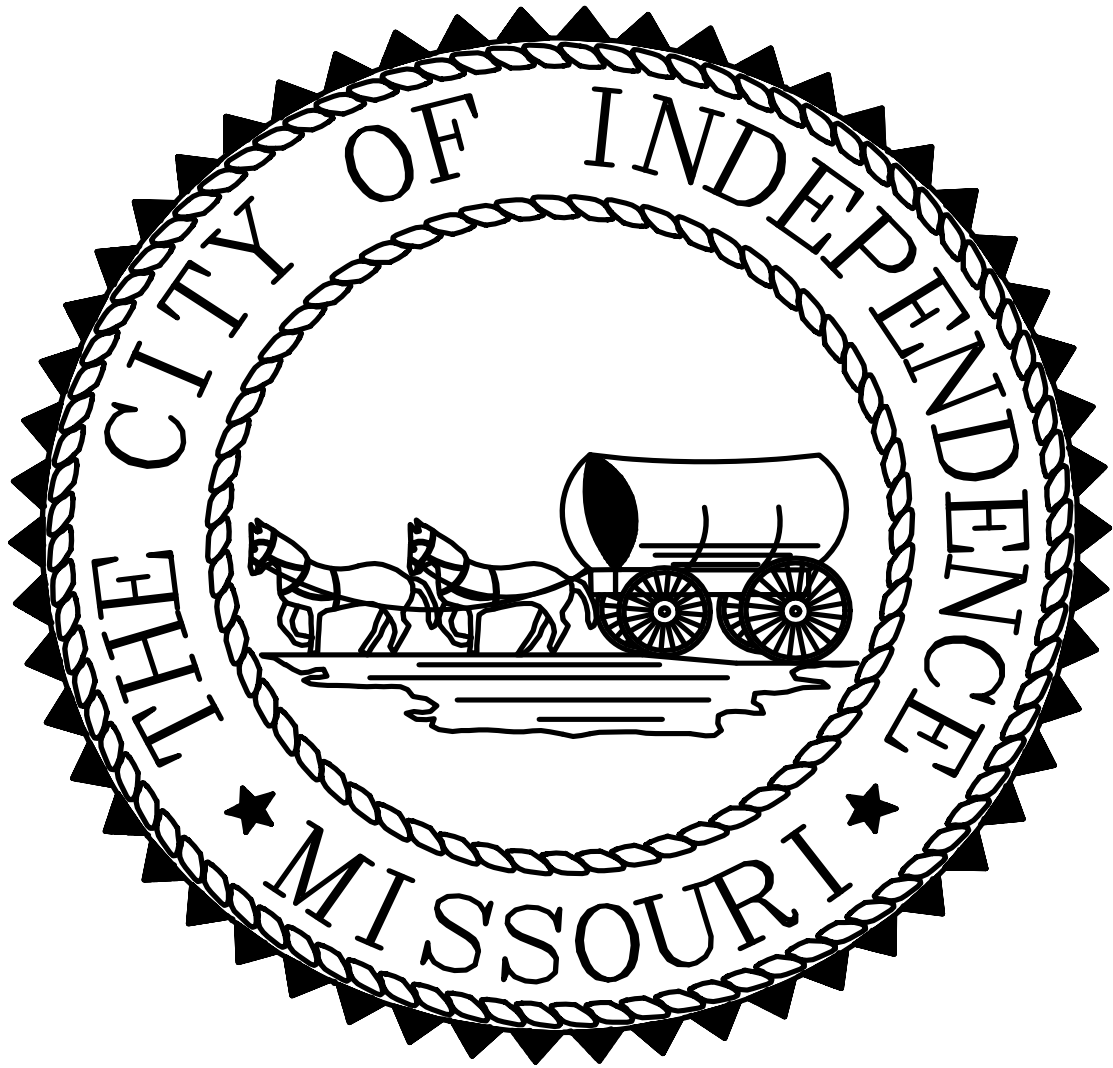
Exhibit A

CITY REQUIRED INSURANCE COVERAGE

Commercial General Liability, including coverage for contractual liability and products completed operations liability on an occurrence basis and not a claims made basis, with a limit of not less than Two Million Dollars (\$2,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage liability. The City shall be included as an additional insured with respect to liability arising from Company's operations under this Franchise.

Or

Self-insurance providing coverage in the amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in aggregate, to protect City from and against all claims by any person whatsoever for loss or damage from personal injury, bodily injury, death or property damage occasioned by Company, or alleged to so have been caused or occurred.



2012-13
Revenue Manual

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Intermunicipal Sewer Agreements	4571, 4572, 4575	128
Water Service Charges	4010, 4100, 4420, 4500	130

I. Introduction

REVENUE MANUAL PURPOSE

This Revenue Manual was created to provide information and understanding regarding the sources, authority and amounts of revenue received by the City of Independence. The manual is updated as of the printing date with changes in the laws, rates, and sources pertaining to revenue.

CITY REVENUE POLICY

Beginning early in each calendar year, City personnel compile the proposed budget based on anticipated service needs, program objectives, and considering estimated revenues. This process attempts to identify expected services, programs, and projected improvements needed by the community and compares these needs with the anticipated available revenue. The revenue component of the proposed budget must include an identification of the various revenue sources to be used in funding municipal services, and the forecast of estimated revenue each source will produce.

The changing economic conditions locally and nationally may cause changes in the proposed budget. A continuation of services provided by the municipality will depend on how quickly management recognizes these changes and reacts to them. Therefore, the City's proposed budget is always based on the most current economic information available and an analysis as to how this will impact the City's revenue.

REVENUE MANUAL CONTENTS

Section II contains a comparison of original and revised estimated revenues for the current fiscal year, as well as actual revenue for the four prior years.

Section III contains descriptive information of each revenue source. Following is a summary of the information provided in the order it appears on the form:

Revenue Source: The standard identifying title as it appears in the City's Chart of Accounts.

Authorization: A law or an administrative policy which authorizes the City to collect a specific amount of revenue from a specific source.

Account and Distribution of Revenue: Monies are designated to the various funds (General, Power & Light, etc.) and the account code designates the revenue account.

Description, Rate, Legal Limit: An explanation of why the revenue source exists and what services the City provides in exchange for the receipts. The charges assessed for various services, or the formula used to generate any given revenue are explained, as well as any applicable legal limits.

Projection: The method used to estimate revenue.

SUMMARY

Each new year brings with it the challenge of meeting seemingly limitless needs and expectations for City services with limited resources. As these needs increase, it becomes even more important to estimate revenues with maximum possible accuracy. Finance Department staff have done thorough research, analysis and interviewing to attempt to make the revenue estimates portrayed herein the most accurate possible given the numerous unknown, variable and volatile criteria involved.

II. Fund Revenue Summary

City of Independence, Missouri
2011-12 Operating Budget
Revenue Summary
For the Fiscal Years 2010-11 through 2012-13

Fund Number Reference

2 - General Fund	16 - Police Public Safety Sales Tax Fund
4 - Tourism Fund	17 - Fire Public Safety Sales Tax Fund
8 - Community Development Block Grant Fund	20 - Power and Light Fund
9 - HOME Fund	30 - Sanitary Sewer Fund
11 - Street Improvements Sales Tax Fund	40 - Water Fund
12 - Park Improvements Sales Tax Fund	90 - Central Garage Fund
13 - Storm Water Sales Tax Fund	91 - Staywell Healthcare Fund
14 - License Surcharge Fund	92 - Worker's Compensation Fund
15 - Grants Fund	

Fund	Description	2010-11 Actual	2011-12		2012-13 Proposed Budget	%Chg. Adopt. to Unaud.	2012-13 % to Total Budget
			Original Budget	Current Estimate			
<u>Property Taxes</u>							
2-3011	Real Estate	7,434,768	7,403,484	7,340,059	7,400,000	0.8%	2.3%
2-3013	R.R. & Other Utility	31,864	33,500	34,469	34,000	-1.4%	0.0%
	Total Property Taxes	7,466,633	7,436,984	7,374,528	7,434,000	0.8%	2.3%
<u>Local Option Sales Tax</u>							
2-3041	Local Option Sales Tax	15,836,443	16,268,536	16,268,536	16,512,564	1.5%	5.2%
11-3041	Local Option Sales Tax	7,406,892	7,409,246	7,618,705	7,732,986	1.5%	2.4%
12-3041	Local Option Sales Tax	3,703,969	3,704,624	3,809,353	3,866,493	1.5%	1.2%
13-3041	Local Option Sales Tax	3,703,882	3,704,624	3,809,353	3,866,493	1.5%	1.2%
16-3041	Local Option Sales Tax	1,979,695	1,970,708	2,033,567	2,064,071	1.5%	0.6%
17-3041	Local Option Sales Tax	1,853,069	1,852,312	1,904,676	1,933,246	1.5%	0.6%
	Total Sales Tax	34,483,950	34,910,050	35,444,190	35,975,853	1.5%	11.2%
<u>Other Taxes</u>							
2-3042	Cigarette Tax	468,859	490,000	469,127	455,000	-3.0%	0.1%
4-3043	Transient Guest Tax	1,077,506	1,250,000	1,180,000	1,200,000	1.7%	0.4%
14-3108	License Tax	235,610	505,000	225,000	250,000	11.1%	0.1%
	Total Other Taxes	1,781,975	2,245,000	1,874,127	1,905,000	1.6%	0.6%
<u>Utility Franchise Fees</u>							
2-3052	Water	24,426	22,000	23,545	24,000	1.9%	0.0%
2-3053	Gas	4,901,356	6,000,000	4,148,731	5,000,000	20.5%	1.6%
2-3054	Telephone	9,500,603	5,000,000	5,500,182	5,140,000	-6.5%	1.6%
2-3055	Electricity	446,935	425,000	447,758	462,000	3.2%	0.1%
2-3057	Cable Television	659,313	601,000	632,427	646,000	2.1%	0.2%
	Total Utility Franchise Fees	15,532,633	12,048,000	10,752,643	11,272,000	4.8%	3.5%
<u>Payments in Lieu of Taxes</u>							
2-3281	Power & Light In Lieu of Taxes	12,404,416	13,494,227	13,152,589	13,934,425	5.9%	4.4%
2-3282	Water Service In Lieu of Taxes	2,135,230	2,335,896	2,335,896	2,370,072	1.5%	0.7%
2-3283	Sanitary Sewer In Lieu of Taxes	1,671,734	1,790,000	1,829,974	2,038,519	11.4%	0.6%
	Total Pymt. in Lieu of Taxes	16,211,381	17,620,123	17,318,459	18,343,016	5.9%	5.7%
	Total Taxes	75,476,572	74,260,157	72,763,947	74,929,869	3.0%	23.4%

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Fund	Description	2010-11 Actual	2011-12		2012-13 Proposed Budget	%Chg. Adopt. to Unaud.	2012-13 % to Total Budget
			Original Budget	Current Estimate			
<u>Business Licenses and Permits</u>							
2-3101	Occupation Licenses	1,306,442	1,389,000	1,477,864	1,499,000	1.4%	0.5%
2-3102	Liquor Licenses	103,581	107,000	107,000	101,000	-5.6%	0.0%
2-3103	Bld. Trades Licenses and Exams	115,825	141,000	100,000	100,000	0.0%	0.0%
2-3104	Fin-Other License/Permits	51,899	50,000	50,000	49,000	-2.0%	0.0%
2-3108	Building Permits, Com.Develop.	671,888	644,000	470,000	550,000	17.0%	0.2%
2-3109	Construction Permits, Pub.Works	155,381	230,000	160,000	200,000	25.0%	0.1%
2-3120	Nursing Home Permits	750	750	797	625	-21.6%	0.0%
2-3121	Day Care Permits	6,578	6,817	9,327	5,869	-37.1%	0.0%
2-3122	Food Handler's Permits	108,285	105,000	112,281	105,000	-6.5%	0.0%
2-3123	Massage Therapist Appl	4,440	3,620	4,161	3,580	-14.0%	0.0%
2-3124	Other Food Permits	148,662	136,740	179,488	145,020	-19.2%	0.0%
2-3125	Ambulance Permits & Licenses	31,636	37,000	38,934	37,000	-5.0%	0.0%
2-3126	Plan Reviews - Health Dept.	3,000	3,000	7,732	7,500	-3.0%	0.0%
	Total Bus. Lic. & Permits	2,708,367	2,853,927	2,717,584	2,803,594	3.2%	0.9%
<u>Non-Business Licenses and Permits</u>							
2-3151	Motor Vehicle Licenses	482,882	500,000	482,961	500,000	3.5%	0.2%
	Total Licenses and Permits	3,191,249	3,353,927	3,200,545	3,303,594	3.2%	1.0%
<u>Grants-</u>							
<u>Federal Government Grants</u>							
8-3204	Federal Grant - CDBG	796,017	775,000	825,000	740,796	-10.2%	0.2%
9-3209	HOME Program Grant	1,008,572	464,717	425,190	296,499	-30.3%	0.1%
15-3210	Emergency Mgmt. Assist.	149,324	51,359	120,000	53,340	-55.6%	0.0%
15-3211	Public Health Nursing	139,298	144,681	150,000	156,673	4.4%	0.0%
2-3218	Dial-A-Ride	25,393	25,393	25,393	-	-100.0%	0.0%
15-3218	Dial-A-Ride	-	-	-	25,393	-	0.0%
2-3219	Other	-	-	785	-	-100.0%	0.0%
15-3219	Federal Grants - Other	6,187,547	1,171,126	3,000,000	1,960,713	-34.6%	0.6%
4-3219	Federal Grants - Other	-	-	-	-	-	0.0%
	Total Federal Grants	8,306,151	2,632,276	4,546,368	3,233,414	-28.9%	1.0%
<u>State Government Grants</u>							
2-3241	Financial Institutions Tax	28,410	30,000	21,724	22,000	1.3%	0.0%
2-3242	Gasoline Tax	3,167,831	3,245,000	3,118,175	3,100,000	-0.6%	1.0%
2-3243	Motor Vehicle License Fees	507,602	600,000	492,068	520,000	5.7%	0.2%
2-3244	Motor Vehicle Sales Tax	680,671	750,000	698,725	750,000	7.3%	0.2%
4-3250	State Grants - Other	144,655	-	171,000	-	-100.0%	0.0%
15-3250	State Grants - Other	32,347	-	25,000	-	-100.0%	0.0%
	Total State Grants	4,561,515	4,625,000	4,526,692	4,392,000	-3.0%	1.4%
<u>Other Sources</u>							
2-3272	Jackson County Drug Task Force	579,213	570,500	572,500	572,500	0.0%	0.2%
2-3274	Jackson County Dare Program	178,791	178,791	193,560	204,457	5.6%	0.1%
2-3275	Mid Am Reg Council	25,000	25,000	25,000	25,000	0.0%	0.0%
15-3279	Misc. Grants - Other	5,263	-	21,000	-	-100.0%	0.0%
	Total Other Sources	788,267	774,291	812,060	801,957	-1.2%	0.3%
Total Grants		13,655,933	8,031,567	9,885,120	8,427,371	-14.7%	2.6%

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Fund	Description	2010-11 Actual	2011-12		2012-13 Proposed Budget	%Chg. Adopt. to Unaud.	2012-13 % to Total Budget
			Original Budget	Current Estimate			
Charges for Services							
General Government							
2-3302	Planning & Zoning Fees	14,195	9,200	10,953	9,000	-17.8%	0.0%
2-3303	Board Of Adjustment Fees	3,660	3,000	4,072	3,000	-26.3%	0.0%
2-3304	Sale Of Maps, Books, Plans	3,795	12,000	12,000	9,000	-25.0%	0.0%
2-3305	Sale Of Police Reports	38,868	29,500	33,088	30,000	-9.3%	0.0%
2-3306	Sale Of Fire Reports	290	500	271	200	-26.2%	0.0%
2-3307	Computer Service Charges	300	-	150	-	-100.0%	0.0%
2-3309	Transit Rider Fares	-	-	-	379,400		0.1%
Health							
2-3311	Animal Shelter Fees	105,227	114,990	114,990	267,500	132.6%	0.1%
2-3312	Animal Id Tags	20,646	21,000	22,819	335,500	1370.3%	0.1%
2-3313	Health Training Programs	7,375	2,250	6,613	5,464	-17.4%	0.0%
Public Safety							
2-3316	Reimb. For Police Services	12,167	7,000	9,155	8,500	-7.2%	0.0%
15-3316	Reimb. For Police Services	105,049	63,453	115,000	79,633	-30.8%	0.0%
2-3317	School Resource Officers	473,869	499,679	499,679	499,679	0.0%	0.2%
2-3318	Alarm Charges - Police	-	25,000	34,802	30,000	-13.8%	0.0%
2-3319	Alarm Charges - Fire	1,925	2,000	2,966	3,000	1.1%	0.0%
Recreation							
12-3321	Atheletic Fees	18,581	-	4,000	-	-100.0%	0.0%
2-3322	Program Fees	71,014	64,000	44,899	40,000	-10.9%	0.0%
12-3322	Program Fees	2,175	18,500	28,500	30,000	5.3%	0.0%
2-3323	Concessions	5,425	7,000	5,847	7,000	19.7%	0.0%
12-3323	Concessions	25,916	35,000	25,000	35,000	40.0%	0.0%
12-3326	Water Park Fees/Memberships	442,987	460,000	460,000	465,000	1.1%	0.1%
2-3327	Center Fees/Club Memberships	32,564	28,000	31,470	40,000	27.1%	0.0%
12-3327	Center Fees/Club Memberships	25	12,400	7,400	5,000	-32.4%	0.0%
2-3329	Facility Rentals	100,276	56,700	62,182	56,000	-9.9%	0.0%
12-3329	Facility Rentals	15,963	50,600	40,000	40,000	0.0%	0.0%
National Frontier Trails Museum							
2-3331	NFTM-Admissions	49,505	54,000	54,000	54,000	0.0%	0.0%
2-3332	NFTM-Gift Shop	27,501	28,000	28,000	27,000	-3.6%	0.0%
Cemetery							
2-3341	Sale Of Cemetery Lots	4,200	3,250	3,840	3,500	-8.9%	0.0%
2-3342	Sale Of Monument Bases	4,032	3,500	3,225	3,000	-7.0%	0.0%
2-3343	Grave Opening Charges	45,800	47,000	48,950	45,000	-8.1%	0.0%
Central Garage Charges							
90-3380	Central Garage Charges	2,214,207	2,169,443	2,160,000	2,279,297	5.5%	0.7%
Other Charges							
2-3392	Sale Of Street Signs	-	300	340	300	-11.8%	0.0%
2-3393	Special Assessments	191,002	170,000	202,291	170,000	-16.0%	0.1%
2-3396	Sale Of Recycled Material	16,201	16,000	20,440	15,000	-26.6%	0.0%
2-3397	Solid Waste Disp Fees	94,553	80,000	82,015	74,000	-9.8%	0.0%
2-3398	Miscellaneous Charges	942,155	676,124	676,124	575,000	-15.0%	0.2%
4-3398	Miscellaneous Charges	-	-	5,000	500	-90.0%	0.0%
11-3398	Miscellaneous Charges	18,987	-	-	-		0.0%
15-3398	Miscellaneous Charges	-	-	-	109,000		0.0%
Total Charges for Services		5,110,435	4,769,389	4,860,081	5,733,473	18.0%	1.8%
Fines and Court Costs							
2-3401	Fines & Forfeitures	3,822,707	4,162,694	4,162,694	4,162,694	0.0%	1.3%
2-3402	Court Costs	435,648	403,964	418,745	403,964	-3.5%	0.1%
2-3403	Police Training	59,456	61,718	61,718	61,718	0.0%	0.0%
2-3404	Domestic Violence	59,750	61,718	61,718	61,718	0.0%	0.0%
2-3405	Dwi/Drug	20,550	26,760	26,760	26,760	0.0%	0.0%
Total Fines & Court Costs		4,398,111	4,716,854	4,731,635	4,716,854	-0.3%	1.5%

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Fund	Description	2010-11 Actual	2011-12		2012-13 Proposed Budget	%Chg. Adopt. to Unaud.	2012-13 % to Total Budget
			Original Budget	Current Estimate			
<u>Interest Income</u>							
2-3411	Interest	3,844	4,200	1,617	600	-62.9%	0.0%
4-3411	Interest	1,606	2,200	250	200	-20.0%	0.0%
11-3411	Interest	1,172	200	400	250	-37.5%	0.0%
12-3411	Interest	1	10,500	-	-	-	0.0%
13-3411	Interest	9,896	10,500	1,500	1,100	-26.7%	0.0%
14-3411	Interest	3,603	5,540	785	800	1.9%	0.0%
15-3411	Interest	167	-	200	-	-100.0%	0.0%
16-3411	Interest	1,706	2,100	400	200	-50.0%	0.0%
17-3411	Interest	1,129	2,000	250	100	-60.0%	0.0%
20-3411	Interest	145,676	18,690	7,000	4,600	-34.3%	0.0%
30-3411	Interest	9,227	9,030	1,800	1,300	-27.8%	0.0%
40-3411	Interest	6,335	1,900	2,300	300	-87.0%	0.0%
90-3411	Interest	420	450	115	70	-39.1%	0.0%
92-3411	Interest	2,702	-	800	500	-37.5%	0.0%
2-3412	Special Assessments - Interest	-	500	(664)	300	-145.2%	0.0%
2-3413	Interest - Other	100,157	85,000	91,790	90,000	-2.0%	0.0%
91-3413	Interest - Other	11,123	9,930	10,000	10,000	0.0%	0.0%
Total Interest Income		298,764	162,740	118,543	110,320	-6.9%	0.0%
<u>Interfund Charges</u>							
2-3421	Interfund Chgs. For Supp. Serv.	3,743,875	3,943,428	3,963,157	3,938,088	-0.6%	1.2%
20-3421	Interfund Chgs. For Supp. Serv.	688,643	1,282,200	1,282,200	1,383,900	7.9%	0.4%
40-3421	Interfund Chgs. For Supp. Serv.	1,839,170	1,293,000	1,293,000	1,298,100	0.4%	0.4%
Total Interfund Charges		6,271,688	6,518,628	6,538,357	6,620,088	1.3%	2.1%
<u>Other Revenue</u>							
2-3431	Sale Of Land	600	2,000	-	2,000	-	0.0%
2-3432	Sale Of Fixed Assets	138,822	124,400	75,626	125,000	65.3%	0.0%
2-3433	Rents	166,381	155,000	179,409	128,400	-28.4%	0.0%
2-3434	Damage Claims	2,749	2,000	120	2,000	1566.7%	0.0%
2-3435	Contributions	35,601	10,000	19,505	10,000	-48.7%	0.0%
13-3435	Contributions	84,412	-	-	-	-	0.0%
15-3435	Contributions	16,230	-	45,000	-	-100.0%	0.0%
2-3439	Cash Over/Short	(296)	-	151	-	-100.0%	0.0%
2-3440	Discounts Taken	52	25	26	25	-3.8%	0.0%
2-3449	Misc. Non-Operating Revenue	225,536	175,000	846,875	200,000	-76.4%	0.1%
4-3449	Misc. Non-Operating Revenue	3,700	35,000	3,500	3,500	0.0%	0.0%
12-3449	Misc. Non-Operating Revenue	424,957	-	4,600	-	-100.0%	0.0%
13-3449	Misc. Non-Operating Revenue	349	-	19,526	-	-100.0%	0.0%
16-3449	Misc. Non-Operating Revenue	105,403	-	1,432	-	-100.0%	0.0%
90-3449	Misc. Non-Operating Revenue	8,898	-	3,500	1,000	-71.4%	0.0%
91-3449	Misc. Non-Operating Revenue	982,690	600,000	1,050,000	700,000	-33.3%	0.2%
92-3449	Misc. Non-Operating Revenue	5,065	-	700,000	-	-100.0%	0.0%
Total Other Revenue		2,201,149	1,103,425	2,949,270	1,171,925	-60.3%	0.4%

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Fund	Description	2010-11 Actual	2011-12		2012-13 Proposed Budget	%Chg. Adopt. to Unaud.	2012-13 % to Total Budget
			Original Budget	Current Estimate			
<u>Employee Benefit Premiums</u>							
91-3461	Premiums	19,253,478	20,588,599	20,588,599	21,789,532	5.8%	6.8%
92-3471	Workers' Comp. Premiums	2,093,866	2,214,973	2,214,973	2,270,347	2.5%	0.7%
92-3472	Reinsurance Reimbursements	81,470	65,000	90,000	65,000	-27.8%	0.0%
	Total Premiums	21,428,814	22,868,572	22,893,572	24,124,879	5.4%	7.5%
<u>Utility Operating Revenues</u>							
30-3109	Construction Permits, Pub.Works	-	15,000	-	-		0.0%
20-4010	Electric Service Charges	128,443,982	138,539,000	135,098,000	144,098,000	6.7%	45.0%
30-4010	Residential Sewer Charges	9,873,906	10,786,342	10,545,855	10,937,903	3.7%	3.4%
40-4010	Residential Water Charges	10,726,567	11,663,000	11,652,000	11,914,170	2.3%	3.7%
30-4110	Commercial Base Sewer	3,906,065	4,178,325	4,178,325	4,223,082	1.1%	1.3%
40-4110	Commercial Water Charges	2,835,271	2,943,000	3,181,000	3,252,573	2.3%	1.0%
30-4120	Commercial Surcharge	935,481	926,248	926,248	1,017,945	9.9%	0.3%
30-4130	Regulatory Compliance Base	1,452,555	1,585,872	1,596,826	3,171,744	98.6%	1.0%
40-4130	Industrial Sales	450,156	479,600	494,000	505,115	2.3%	0.2%
30-4430	Contract Services	289,645	262,000	262,000	262,000	0.0%	0.1%
40-4400	Public Authority Sales	263,137	348,800	254,000	259,715	2.3%	0.1%
40-4410	Private Fire Protection	103,321	790,000	127,606	113,000	-11.4%	0.0%
40-4420	Public Fire Protection	789,199	112,620	789,000	806,753	2.3%	0.3%
40-4550	Sales for Resale	6,659,302	7,412,000	7,104,000	7,263,840	2.3%	2.3%
30-4570	Intermunicipal Agreements	566,817	487,000	487,000	487,000	0.0%	0.2%
20-4600	Other Operating Revenue	2,048,875	1,697,000	1,840,000	2,006,000	9.0%	0.6%
30-4600	Other Operating Revenue	142,511	150,000	150,000	150,000	0.0%	0.0%
40-4600	Other Operating Revenue	353,004	381,500	358,000	256,000	-28.5%	0.1%
20-4700	Change in Unbilled Revenue	(1,839,585)	(62,000)	-	-		0.0%
30-4700	Change in Unbilled Revenue	(97,838)	-	-	-		0.0%
40-4700	Change in Unbilled Revenue	23,301	-	-	-		0.0%
	Total Operating Revenue	167,925,672	182,695,307	179,043,860	190,724,840	6.5%	59.6%
<u>Utility Other Revenues</u>							
20-4900	Other Revenues, Net	(537,214)	-	(463,338)	-	-100.0%	0.0%
30-4900	Other Revenues, Net	18,332	10,000	-	-		0.0%
40-3440	Other Revenues, Net	38,591	-	363,000	-	-100.0%	0.0%
	Total Other Revenues	(480,291)	10,000	(100,338)	-	-100.0%	0.0%
	Total Revenues	\$ 299,478,096	\$ 308,490,566	\$ 306,884,592	\$ 319,863,213	4.2%	100.0%
<u>Summary:</u>							
	Grand Total Revenues	\$ 299,478,096	\$ 308,490,566	\$ 306,884,592	\$ 319,863,213		
	Less:						
	Central Garage Fund	(2,223,525)	(2,169,893)	(2,163,615)	(2,280,367)		
	Staywell Health Care Fund	(20,247,291)	(21,198,529)	(21,648,599)	(22,499,532)		
	Workers' Compensation Fund	(2,183,103)	(2,279,973)	(3,005,773)	(2,335,847)		
	Interfund Charges	(6,271,688)	(6,518,628)	(6,538,357)	(6,620,088)		
	Net Total Revenues	\$ 268,552,489	\$ 276,323,543	\$ 273,528,248	\$ 286,127,379		

III. Revenue Sources

REVENUE MANUAL

REVENUE SOURCE: Real Estate Tax - **ACCOUNT:** 3011
Current and Delinquent

AUTHORIZATION: Ordinance 17628 of 08/16/10

DISTRIBUTION OF REVENUE: General Fund (Taxes levied for public health and recreation purposes are reported within the General Fund)

DESCRIPTION, RATE, LEGAL LIMITS:

Real Estate Tax is a tax on all real property subject to taxation within the corporate limits of the City of Independence, Missouri. The levies are for general municipal purposes, for the retirement of general obligation bonds, and for the public health and recreation grounds purposes.

The following is the assessed valuation of taxable property for Independence as of 1/1/11:

Real Property	
Jackson County	\$1,018,086,159
Clay County	2,030
Railroad and Utility Property	5,190,678
 Total Current Valuation	 \$1,023,278,867

The general formula used to figure real estate tax is as follows:

$$\text{Assessed Valuation divided by 100 multiplied by Tax Levy} = \text{Tax Amount}$$

Tax rates for general and public health and recreation purposes are limited by Missouri Statutes to \$1.00 and \$.40 per \$100 assessed valuation, respectively. There is no limit on the levy rates for the retirement of general obligation debt.

The levy rates established by Ordinance are as follows:

General Municipal Purposes Levy	\$.4924/\$100 Assessed Valuation
Public Health and Recreation	
Grounds Levy	.2312
General Obligation Debt Levy	<u>.0000</u>
	\$.7236 /\$100 Assessed Valuation

PROJECTION:

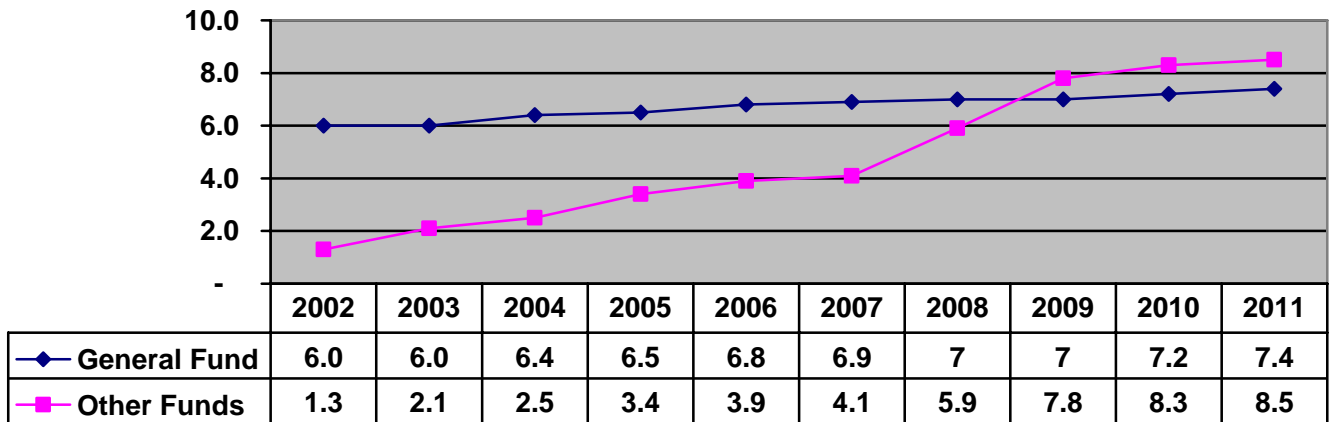
The estimate is calculated by combining preliminary real estate assessed values provided by Jackson and Clay counties with estimates of new construction provided by the Community Development Department. This total is then multiplied by the current levy, the result is reduced by a 1.6% county collection fee and 1.5% allowance for uncollectible taxes.

REVENUE MANUAL

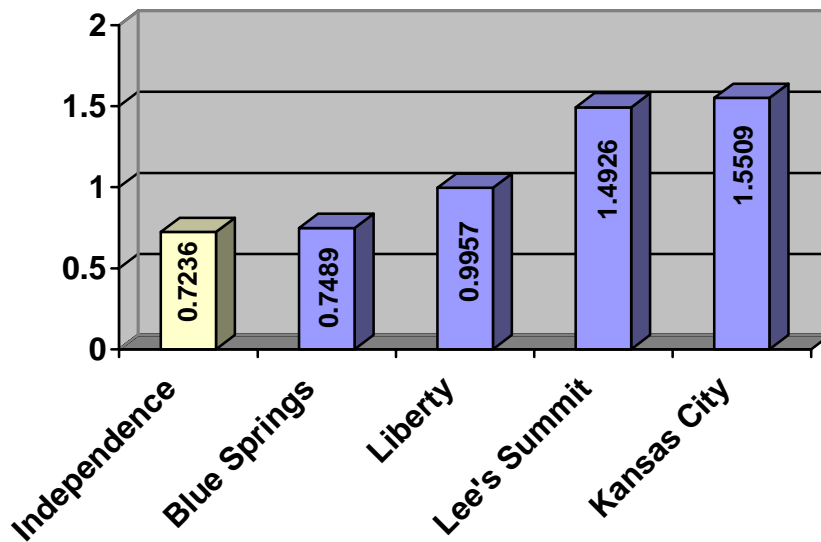
REVENUE SOURCE: Real Estate Tax – (continued)
Current and Delinquent

ACCOUNT: 3011

**Actual Revenues Received Past Ten Years
In Millions**



Local Area Property Tax Rates



REVENUE MANUAL

REVENUE SOURCE: Real Estate Tax – (continued)
Current and Delinquent

ACCOUNT: 3011

Year Round Units 2011	Number of Units	2011 Estimated Owner Occupied Median Value
Single Detached	39,343	<u>\$105,374</u>
Single Attached	2,836	
Double	1,802	
3 to 19 Units	6,940	
20 to 49 units	1,024	
50 + Units	1,375	
Mobile Home	1,522	
All Other	4	
Total Units	<u>54,846</u>	

REVENUE MANUAL

REVENUE SOURCE: Railroad and Other Utilities

ACCOUNT: 3013

AUTHORIZATION: Missouri Statute – Chapters 151 and 153

DISTRIBUTION OF REVENUE: General Fund (Taxes levied for public health and recreation purposes are reported within the General Fund.)

DESCRIPTION, RATE, LEGAL LIMITS:

The assessment by the Missouri State Tax Commission is based on length of railroad track or utility lines as furnished by the companies and all other movable property owned or leased (real and personal property) in the City on January 1 of each year. The City certifies the levy rate to Jackson County. The County remits collected amounts to the City less 1.6% collection fee and ½% for their assessment fund.

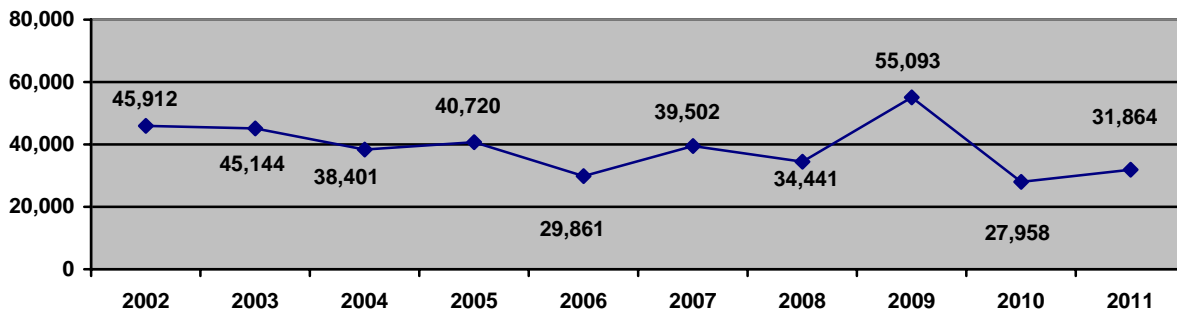
The aggregate assessed valuation of railroad and utility property as of 1/1/11 was \$5,190,678. The City's tax levy is only on the real estate portion of the assessed valuation; personal property is not included. The general formula used to figure the tax is as follows:

$$\text{Assessed Valuation divided by 100 multiplied by Tax Levy} = \text{Tax Amount}$$

PROJECTION:

The estimate is based on historical data of both state and locally assessed real estate valuation of railroad track or utility lines in the City and the current rate of the tax levy. Consideration is also given to account for the new construction.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Local Option Sales Tax

ACCOUNT: 3041

AUTHORIZATION: Missouri Statute 94.500 Ordinance 15114 of 05/20/02
 Ordinance 3398 of 01/21/74 Ordinance 15753 of 05/17/04
 Ordinance 5777 of 08/20/79 Ordinance 15754 of 05/17/04
 Ordinance 13906 of 05/18/98 Ordinance 16683 of 05/07/07
 Ordinance 14039 of 11/02/98 Ordinance 17555 of 05/17/10
 Ordinance 15113 of 05/20/02

DISTRIBUTION OF REVENUE: General Fund, Street Improvement Sales Tax Fund, Park Improvement Sales Tax Fund, Storm Water Sales Tax Fund, Fire Protection Sales Tax, Public Safety Sales Tax

DESCRIPTION, RATE, LEGAL LIMITS:

On October 9, 1973, the citizens approved through an election a 1% City sales tax on the receipts from sales on all tangible personal property or taxable services at retail establishments within the City of Independence, Missouri. This sales tax is collected by the State at the same time they collect the State and County sales tax. The State then distributes the City sales tax monthly after retaining a 1% collection fee. Individual and business personal property taxes were repealed at that time. Merchants and Manufacturer inventory taxes were repealed the following year.

The voters approved a Capital Improvement Sales Tax in August 1998 at the rate of ½ of one percent of the receipts from the sale at retail of all tangible personal property or taxable services at retail for a period of five years. The tax expired on December 31, 2003.

A Storm Water Control Sales Tax was implemented at the rate of ¼ of one percent of the receipts from the sale at retail of all tangible personal property or taxable services at retail for a period of ten years was approved by the voters in the August 8, 2000 election. This tax was implemented January 1, 2001 and ended on December 31, 2010. Voters approved a perpetual renewal of this tax in August 2010, which began January 1, 2011 and will continue until repealed.

The voters approved a Street Improvements Sales Tax in August 2002 at the rate of ¾ of one percent of the receipts from the sale at retail of all tangible personal property or taxable services at retail for a period of five years. The voters also approved an extension of this tax in August 2007 for the time period January 1, 2009 to December 31, 2019. The tax also increased for this period to ½ of one percent of the receipts from the sale at retail of all tangible personal property or taxable services at retail.

The voters approved a Parks Sales Tax in August 2002 at the rate of ¼ of one percent of the receipts from the sale at retail of all tangible personal property or taxable services at retail for the period of January 1, 2004 - December 31, 2012. Voters approved a perpetual renewal of this tax in August 2010, which began January 1, 2011 and will continue until repealed.

REVENUE MANUAL

REVENUE SOURCE: Local Option Sales Tax (continued)

ACCOUNT: 3041

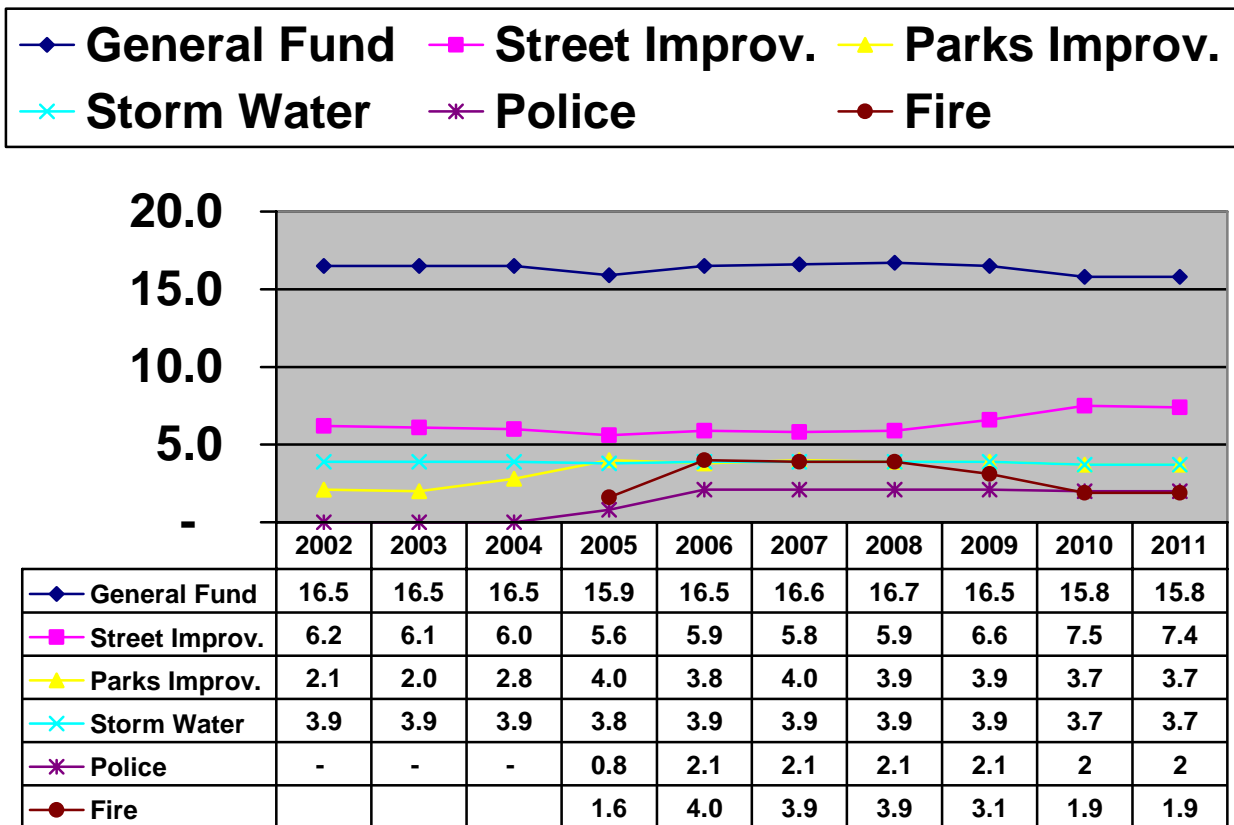
The voters approved a Fire Protection Sales Tax in August 2004 at the rate of ¼ of one percent of the receipts from the sale of all tangible personal property or taxable services at retail for the period of January 1, 2005 through December 31, 2008. The rate decreased to 1/8 of one percent for the period of January 1, 2009 through December 31, 2016

The voters approved a Capital Improvements for Police Sales Tax in August 2004 at the rate of 1/8 of one percent of the receipts from the sale at retail of all tangible personal property or taxable services at retail for the period of January 1, 2005 through December 31, 2016.

PROJECTION:

Estimates are based upon historical data as well as the economic outlook for the area and the nation. Factors such as inflation, fluctuations in interest rates, and changes in consumer buying power, retail sales trends and unemployment statistics are considered when formulating this projection.

Actual Revenues Received Past Ten Years

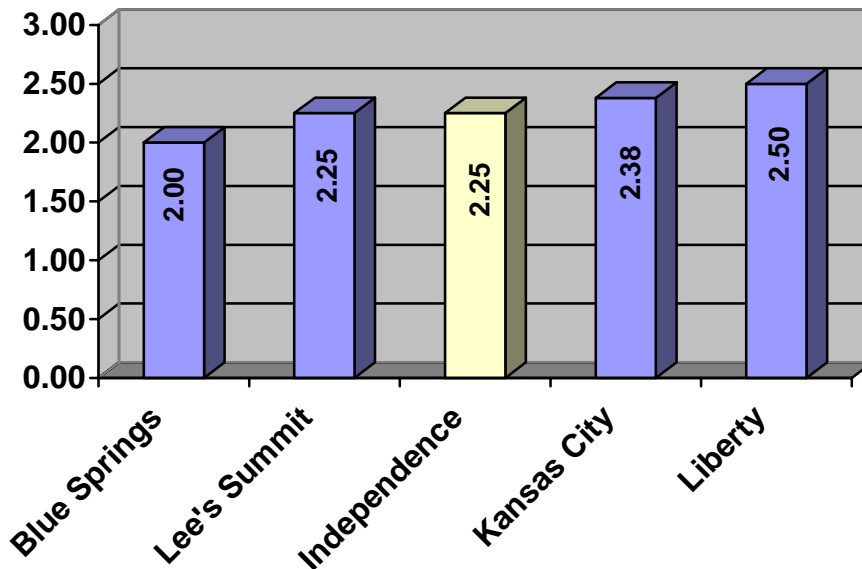


REVENUE MANUAL

REVENUE SOURCE: Local Option Sales Tax (continued)

ACCOUNT: 3041

Local Area Sales Tax Rates



City of Independence, Missouri

City Direct Sales Tax Rates
(in percent)

Direct Sales Tax Rate City of Independence	Calendar Year				
	2007	2008	2009	2010	2011
General Fund	1.000	1.000	1.000	1.000	1.000
Street Improvements	0.375	0.375	0.50	0.500	0.500
Park Improvements	0.250	0.250	0.250	0.250	0.250
Storm Water Improvements	0.250	0.250	0.250	0.250	0.250
Police Public Safety	0.125	0.125	0.125	0.125	0.125
Fire Public Safety	0.250	0.250	0.125	0.125	0.125
Direct Sales Tax Rate City of Independence	2.250	2.250	2.250	2.250	2.250

REVENUE MANUAL

REVENUE SOURCE: Local Option Sales Tax (continued)

ACCOUNT: 3041

City of Independence, Missouri

Total Sales Tax Rates
(in percent)

Total Local Option Sales Tax:	Calendar Year				
	2007	2007	2008	2009	2011
State of Missouri	4.000	4.000	4.000	4.000	4.000
Mo. State Conservation	0.125	0.125	0.125	0.125	0.125
Mo. State Parks and Soil	0.100	0.100	0.100	0.100	0.100
Jackson County	1.125	1.125	1.125	1.125	1.125
City of Independence	2.250	2.250	2.250	2.250	2.250
Transportation Development District	0.125	0.125	0.125	0.125	0.125
Total	7.725	7.725	7.725	7.725	7.725

City of Independence, Missouri

Total City Taxable Sales by Category
Last Four Calendar Years
(in thousands of dollars)

Sales by Retail Category:	Calendar Year			
	2007	2008	2009	2010
Apparel stores	132,957	125,832	124,168	103,406
General merchandise	430,331	434,782	408,200	388,061
Food stores	170,099	178,747	179,031	166,018
Eating and drinking establishments	194,970	201,085	211,739	207,363
Home furnishings and appliances	80,420	72,902	67,124	54,274
Building materials and farm tools	22,720	19,998	17,213	16,937
Construction/Remodeling	4,724	3,415	3,596	3,317
Auto dealers and supplies	35,314	38,260	36,967	41,703
Service stations	62,430	65,741	68,633	70,891
Other retail stores	222,237	245,406	233,860	219,787
All other outlets	119,236	113,711	119,813	118,046
Total	1,475,438	1,499,879	1,470,344	1,389,803

Note: Amounts for 2011 are not provided due to only receiving partial year figures.

REVENUE MANUAL

REVENUE SOURCE: Cigarette License Tax

ACCOUNT: 3042

AUTHORIZATION: Ordinance 13475 of 11/18/96

City Code 5.12.004

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Every retailer is to pay a tax on all cigarettes sold, offered, delivered, or displayed for sale including those offered through the use of vending machines within the City.

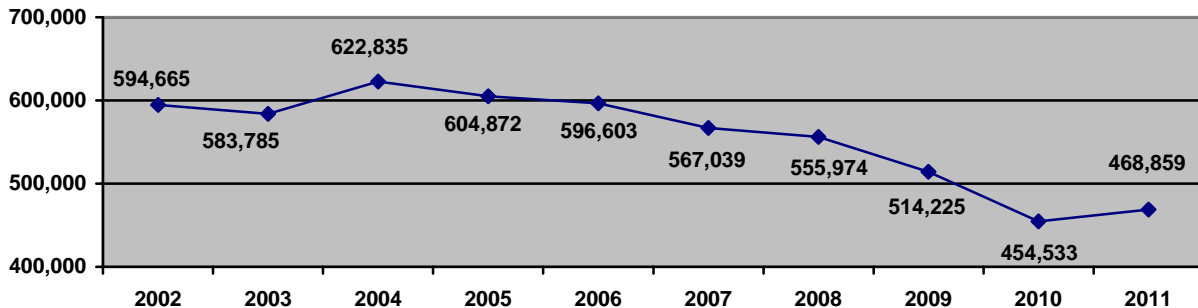
The cigarette tax rate is \$2.50 per thousand for each and all cigarettes sold.

Effective January 1, 1997, the City no longer requires the placing of a physical stamp on cigarette packages. A reporting method was developed whereby those selling cigarettes submit a monthly report to the Finance Department accompanied by payment of the respective tax. The 10% discount for stamp handling costs was eliminated at the same time.

PROJECTION:

The estimate is based upon historical data of tax receipts and annual surveys prepared by the Tobacco Institute.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Transient Guest Tax

ACCOUNT: 3043

AUTHORIZATION: Ordinance 7014 of 05/17/82
Ordinance 15054 of 2/19/02

City Code 5.03.003

DISTRIBUTION OF REVENUE: Tourism Fund

DESCRIPTION, RATE, LEGAL LIMITS:

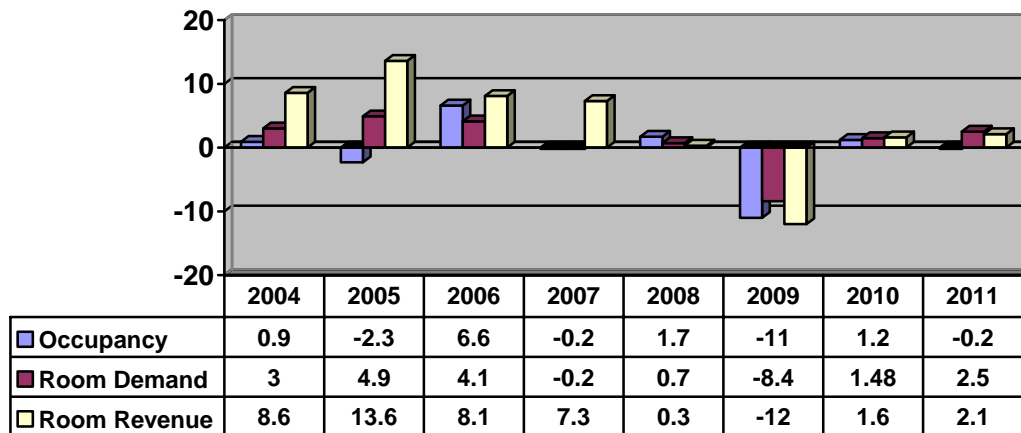
A tax is to be paid on the gross daily rent due from or paid by transient guests of all hotels and motels, bed and breakfast inns and campgrounds. Each operator will, on or before the twentieth day of the month following the close of each month, make a return of taxes collected for transient occupancy. At the time the return is filed, the full amount of the tax collected is to be remitted.

Transient guests of all lodging facilities pay a tax rate of 6.5% of the gross daily rent. The tax was increased from 3% to 5% effective August 6, 1979 and from 5% to 6.5% by public vote on February 2, 2002. The tax-reporting period changed from quarterly to monthly in September 1982. A revision was made to the Code, to allow businesses with an average monthly payment of less than \$150.00 to pay on a quarterly basis.

PROJECTION:

Estimates are based upon historical data with consideration given to changes in the number of hotel rooms, the average price per room, and the average vacancy rate for hotels in the area. Information is also obtained from the Tourism Department about any special upcoming community events.

Figures shown as percentage of change on a calendar year basis

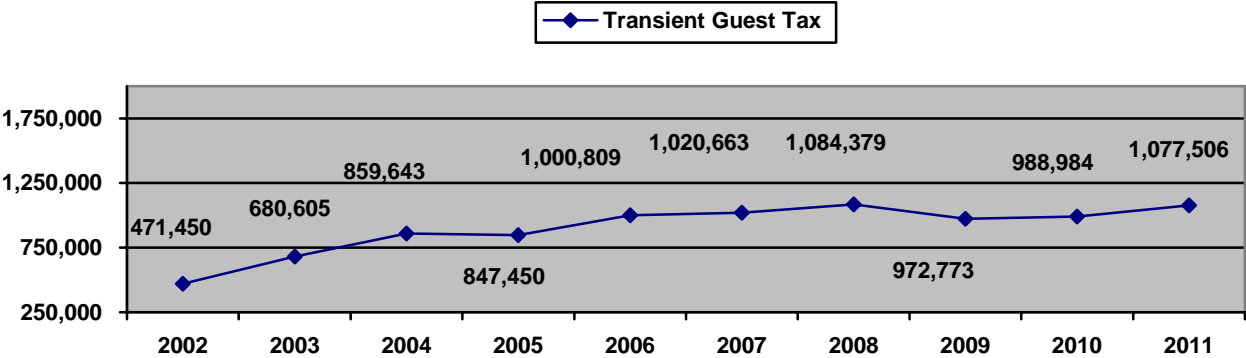


REVENUE MANUAL

REVENUE SOURCE: Transient Guest Tax (continued)

ACCOUNT: 3043

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Local Option Use Tax

ACCOUNT: 3044

AUTHORIZATION: House Bill #25

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

In 1991, House Bill #25 was passed by the General Assembly which implements a statewide 1.5% local use tax, effective July 1, 1992. The law provides for the distribution of the local use tax to cities and counties based on their share of distributions from the local sales tax fund.

PROJECTION:

This account is currently inactive but is included for historical information.

REVENUE MANUAL

REVENUE SOURCE: Water Utility Franchise Fee

ACCOUNT: 3052

AUTHORIZATION: Ordinance 7019 of 05/17/82
Ordinance 7062 of 09/21/82
Ordinance 12446 of 06/21/93

City Code 16.01.002
City Code 16.01.003

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Every person, firm or corporation engaged in supplying public utility services within the City must file a statement showing the gross receipts derived from the operation of such business during that period. The statement and remittance of the Utility Franchise Fee indicated will be paid within 30 days after the close of each monthly period.

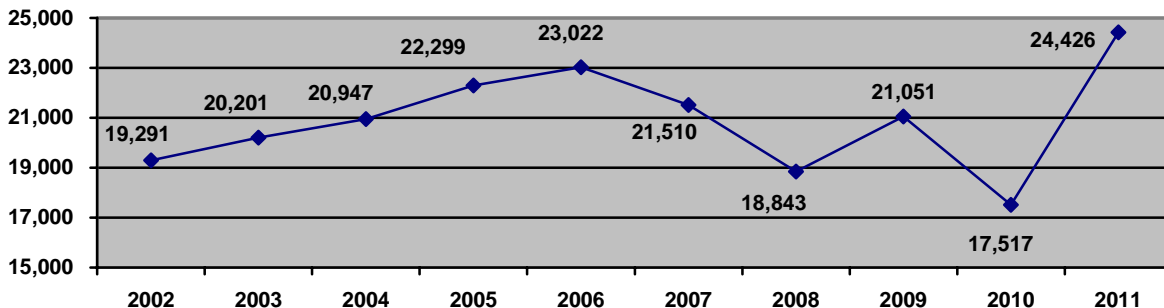
A 9.08% fee is levied on the gross receipts derived from such business within the City. Delinquent payments will accrue interest at 18% annual percentage rate for each day of delinquency.

Raytown Water Company

PROJECTION:

The estimate is based on historical data of tax receipts and projected revenue supplied by the public utility. Consideration is also given to known or possible rate increases since they directly affect this revenue.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Gas Utility Franchise Fee **ACCOUNT:** 3053

AUTHORIZATION: Ordinance 7019 of 05/17/82 City Code 16.01.002
Ordinance 7062 of 06/21/82 City Code 16.01.003
Ordinance 11406 of 01/07/91
Ordinance 12460 of 07/06/93
Ordinance 12572 of 10/18/93

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Every person, firm or corporation engaged in supplying public utility services (gas) within the City must file a statement showing the gross receipts derived from the operation of such business during that period. Said statement and remittance of the Utility Franchise Fee indicated is to be paid within 30 days after the close of each monthly period.

Gas companies will pay the City 9.08% of the gross receipts derived from such business within the City. Delinquent payments will accrue interest at an 18% annual percentage rate for each day of delinquency. Franchise tax payment was changed from quarterly to monthly January 1991.

As a result of the extremely high cost of natural gas to the supplier, the City authorized MGE to rebate a portion of the franchise fee for residential customers for the months of January, February and March of 2001.

Due to the projected high cost of natural gas during the winter of 2006, the City increased the contributions to the Community Services League for rate assistance.

PROJECTION:

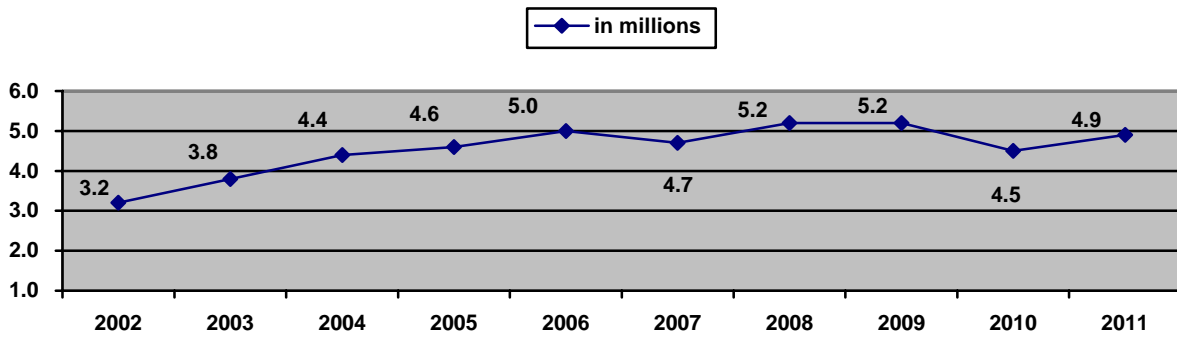
Due to the unpredictable nature of the weather, the estimate is heavily based upon prior data of tax receipts and the number of heating degree days obtained from the Power and Light Department. Determination is then made as to the correlation between weather and revenues received. Normal conditions are assumed to arrive at the estimate. Other factors such as rate increases and unseasonably cold temperatures are given special consideration.

REVENUE MANUAL

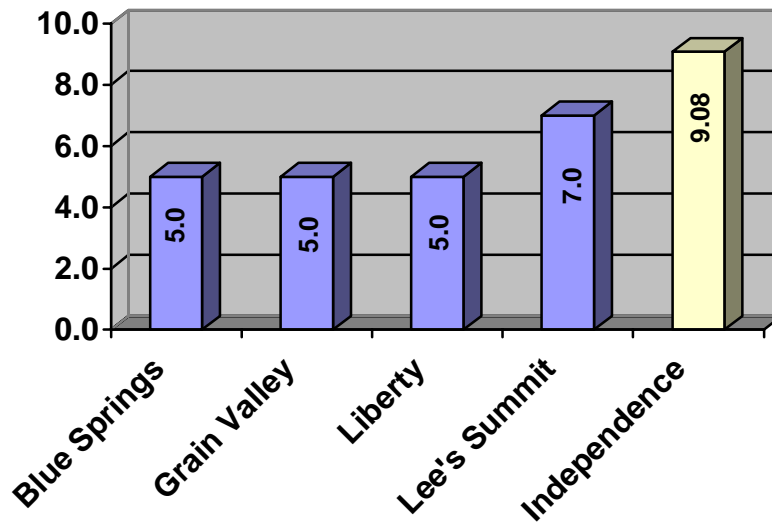
REVENUE SOURCE: Gas Utility Franchise Fee (continued)

ACCOUNT: 3053

Actual Revenues Received Past Ten Years



Local Area Gas Utility Franchise Fees



REVENUE MANUAL

REVENUE SOURCE: Telephone Utility Franchise Fee

ACCOUNT: 3054

AUTHORIZATION: Ordinance 7019 of 05/17/82
Ordinance 7062 of 06/21/82

Ordinance 7164 of 09/02/82
Ordinance 7165 of 09/02/82

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

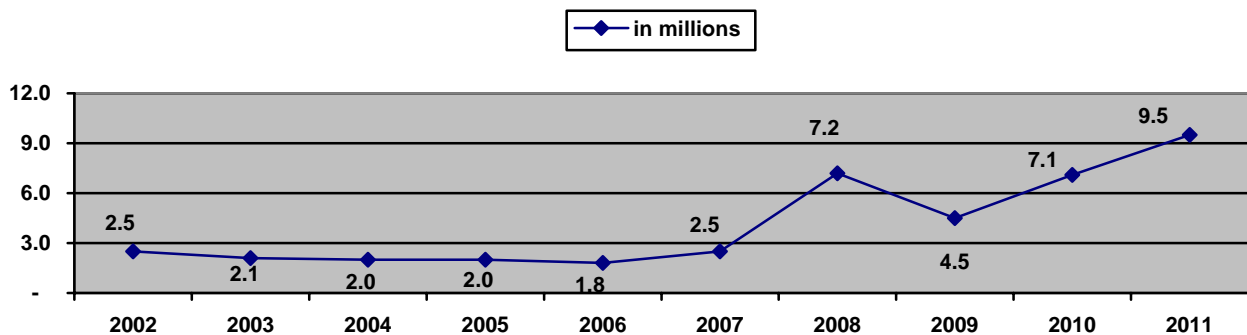
Every person, firm or corporation engaged in supplying public utility services (telephone) within the City must file a statement with the Missouri Department of Revenue, showing the gross receipts derived from the operation of such business. Said statement and remittance of the Utility Franchise Fee indicated is to be paid for each quarterly period. Over the past several years, the City has been working with the cellular telephone companies to establish guidelines for their particular industry. This had resulted in one-time payments of large settlement amounts in this revenue account.

The telephone companies are to pay 9.08% of the gross receipts derived from such business within the City.

PROJECTION:

The estimate of this revenue is based on prior year's tax receipts.

Actual Revenues Received Past Ten Years

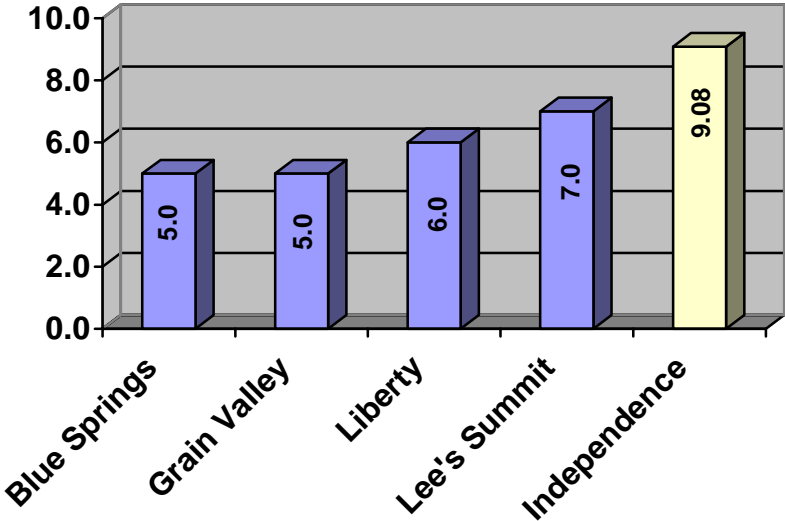


REVENUE MANUAL

REVENUE SOURCE: Telephone Utility Franchise Fee (continued)

ACCOUNT: 3054

Local Area Telephone Utility Franchise Fees



REVENUE MANUAL

REVENUE SOURCE: Electric Utility Franchise Fee

ACCOUNT: 3055

AUTHORIZATION: Ordinance 7019 of 05/17/82
Ordinance 7062 of 06/21/82
Ordinance 7321 of 12/20/82

Ordinance 7359 of 01/17/83
Ordinance 13577 of 04/07/97

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Every person, firm or corporation engaged in supplying public utility services (electricity) within the City must file a statement showing the gross receipts derived from the operation of such business during that period. Said statement and remittance of the Utility Franchise Fee indicated is to be paid within 30 days after the close of each monthly period.

A 9.08% fee is levied on the gross receipts derived from such business within the City. Delinquent payments are to accrue interest at an 18% annual percentage rate for each day of delinquency.

Kansas City Power & Light Company

During fiscal year 1997/98, the City purchased from Kansas City Power & Light Company all Independence customers with the exception of the Lake City ammunition plant.

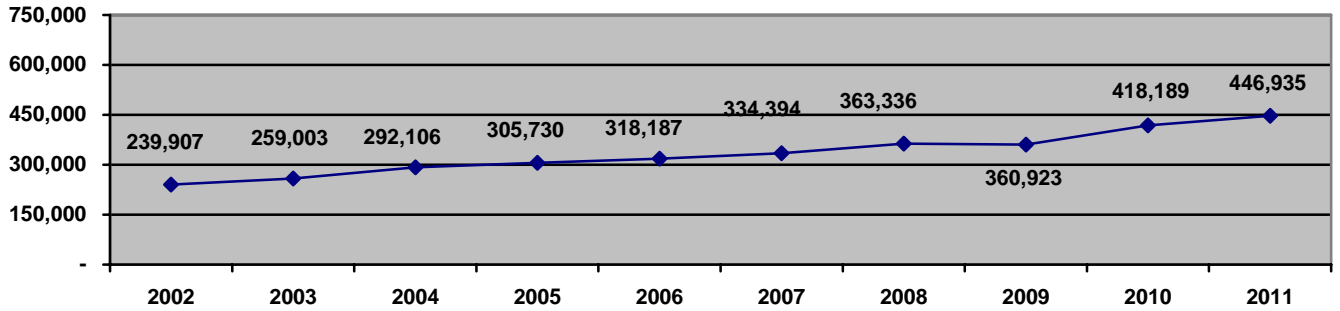
PROJECTION:

Due to the unpredictable nature of the weather, the estimate is heavily based upon prior data of tax receipts and the numbers of cooling degree days obtained from the Power & Light Department. Determination is then made as to the correlation between weather and revenues. Normal conditions are assumed to arrive at the estimate. Other factors such as rate increase and unseasonably hot temperatures are given special consideration.

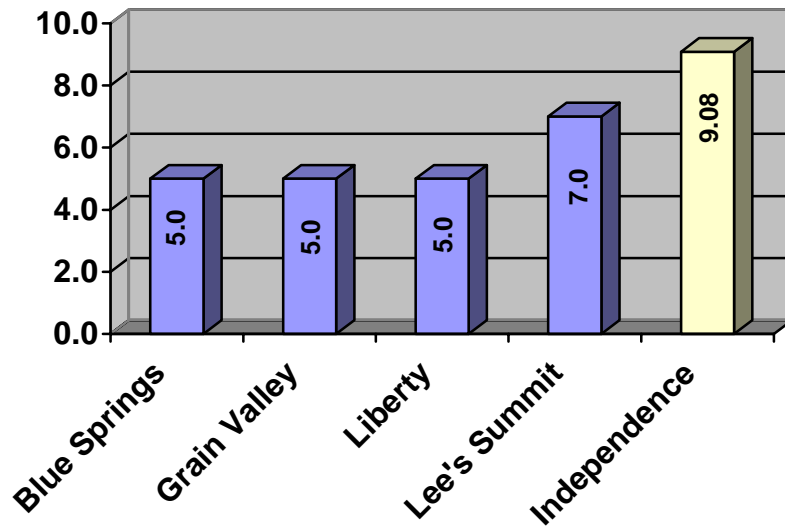
REVENUE MANUAL

REVENUE SOURCE: Electric Utility Franchise Fee (continued) **ACCOUNT:** 3055

Actual Revenues Received Past Ten Years



Local Area Electric Utility Franchise Fees



REVENUE MANUAL

REVENUE SOURCE: Cablevision Utility Franchise Fee

ACCOUNT: 3057

AUTHORIZATION: Ordinance 3852 of 08/04/75
Resolution 3635 of 09/03/91

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Cablevision businesses are to pay the City 3% of the gross annual receipts. The payment is to be made monthly. The remittance of the Franchise Fee is to be paid within 30 days after the close of each monthly period.

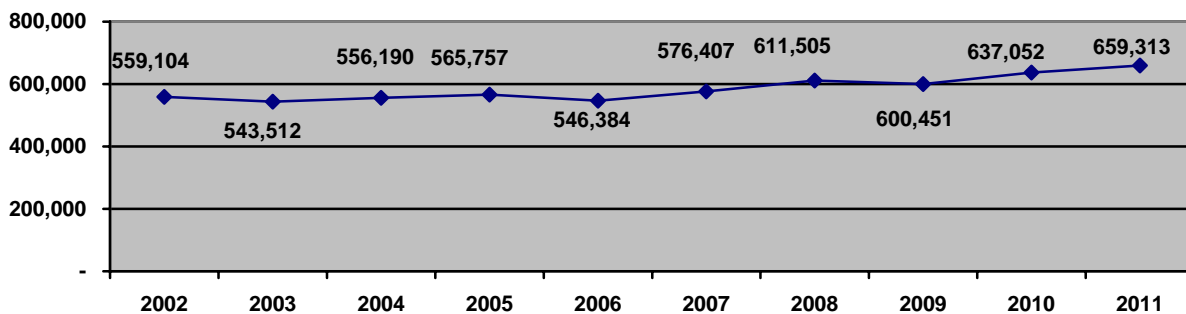
Comcast Cablevision
Time Warner Cablevision

An application procedure was implemented in July of 2000 that requires any new cable television operators to submit an application along with an application fee of \$20,000.00.

PROJECTION:

The estimate is based on historical data and projected increase of the number of households in the City. Any rate increases are also taken into consideration to arrive at the estimate.

Actual Revenues Received Past Ten Years

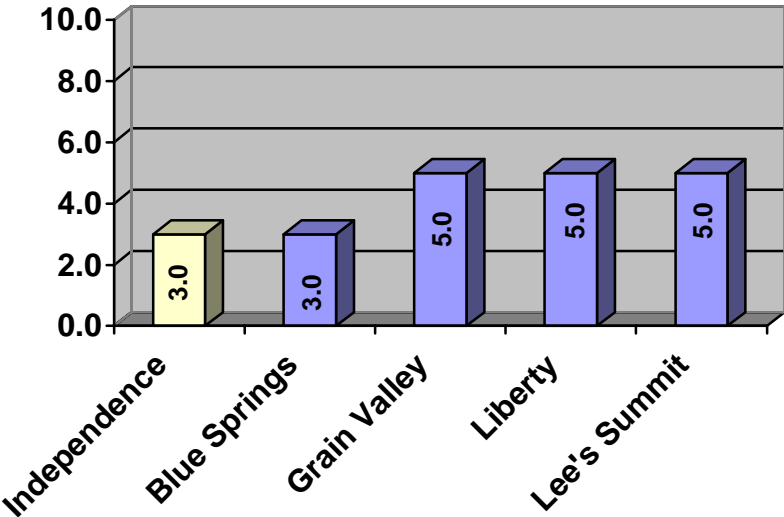


REVENUE MANUAL

REVENUE SOURCE: Cablevision Utility Franchise Fee

ACCOUNT: 3057

Local Area Electric Utility Franchise Fees



REVENUE MANUAL

REVENUE SOURCE: Occupation Licenses **ACCOUNT:** 3101

AUTHORIZATION: Ordinance 11689 of 08/19/91 City Code Chapters 2, 5, 19
Ordinance 12053 of 07/07/92
Ordinance 12586 of 11/01/93 City Code 5.08.005
Ordinance 12959 of 03/06/95 City Code 5.08.004

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Every person, whether or not located in the City, desiring to engage in or to continue to engage in any ongoing business, profession, or occupation in the City will be required to obtain an occupation license every year. However, the following professional occupations are exempt from City licensing fees:

1. Minister of the Gospel
2. Duly accredited Christian Scientist Practitioner
3. Teacher
4. Professor in a college
5. Priest
6. Lawyer
7. Certified Public Accountant
8. Dentist
9. Chiropractor
10. Optometrist
11. Chiropodist
12. Physician or Surgeon
13. Credit Union
14. Saving and Loan Association
15. Veterinarian (services only)
16. Clinical Audiologist
17. Speech-language Pathologist
18. Farmer and other producers selling agricultural products and produce raised themselves.

The Occupation License Fee is figured on the basis of the annual gross revenue of the business, profession, or occupation. The minimum Occupation License Fee is \$25.00 for gross revenues less than \$25,000. The Occupation License Fee for gross revenue in excess of \$25,000 is \$25.00 plus \$0.29/thousand up to the maximum fee of \$30,000.

PROJECTION:

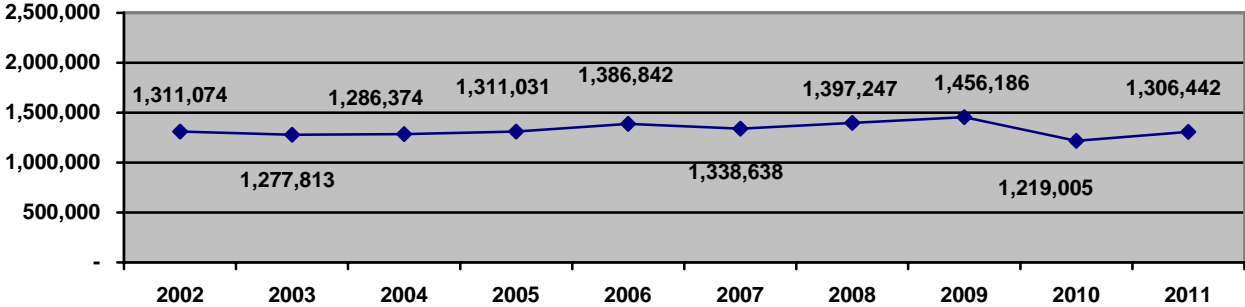
The estimate is based on historical data with adjustment for newly created and ceased businesses. The Licensing Division of Finance provides data.

REVENUE MANUAL

REVENUE SOURCE: Occupation Licenses (continued)

ACCOUNT: 3101

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Liquor Licenses

ACCOUNT: 3102

AUTHORIZATION: Ordinance 13372 of 07/01/96 City Code 2.01.003
Ordinance 14289 of 08/16/99
Ordinance 15521 of 09/05/03

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Any person who engages in the manufacture, brewing, sale, or distribution of alcoholic beverages within the City limits must obtain a liquor license.

City fees are limited to 150% of the State fee schedule. We currently charge the maximum in all categories.

Issued for a Period of 1 Year

1. Package Liquor Licenses
 - a. Unlimited Retailer of Intoxicating Liquor (P1) \$150.00
 - b. Unlimited Sunday Sales retailer of Intoxicating Liquor (P2) 300.00
 - c. Limited Retailer of Intoxicating Liquor (P3) 150.00
 - d. Limited Sunday Sales Retailer of Intoxicating Liquor (P4) 300.00
 - e. Tasting of Intoxicating Liquor (P5) 37.50
 - f. Unlimited Retailer of Malt Liquor and Light Wine (Q1) 75.00
 - g. Unlimited Sunday Sales Retailer of Malt Liquor and Light Wine (Q2) 300.00
 - h. Limited Retailer of Malt Liquor and Light Wine (Q3) 75.00
 - i. Limited Sunday Sales Retailer of Malt Liquor and Light Wine (Q4) 300.00
 - j. Unlimited Retailer of Malt Liquor (Q5) 75.00
 - k. Limited Retailer of Malt Liquor (Q6) 75.00
2. Drink Licenses
 - a. Tavern Intoxicating Liquor (T1) \$450.00
 - b. Tavern Malt Liquor and Light Wine (T2) 75.00
 - c. Restaurant Bar Intoxicating Liquor (R1) 450.00
 - d. Sunday Restaurant Bar Intoxicating Liquor (R2) 300.00
 - e. CFRSV Organization Intoxicating Liquor (F1) 450.00
 - f. Sunday CFRSV Organization Intoxicating Liquor (F2) 300.00
 - g. Hotel Intoxicating Liquor (H1) 450.00
 - h. Sunday Hotel Intoxicating Liquor (H2) 300.00
 - i. Place of Amusement Intoxicating Liquor (A1) 450.00
 - j. Sunday Place of Amusement Intoxicating Liquor (A2) 300.00
 - k. Place of Entertainment Intoxicating Liquor (E1) 450.00

REVENUE MANUAL

REVENUE SOURCE: Liquor Licenses (continued)

ACCOUNT: 3102

l. Sunday Place of Entertainment Intoxicating Liquor (E2)	300.00
m. Common Eating and Drink Area Intoxicating Liquor (J1)	450.00
n. Sunday Common Eating and Drink Area Intoxicating Liquor (J2)	300.00
o. Consumption of Intoxicating Liquor (Z1)	90.00
p. Malt Liquor (D1)	75.00
q. Restaurant Bar Malt Liquor and Light Wine (G1)	75.00
r. Sunday Restaurant Bar Malt Liquor and Light Wine (G2)	300.00
3. Special Licenses	
a. Microbrewery (S1)	\$7.50 per 100 gallons produced
b. Domestic Winery (S2)	7.50 per 100 gallons produced
c. Domestic Wine by the Drink (S3)	450.00
d. Picnic 7 Day Intoxicating Liquor by the Drink (S4)	37.50
e. Picnic 7 Day Malt Liquor and Light Wine by the Drink (S5)	25.00
f. July 4 th Celebration Malt Liquor and Light Wine by the Drink (S6)	15.00
g. Caterer Intoxicating Liquor by the Drink – Daily (C1)	15.00 per day
h. Caterer Intoxicating Liquor by the Drink – Up to 50 Days (C2)	750.00
i. Caterer Intoxicating Liquor by the Drink – Unlimited Days (C3)	1,000.00
j. Caterer Malt Liquor and Light Wine by the Drink – Daily (C4)	15.00
4. Manufacturing, Distilling, Blending Licenses	
a. Intoxicating Liquor (M1)	\$675.00
b. Wine (M2)	675.00
c. Malt Liquor (M3)	675.00
5. Wholesale Licenses	
a. Intoxicating Liquor (W1)	\$750.00
b. Wine (W2)	300.00
c. Malt Liquor (W3)	150.00

Renewed each year during the month of May.

PROJECTION:

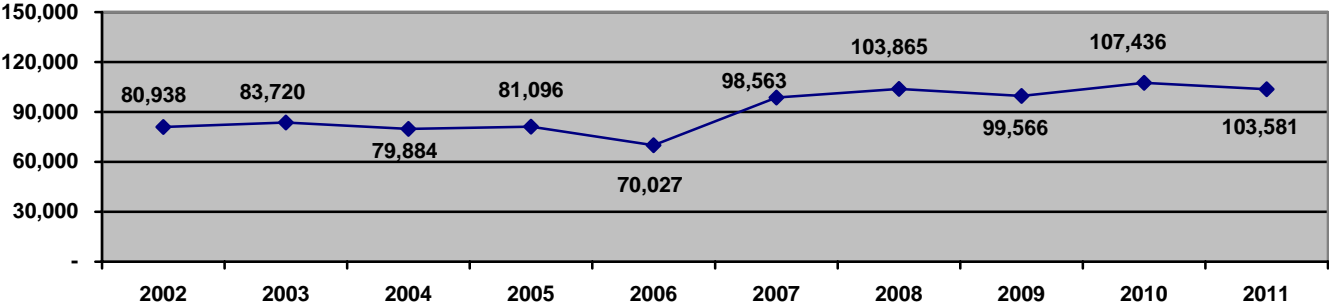
The estimate is based on historical data of revenue and the number of establishments that serve alcoholic beverages as well as information available from the Finance Department. Revenues have been fairly constant during the past several years.

REVENUE MANUAL

REVENUE SOURCE: Liquor Licenses (continued)

ACCOUNT: 3102

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Exams & Licenses

ACCOUNT: 3103

AUTHORIZATION: Ordinance 13196 of 12/04/95 City Code Chapter 4
Ordinance 13302 of 04/01/96 City Code Chapter 4
Ordinance 14961 of 11/2/01

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

This revenue is derived from miscellaneous exams and licenses. These exams and licenses include electrician exams and licenses, heating and air-conditioning exams and licenses, and plumber exams and licenses. Licenses are renewed annually.

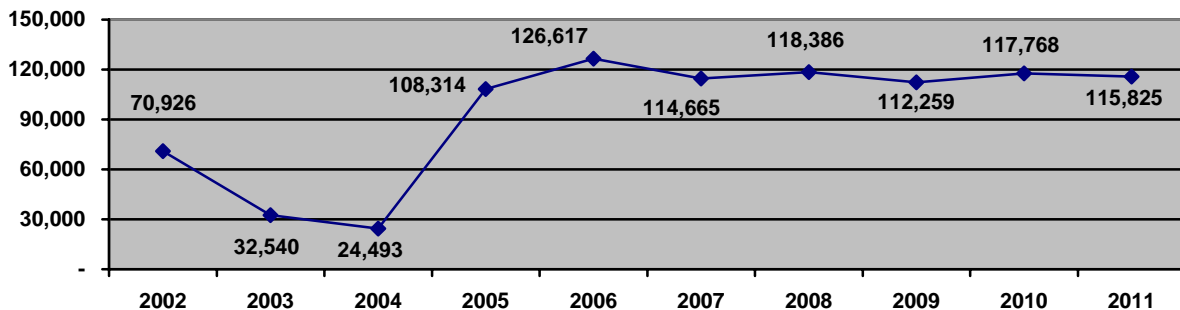
Exterior Sponsorship Exam	\$45.00 each
Licenses	\$75.00 each/1 yr renewal
General Contractors Licenses	
Class A General Contractor	\$100.00/year
Class B Residential	\$100.00/year

Licenses expire on December 31st of every year and shall be renewed by April 30th of the following year.

PROJECTION:

The estimate is based on historical data and information maintained by the Community Development Department regarding the number of various exams and licenses issued as well as information regarding any future construction projects.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Other Licenses & Permits

ACCOUNT: 3104

AUTHORIZATION: Ordinance 12812 of 08/26/94

City Code 5.08.008

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

This revenue is derived from miscellaneous licenses and/or permits which are issued each year.

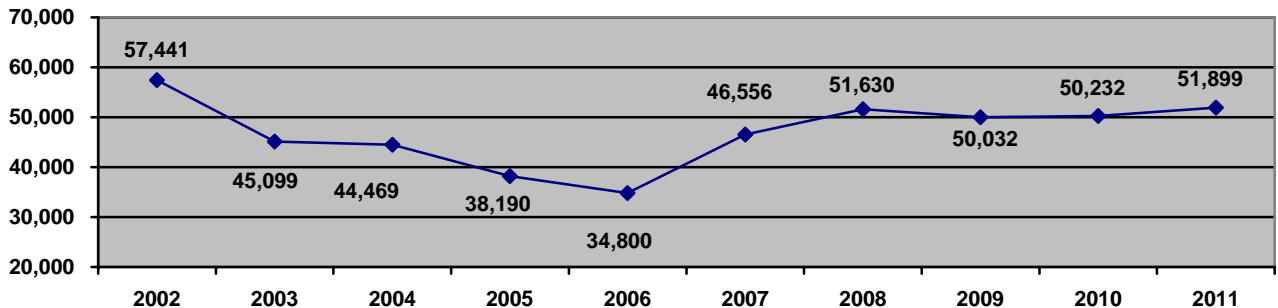
Licenses or permits recorded in this account are employee liquor permits, pawnshop manager permits, device licenses, certificates of convenience and necessity, itinerant merchant and vendor licenses, solicitor and peddler licenses, private watchguard/detective licenses, pawnbroker licenses, taxi/ambulance driver permits, etc.

The fee ranges from \$10.00 to \$500.00 depending upon the type of license or permit issued.

PROJECTION:

The estimate is based on historical data and information maintained by the Finance Department regarding the number of licenses and permits issued.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Building Permits **ACCOUNT:** 3108
 Community Development

AUTHORIZATION: Ordinance 12053 of 07/07/92 City Code Chapter 4
 Ordinance 14398 of 01/18/00
 Ordinance 14809 of 6/1/01

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

A building permit must be issued before construction of a new single, two-family, multi-family, or commercial building. Fees are based upon the total valuation of a project as estimated by the contractor with final approval by the building inspector. The fee schedule below applies to major remodeling and repairs on existing buildings as well.

Value of Work

\$ 0 - \$ 1,000 = \$ 25.00	
\$ 1,001 - \$ 50,000 = \$ 25.00	plus \$7.00 per each \$1,000 valuation or fraction thereof of total valuation.
\$50,001 - \$500,000 = \$100.00	plus \$5.50 per each \$1,000 valuation or fraction thereof of total valuation.
More than \$500,000 = \$600.00	plus \$4.50 per each \$1,000 valuation or fraction thereof of total valuation.

Demolition or Razing Building Permit

Value of Work

0 - 500 sq ft	\$ 50.00
501 - 1000 sq ft	\$200.00
1,001 - 5,000 sq ft	\$400.00
5,001sq ft and more	\$600.00

Plumbing, Electrical, and Mechanical

Value of Work

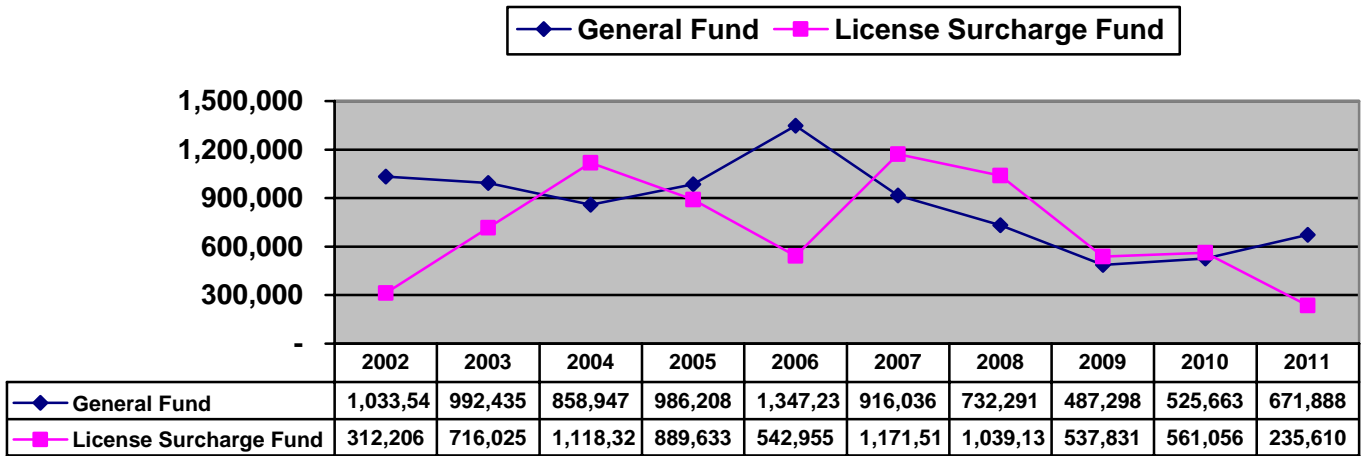
\$0 - \$500	\$18.00
\$500 - \$1,000	\$28.00
\$1,001 - \$5,000	\$40.00
\$5,001 and over	\$40.00 first \$2,000, plus \$4 ea add'l \$1,000 or fraction thereof

REVENUE MANUAL

REVENUE SOURCE: Building Permits (continued)
Community Development

ACCOUNT: 3108

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Construction Permits-Public Works **ACCOUNT:** 3109

AUTHORIZATION: Ordinance 14373 City Code Chapter 17 & 20

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

An erosion control permit is required for all grading and building projects. The permit fee is \$150 per acre or fraction thereof for every subdivision, lot, or site.

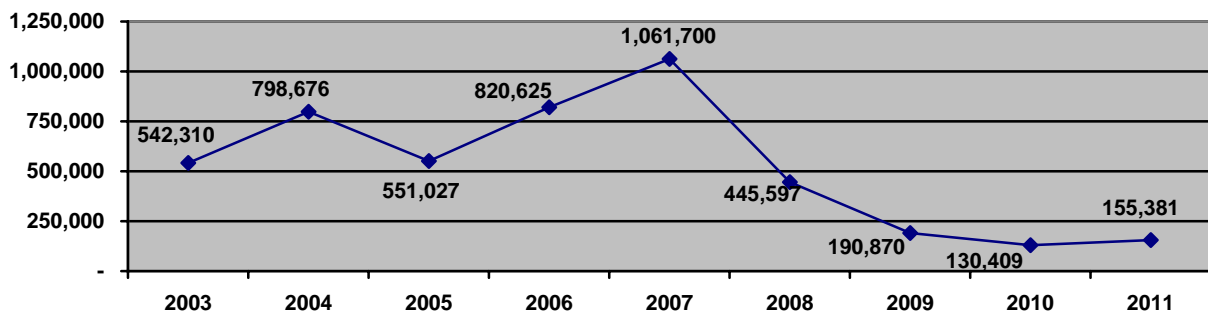
A right-of-way permit is required for all work in the Public Rights of Way. The minimum is \$70.00. This is based upon the following rate structure:

Permit Fee	\$35.00
Inspection Fee	\$35.00
Reinspection on new surface	\$35.00
Reinspection after 15 days	\$35.00
Added inspection for every 200' of opening	\$35.00

PROJECTION:

Estimates are based on historical information provided by the Public Works Department.

Actual Revenues Received Past Nine Years



REVENUE MANUAL

REVENUE SOURCE: Nursing Home Permits

ACCOUNT: 3120

AUTHORIZATION: Ordinance 5461 of 01/15/79 City Code 11.06.003
Ordinance 7690 of 09/06/83
Ordinance 13590 of 04/21/97

DISTRIBUTION OF REVENUE: General Fund

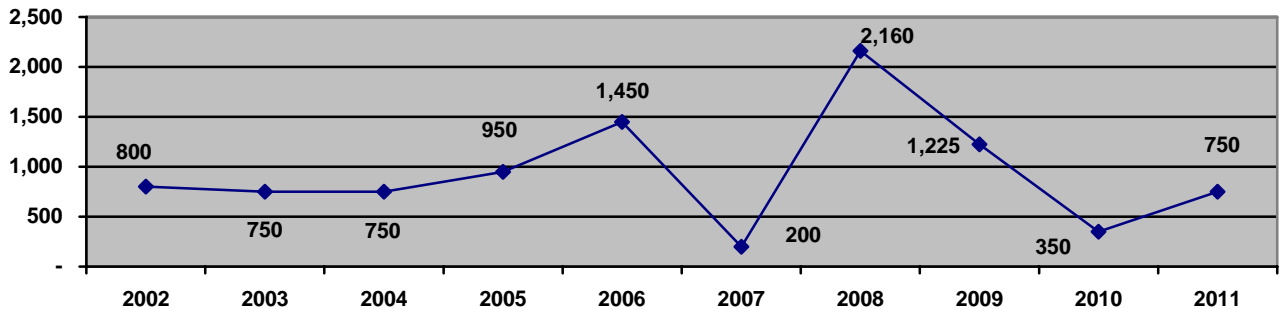
DESCRIPTION, RATE, LEGAL LIMITS:

Any person who desires to establish, maintain, operate, or conduct a nursing home for the chronically ill will file for a permit. An annual fee of \$50.00 is charged.

PROJECTION:

The revenue estimate is based on the number of nursing homes in the City multiplied by the annual fee.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Day Care Permits

ACCOUNT: 3121

AUTHORIZATION: Ordinance 13398 of 08/05/96

City Code 11.07.009

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

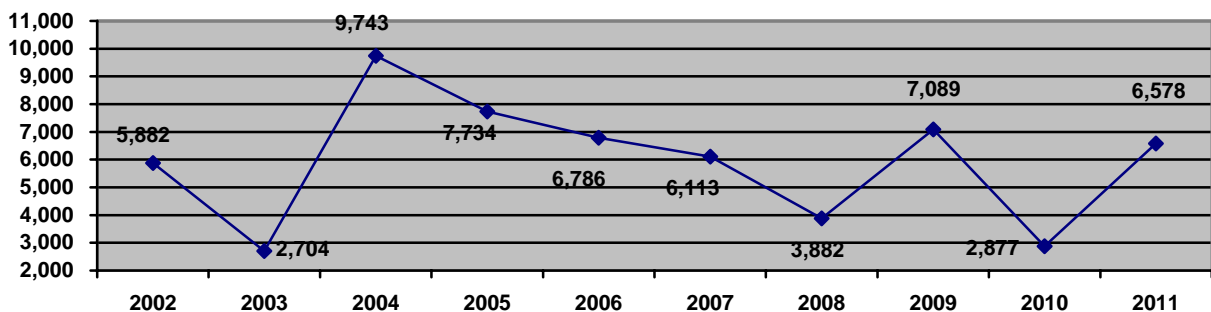
A permit is required for any person who operates a childcare facility within the city limits. Permit fees shall be based on a rate of \$3.00 per child up to a maximum of \$150.00 per facility. Permits are valid for one year unless revoked.

Reinspection fee	\$ 50.00
Reopening fee	\$100.00
Initial application fee for new establishment	\$150.00

PROJECTION:

Estimates are based upon historical data and information provided by the Health Department.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Food Handler's Permits

ACCOUNT: 3122

AUTHORIZATION:	Ordinance 12053 of 07/07/92	City Code 11.09.008
	Ordinance 13125 of 10/02/95	City Code 11.10.008
	Ordinance 13187 of 12/04/95	City Code 11.09.008
	Ordinance 15427 of 05/30/03	City Code 11.09.009

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Every employee and every employer of such person who prepares, handles, or dispenses food for human consumption will within 15 days of employment as a food handler, obtain a food handler permit. Three-year permits are issued upon completion of a food handler-training course conducted by the Health Department. Persons working for non-profit organizations are exempt from the permit fee as well as persons 65 and over. However, they are not exempt from the training course.

Whenever food is being prepared, handled or dispensed for human consumption, there shall be present on the premises of the food service establishment a Food Service Manager. Three-year Food Service Manager permits are issued to persons 18 years of age or older upon completion of a manager food safety training course and a written examination conducted by the Health Department. The manager or managers of any retail establishment which handles only packaged, or when persons preparing, handling, or dispensing food are under the Dietician RD or a full time Registered Dietician, and not-for-profit groups or organizations where a person or person volunteer their time and do not receive compensation, shall be exempt from this requirement.

The fee for a food handler permit is \$15.00.

The fee for a manager's food handler permit is \$30.00.

Duplicate cards are \$5.00

The food handler permits changed from one-year permits to three-year permits in November 1980.

PROJECTION:

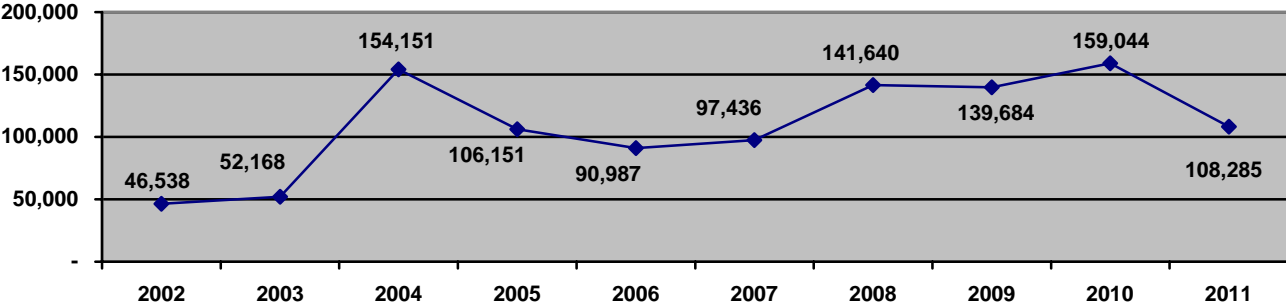
Estimates are based upon historical data and information provided by the Health Department. Consideration is given to the number of eating establishments opened and closed and those expected to open during the next fiscal year.

REVENUE MANUAL

REVENUE SOURCE: Food Handler's Permits (continued)

ACCOUNT: 3122

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Massage Therapist/Tattoo/Piercing **ACCOUNT:** 3123

AUTHORIZATION: Ordinance 13170 of 11/20/95 City Code 11.14.006

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

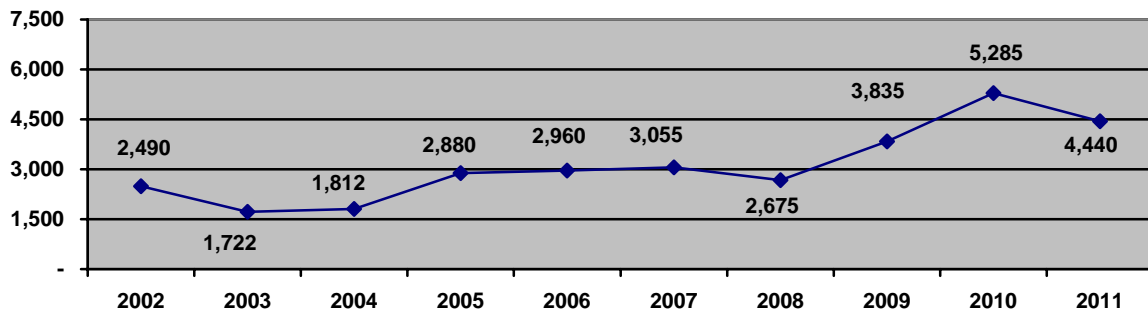
Any person who has received a written authorization issued by the Director of Health for the occupation of Massage Therapist (MT) within the City will pay the following fee:

Initial application fee for MT	\$100.00
Annual license renewal fee for MT	\$ 10.00
Annual license fee for all other employees	\$ 10.00
Tattoo Parlor Application	\$200.00
Tattoo Parlor Fee	\$100.00
Tattoo Artist Application	\$200.00
Tattoo Artist Fee	\$100.00
Body Piercing Permit	\$200.00
Body Piercing Fee	\$100.00

PROJECTION:

The revenue estimate is based on information provided by the Health Department as to the number of existing Massage Therapists/Apprentice Massage Therapists, plus the number of new applicants (approximately 3-4 per year).

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Other Food Permits **ACCOUNT:** 3124

AUTHORIZATION: Ordinance 13180 of 12/01/95 City Code 11.09.032
 Ordinance 13438 of 10/07/96 City Code 11.09.031

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

The food service establishment applicant pays health service fees at the time of the receipt of the following services:

<u>Food Service Establishments</u>			
Food & Drink		Food Stores, Meat Markets	\$35.00 per
Low Priority	\$100.00	Retail/Convenience store	checkout
Medium Priority	\$175.00		
High Priority	\$300.00	<u>Bakeries</u>	
		In conjunction with	
		another permit	\$75.00
Separate Facility	\$50.00		
Caterer	\$75.00	<u>Frozen Dessert</u>	
Temporary Food	\$50.00	One dispensing head	\$90.00
Limited Food	\$50.00	Each additional head	\$50.00
Seasonal Permit	\$90.00		
Bake Sale(non-profit)	No Fee	Permit Reinstatement fee	
Mobile Food	\$65.00/unit	if they have a hearing	\$100.00
Food Mfg/Whse/Dist	\$200.00	Reinspection fee	\$50.00
Church Kitchens	\$75.00	Replace lost permit	\$30.00
Meat Processing	\$175.00	Penalty fee (late payment)	\$75.00

PROJECTION:

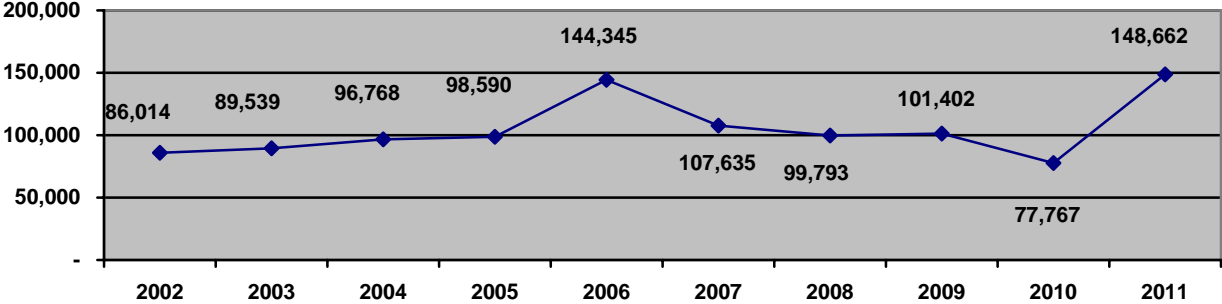
Health permit revenue estimates are provided by the Health Department and are based on the number of food establishments in the city. Annual health service revenues are based upon historical data and estimation of number of events.

REVENUE MANUAL

REVENUE SOURCE: Other Food Permits (continued)

ACCOUNT: 3124

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Ambulance Permits

ACCOUNT: 3125

AUTHORIZATION: Ordinance 13614 of 05/16/97

City Code 19.04.19

City Code 19.04.11

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Fees are paid by the ambulance company

Initial Application Fee	\$2,000.00
Ambulance Service Annual Permit Fee	\$5,050.00
EMT License	\$40.00

<u>Type of Call</u>	<u>Minutes Exceeding Standard Response Time</u>	<u>Penalty</u>
Life Threatening Emergency	For each minute or partial minute over 9 min. 00 sec.	\$2.00/minute*
Non-Life Threatening Emergency	For each minute or partial minute over 12 min. 00 sec.	\$2.00/minute*
Unscheduled Non-Emergency Transport	For each minute or partial minute over 30 min. 00 sec	\$2.00/minute*
Scheduled Non-Emergency Transfer	For each minute or partial minute over 15 min. 00 sec	\$2.00/minute*

*Maximum penalty per call - \$50.00

PROJECTION:

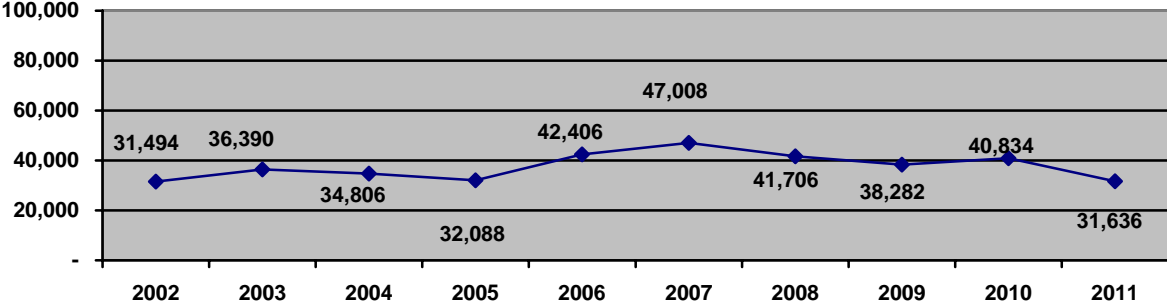
Ambulance permit estimates are provided by the Health Department.

REVENUE MANUAL

REVENUE SOURCE: Ambulance Permits (continued)

ACCOUNT: 3125

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Health Department
Plan Review

ACCOUNT: 3126

AUTHORIZATION: Ordinance 13438 of 10/07/96

City Code 11.09.31

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

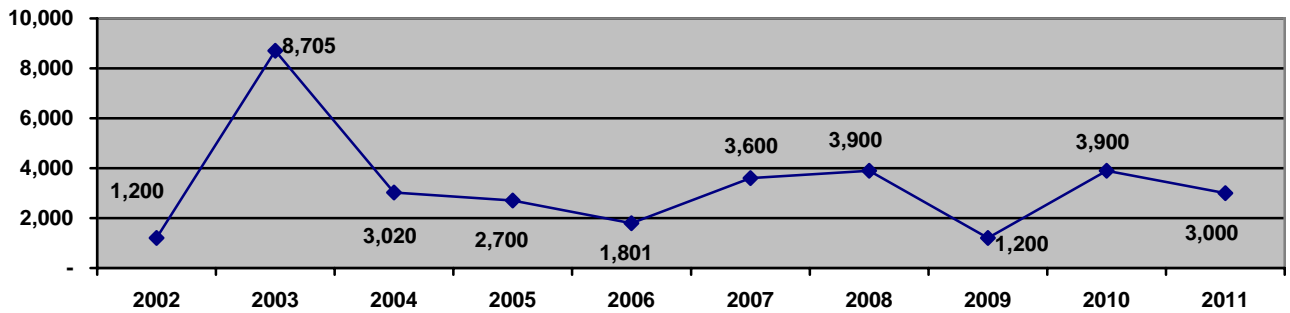
The food service establishment applicant shall pay the following fee at the time of the receipt of the following service:

New/remodeled food service establishment plan
review/construction/equipment installation supervision \$300.00

PROJECTION:

Revenue estimates are provided by the Health Department and are based on historical data.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Other Health Programs

ACCOUNT: 3313

AUTHORIZATION: Ordinance 17307 of 05/04/09

City Code 11.17.003

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Other various health permits, including lodging permits and swimming pool permits.

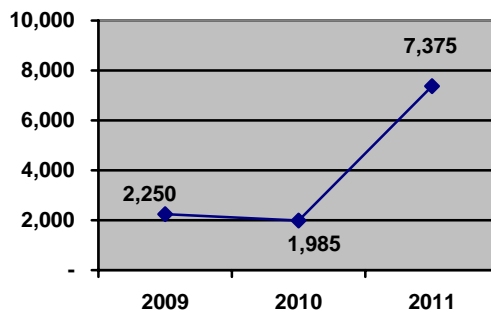
Any person who desires to establish, maintain or operate a lodging establishment shall file a written permit application with the Health Authority. Also, any person with a commercial body of water must pay a fee per body of water on the property.

Original License Fee	\$150.00
Re-inspection Fee	\$ 50.00
Swimming Pool Permit	\$ 50.00

PROJECTION:

Revenue estimates are provided by the Health Department and are based on current lodging establishments in the City of Independence. Due to this being a newly adopted license fee, limited historical data is available.

Actual Revenues Received Past Three Years



REVENUE MANUAL

REVENUE SOURCE: Motor Vehicle Licenses

ACCOUNT: 3151

AUTHORIZATION: Ordinance 11131 of 04/27/90
Ordinance 11283 of 10/05/90

City Code 18.28.001

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Any person residing within the City, including any business having an office or place of business within the City, who is the owner of a motor vehicle is to pay a motor vehicle license fee for each motor vehicle owned, rented or leased by said person as of January 1 of each year unless the vehicle is used exclusively outside the City or the vehicle has a historic license plate issued by the State, pursuant to Section 301.131 R.S.MO.

City motor vehicle licenses will be per annum and valid from the 1st day of January to the 31st day of December for each year. Fees are as follows:

Motorcycles and Motortricycles	\$4.50
Passenger Vehicles	\$5.00
Commercial vehicles (trucks and buses) and recreational vehicles	\$6.00

One License fee will be waived for a person over the age of 65 or disabled veterans.

The City motor vehicle licenses are billed and collected by Jackson County as part of the Personal Property Tax bill.

PROJECTION:

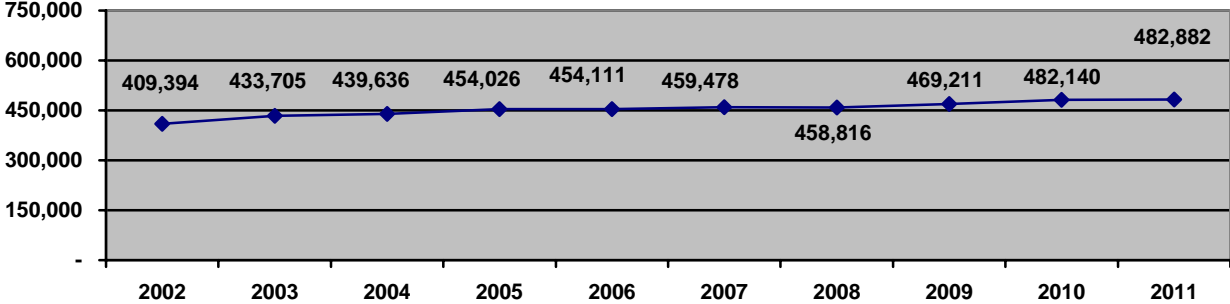
The revenue estimate is based upon information provided by Jackson County for the amount billed in the current year.

REVENUE MANUAL

REVENUE SOURCE: Motor Vehicle Licenses (continued)

ACCOUNT: 3151

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Community Development Block Grant (CDBG)

ACCOUNT: 3204

AUTHORIZATION: Ordinance 17532 of 04/19/10

DISTRIBUTION OF REVENUE: CDA Fund

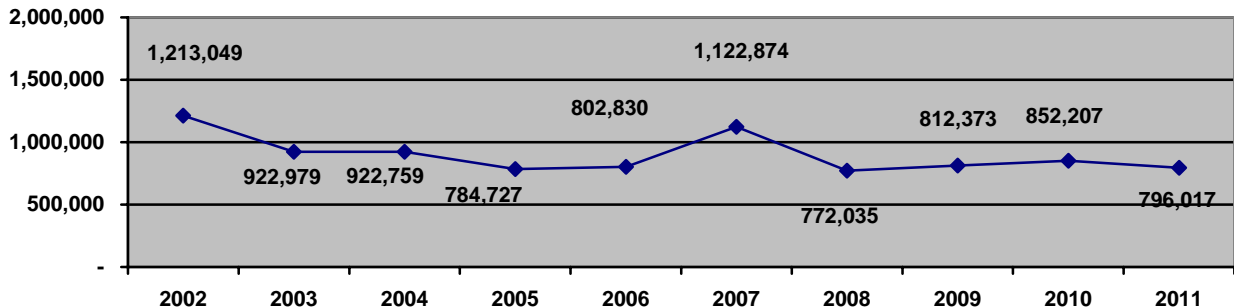
DESCRIPTION, RATE, LEGAL LIMITS:

Congress authorized the Community Development Block Grant Entitlement Program in 1974 for cities with populations of 50,000 or more. The primary goal of this program is to develop viable urban communities that offer decent housing, suitable living environments, and economic opportunities for low and moderate-income people. Projects in Independence have included housing rehabilitation grants, commercial facade grants, neighborhood centers, historic preservation, parks development, street improvements, and funding for numerous social service programs administered by agencies that assist low/moderate income residents.

PROJECTION:

Estimates are based on information provided to the Community Development Department by the United States Department of Housing and Urban Development.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Home Investment Partnership Program (HOME) **ACCOUNT:** 3209

AUTHORIZATION: Ordinance 17532 of 04/19/10

DISTRIBUTION OF REVENUE: CDA Fund

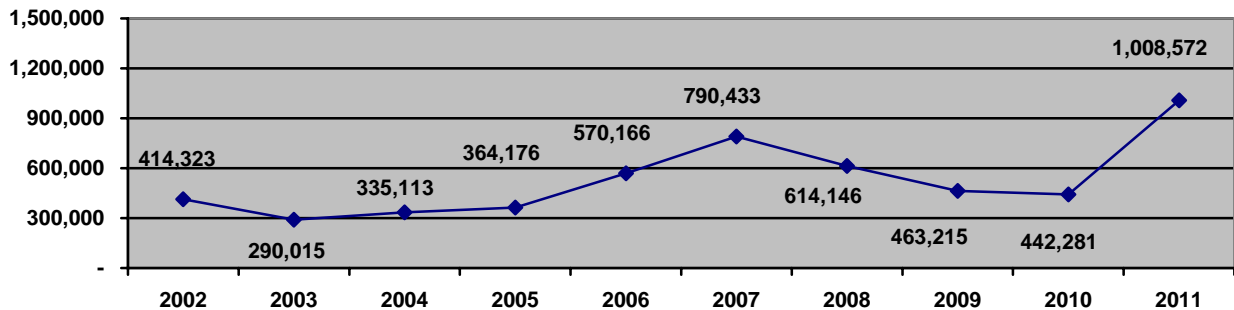
DESCRIPTION, RATE, LEGAL LIMITS:

Congress with the Final Rule being published September 16, 1996 authorized the HOME Program. In general, under the HOME Program, HUD allocates funds by formula among eligible State and local governments to strengthen public-private partnerships and to expand the supply of decent, safe, sanitary, and affordable housing. Non-federal resources must match HOME funds.

PROJECTION:

Estimates are based on information provided to the Community Development Department by the United States Department of Housing and Urban Development.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Emergency Management Assistance

ACCOUNT: 3210

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: General Fund, Grant Fund

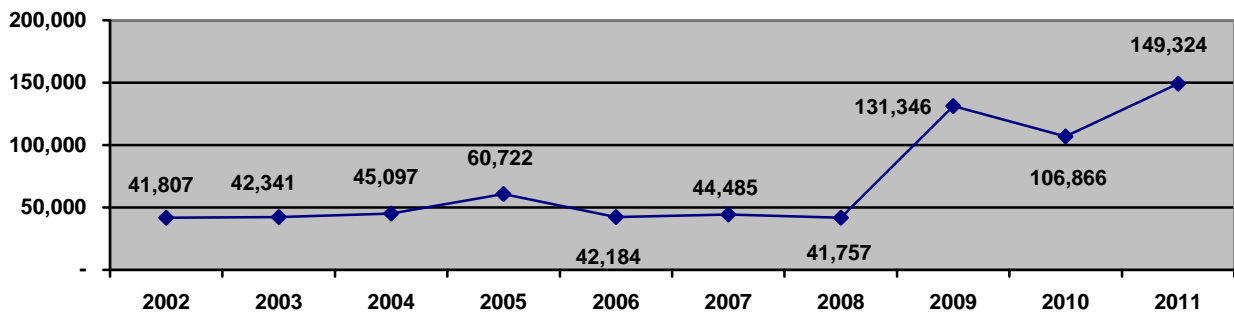
DESCRIPTION, RATE, LEGAL LIMITS:

A grant from the Federal Emergency Management Agency (FEMA) through the State and Local Assistance Program for funding on a match basis of up to 50% of eligible expenses of the Emergency Preparedness function of the Fire Department.

PROJECTION:

The estimate is based upon information from the application for funding submitted by the Fire Department and from the State Emergency Management Association.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Public Health Grant

ACCOUNT: 3211

AUTHORIZATION: Various Ordinances

DISTRIBUTION OF REVENUE: Grant Fund

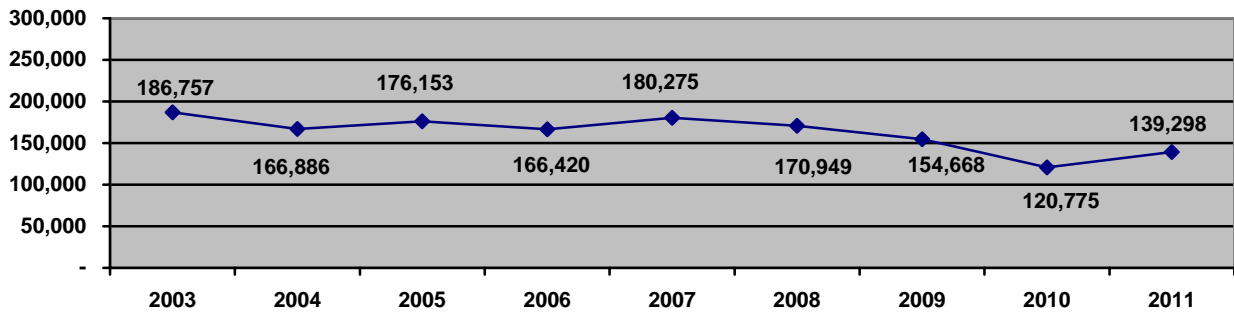
DESCRIPTION, RATE, LEGAL LIMITS:

The Missouri Division of Health provides grants to the Health Department for the promotion of health programs. Current programs include the maternal and child health services program, general public health program, nursing consultation to childcare facilities, and sanitation inspections of child care facilities.

PROJECTION:

Information about the existing and estimated grants is obtained from the Health Department.

Actual Revenues Received Past Nine Years



REVENUE MANUAL

REVENUE SOURCE: Dial-A-Ride Transportation Program **ACCOUNT:** 3218

AUTHORIZATION: Ordinance 14404 of 02/07/00

DISTRIBUTION OF REVENUE: General Fund, Grant Fund

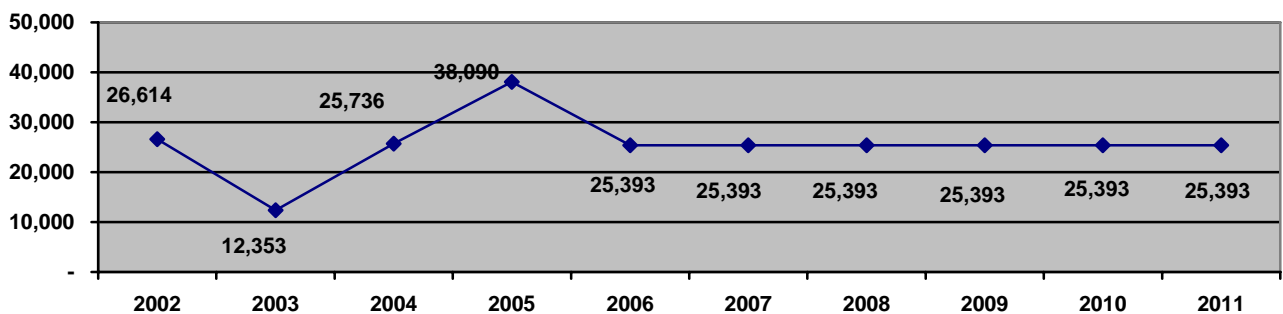
DESCRIPTION, RATE, LEGAL LIMITS:

The Kansas City Area Transportation Authority includes in its Federal Operating Assistance Grant application a set sum to be reimbursed to the City of Independence to offset a portion of the total cost incurred by the community in operating the "Dial-A-Ride" service, a local transportation program for the elderly and disabled that serves to meet the City requirements associated with the federal Americans with Disabilities ACT (ADA).

PROJECTION:

Estimate is based on historical information and contractual information furnished by the Parks and Recreation Department. Staff anticipates looking at a new fee schedule in the near future for those riders not ADA-eligible.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Other Federal Grant Sources

ACCOUNT: 3219

AUTHORIZATION: Various Ordinances

DISTRIBUTION OF REVENUE: General Fund, Grant Fund, Utility Funds, Capital Project Funds

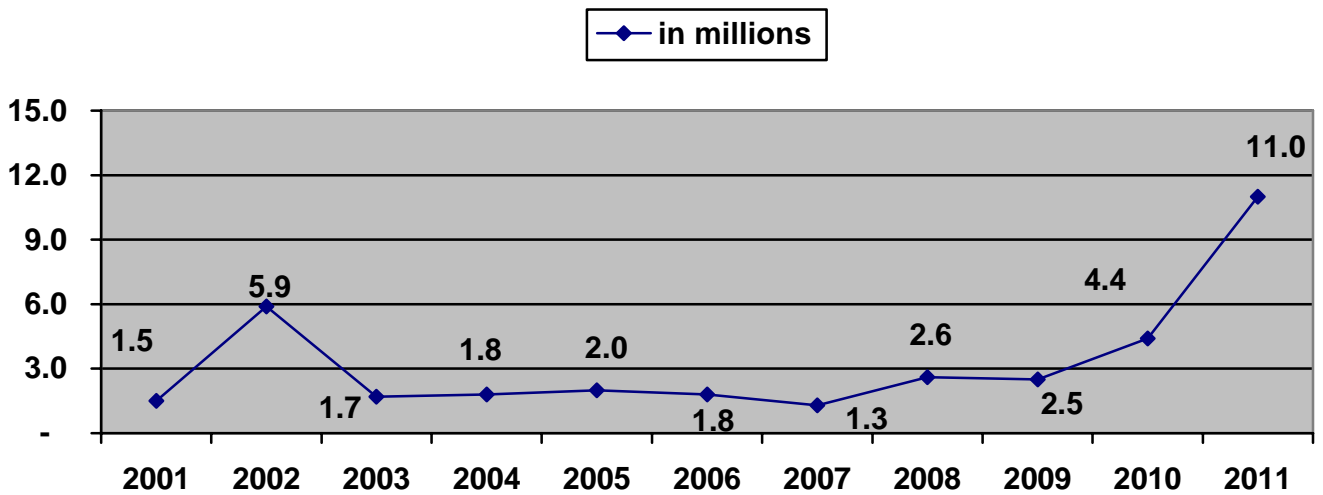
DESCRIPTION, RATE, LEGAL LIMITS:

To record federal grants not specifically identified in any other account.

PROJECTION:

Estimate is based on historical information furnished by various departments.

Actual Revenues Received Past Ten Years – All Funds Combined



REVENUE MANUAL

REVENUE SOURCE: Financial Institutions Tax

ACCOUNT: 3241

AUTHORIZATION: Missouri Statute - Chapter 148

DISTRIBUTION OF REVENUE: General Fund

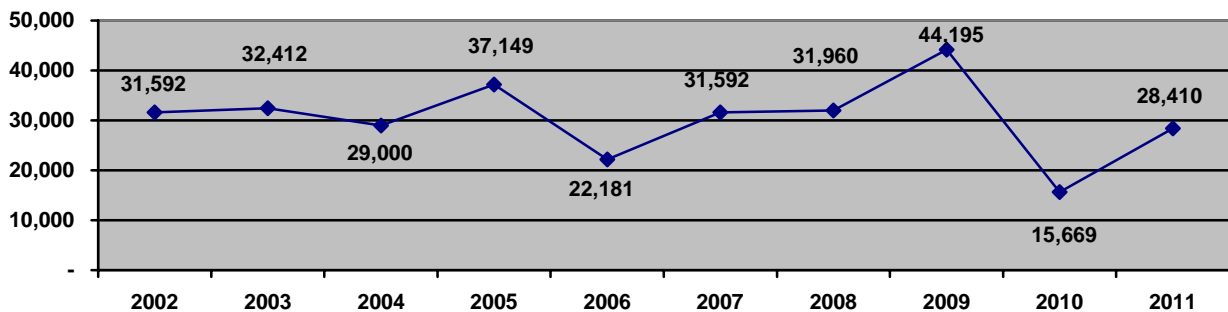
DESCRIPTION, RATE, LEGAL LIMITS:

This 7% tax of net profit is paid to the State by all banks, trust companies, credit institutions, credit unions, insurance companies and savings and loan associations. Of the 7% collected by the State, 98% is distributed to the counties to be distributed to the cities. Prior to January 1982, savings and loans institutions and credit unions were taxed on gross revenues rather than net profit. In January 1982, the Missouri Supreme Court declared this method unconstitutional and these facilities became taxed in the same manner as other financial institutions. (Missouri Statute - Section 148.48, Jefferson Savings and Loan Association V. Goldbert, 626 swzd 640 (MO BANC 1982).

PROJECTION:

The estimate is based on historical data due to the indeterminate nature of this revenue source.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Gasoline Tax

ACCOUNT: 3242

AUTHORIZATION: Missouri Statute - Chapter 142.025

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

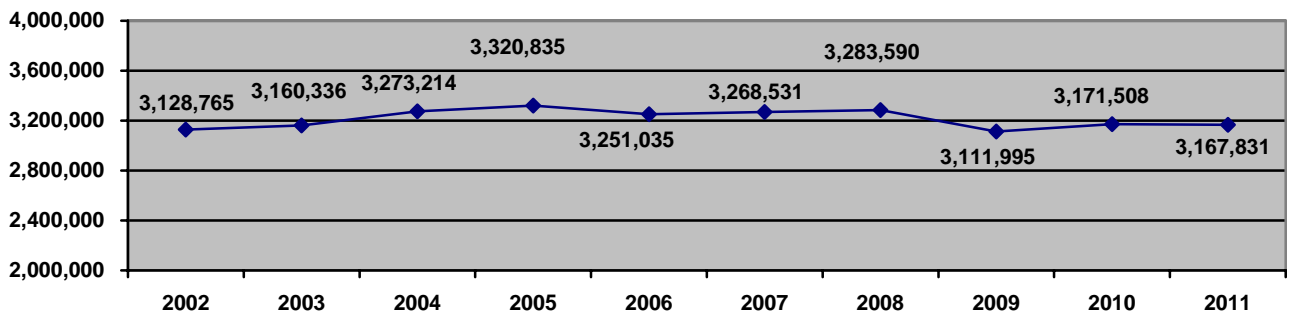
This tax is levied and collected by the State on the purchase of motor vehicle fuel at retail. The proceeds are to be used solely for construction, reconstruction, maintenance, repair, policing, signing, lighting and cleaning roads and streets in the City. The rate of which 15% of the total collected by the State is remitted to cities based on their population is as follows:

Through April 6, 1987	\$0.07/gallon
Starting April 7, 1987	\$0.11/gallon
Starting April 1, 1992	\$0.13/gallon
Starting April 1, 1994	\$0.15/gallon
Starting April 1, 1996	\$0.17/gallon

PROJECTION:

The estimate is based on historical data as well as the price on crude oil, which has a direct impact on consumption, and the gasoline prices at the pump.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Motor Vehicle Fees

ACCOUNT: 3243

AUTHORIZATION: Section 30(b) Article 4 of the Constitution of the State of Missouri

DISTRIBUTION OF REVENUE: General Fund

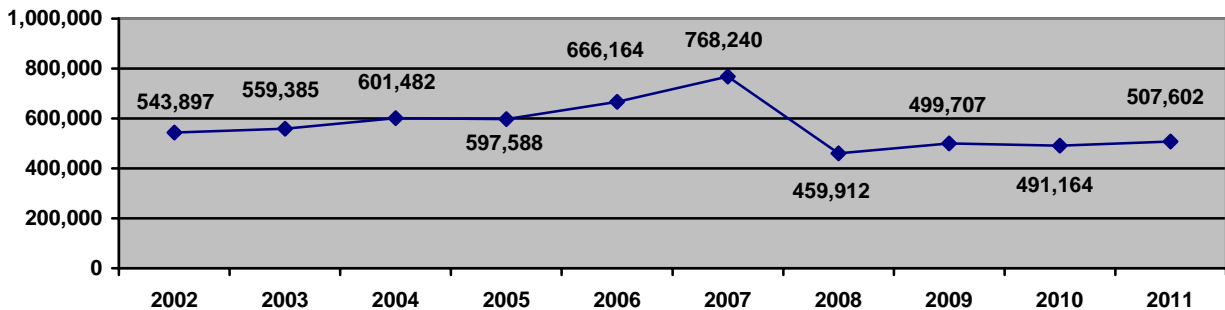
DESCRIPTION, RATE, LEGAL LIMITS:

Any increase in state license fees and taxes on motor vehicles, trailers, motorcycles, mopeds and motortricycles over and above those in effect September 17, 1979, will be distributed to the counties, cities, and the state road fund. Cities receive 15% of the increase in the state license fees and taxes on motor vehicles with amounts allocated based on population.

PROJECTION:

The estimate is based on historical data as well as the trend of automobile sales at both the national and local level. In addition, interest rates on consumer loans and economic conditions as a whole were considered in arriving at the estimate.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Motor Vehicle Sales Tax

ACCOUNT: 3244

AUTHORIZATION: Section 30(A), Article 4 of the Constitution of the State of Missouri

DISTRIBUTION OF REVENUE: General Fund

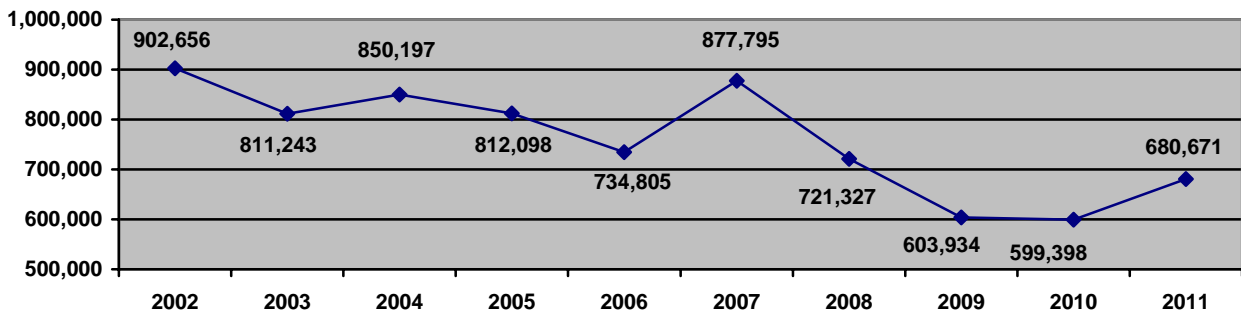
DESCRIPTION, RATE, LEGAL LIMITS:

One-half of the proceeds from the State Sales Tax on all motor vehicles, trailers, motorcycles, mopeds, and motortricycles will be dedicated for highway and transportation use. Fifteen percent of these proceeds will be allocated to incorporated cities, towns, and villages. The amount distributed to each city is prorated based upon population.

PROJECTION:

The estimate is based on historical data as well as the trend of the automobile sales at both the national and local level. In addition, interest rates on consumer loans and the economic conditions as a whole were considered in arriving at the estimate.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Other State Grant Sources

ACCOUNT: 3250

AUTHORIZATION: Various Ordinances

DISTRIBUTION OF REVENUE: General Fund, Grant Fund, Tourism Fund, Storm Water, Water Pollution Control, Capital Project Funds

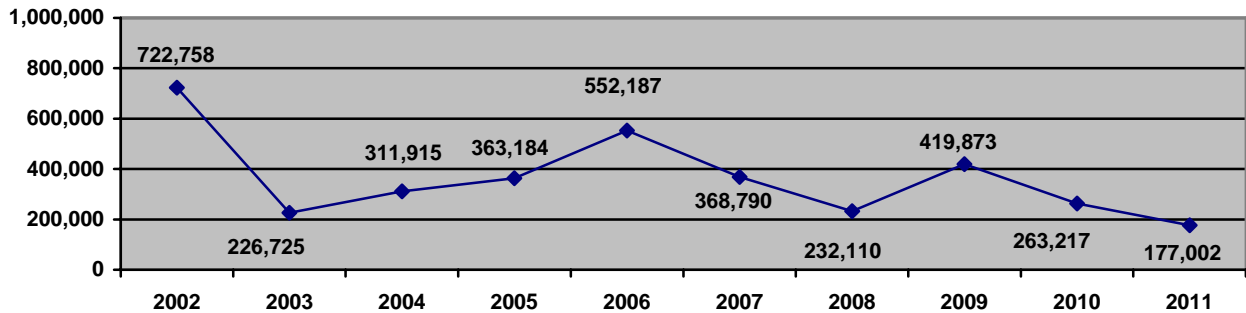
DESCRIPTION, RATE, LEGAL LIMITS:

To record state grants not specifically identified in any other account.

PROJECTION:

Estimate is based on historical information furnished by various departments.

Actual Revenues Received Past Ten Years – All Funds Combined
Excluding Capital Projects



REVENUE MANUAL

REVENUE SOURCE: Jackson County Drug Task Force

ACCOUNT: 3272

AUTHORIZATION: Ordinance 11207 of 07/16/90
Ordinance 14390 of 12/20/99

DISTRIBUTION OF REVENUE: General Fund

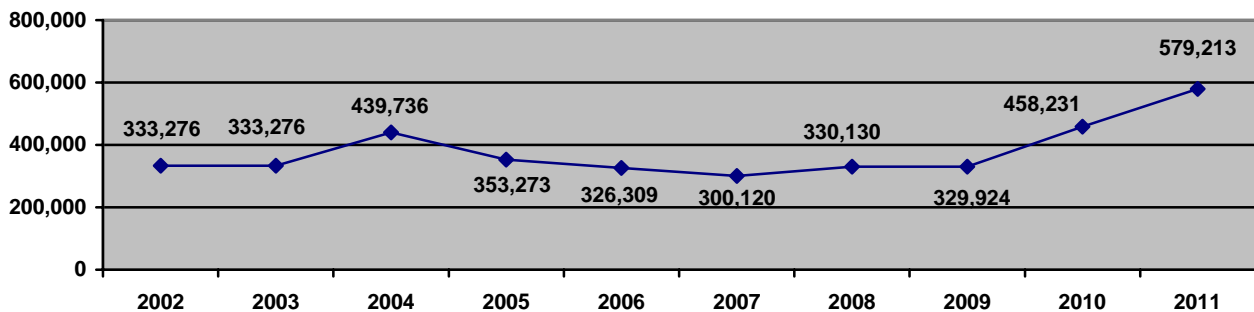
DESCRIPTION, RATE, LEGAL LIMITS:

To reimburse the Police Department for police officers working on drug enforcement. The source of revenue is from the anti-drug sales tax approved by the County voters on 11/07/89 and re-authorized on 04/01/97 for another seven years. The tax was subsequently approved in 2003, and again in 2009.

PROJECTION:

Estimates are based upon historical data provided by the Police Department.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: D.A.R.E. Program

ACCOUNT: 3274

AUTHORIZATION: Ordinance 11776 of 10/21/91
Ordinance 14081 of 12/21/98
Ordinance 14250 of 07/06/99

DISTRIBUTION OF REVENUE: General Fund

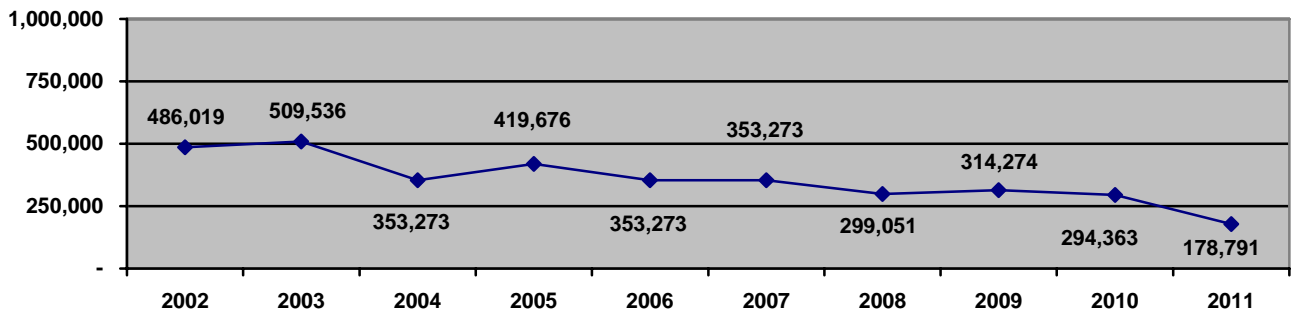
DESCRIPTION, RATE, LEGAL LIMITS:

Funding for police officers assigned to the City's DARE Program. The source of revenue is from the COMBAT anti-drug sales tax approved by the County voters on 11/07/89 and was re-authorized for another seven years in 2003.

PROJECTION:

Estimates are based upon historical data provided by the Police Department.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Mid-America Regional Council (MARC) **ACCOUNT:** 3275

AUTHORIZATION: Various Ordinances

DISTRIBUTION OF REVENUE: General Fund

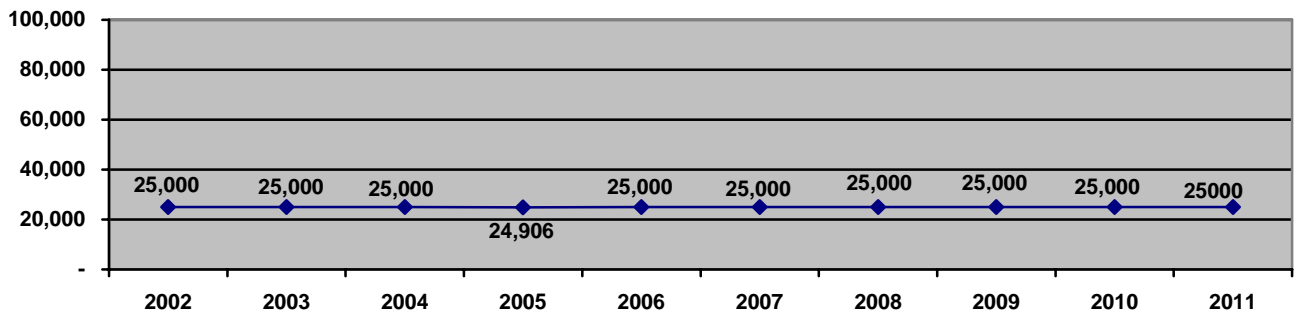
DESCRIPTION, RATE, LEGAL LIMITS:

The Mid-America Regional Council (MARC) helps to fund and administer a senior adult nutrition program throughout the Kansas City metropolitan area. The City of Independence, and its Palmer Senior Adult Center, serves as one of those designated program sites. Through this program, MARC includes in its operating budget a set amount to be administered to the City's Parks and Recreation Department for the purposes of offsetting some of the costs associated with the annual operation of a senior adult nutrition program for both congregate meals and for home-bound individuals.

PROJECTION:

Estimates are based upon historical and contractual information furnished by the Parks and Recreation Department.

Actual Revenues Received Pasts Ten Years



REVENUE MANUAL

REVENUE SOURCE: Other Misc Grants

ACCOUNT: 3279

AUTHORIZATION: Various Ordinances

DISTRIBUTION OF REVENUE: General Fund, Grant Fund

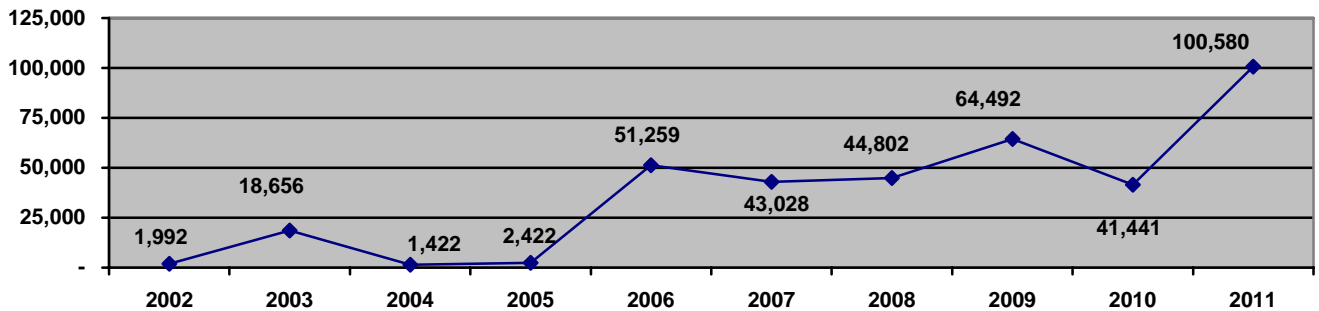
DESCRIPTION, RATE, LEGAL LIMITS:

To record any grants or contributions not specifically identified in any other account.

PROJECTION:

Estimates are based on historical information provided by the Finance Department.

Actual Revenues Received Past Ten Years – All Funds Combined



REVENUE MANUAL

REVENUE SOURCE: P & L Payments In Lieu of Taxes

ACCOUNT: 3281

AUTHORIZATION: Declaratory Suit of 07/01/80
Ordinance 12381 of 04/19/93
Resolution 3890 of 05/17/93

City Code 16.07.001

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

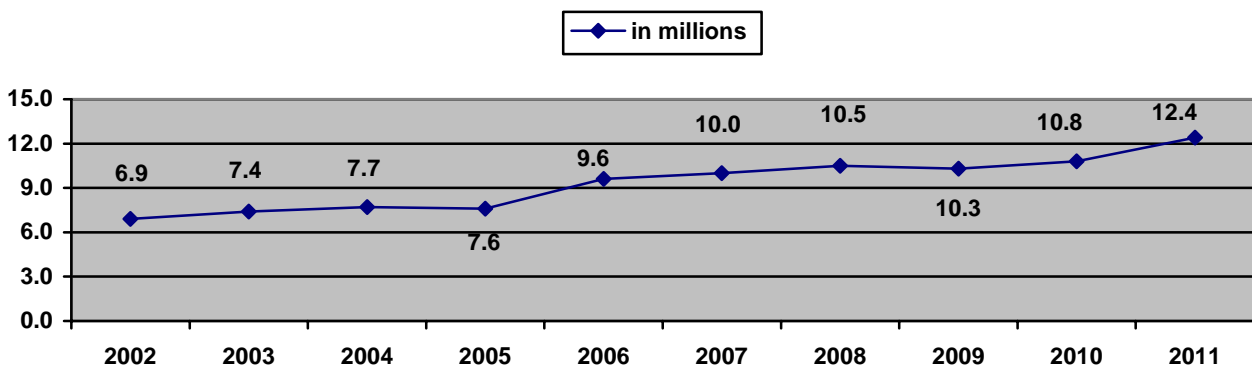
Although the Power and Light Fund is a City owned utility, it is subject to payment to the City's General Fund of an amount "In Lieu of Taxes" as are normally levied on investor owned utilities. This includes the sum of:

1. 9.08% of the gross receipts derived from operation of an electric utility;
2. The amount of real estate property taxes (including utility property tax) due if Power and Light was a private utility; and,
3. The amount of 2.25% of City sales tax payable for local purchases.

PROJECTION:

The estimate is obtained from the Power and Light Department projected gross receipts for the year. Another major factor that would change this revenue drastically is the weather. Due to the unpredictability of the weather, initial estimates are made based on normal temperatures and adjustments are made when abnormal conditions are experienced.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Water Service In Lieu of Taxes

ACCOUNT: 3282

AUTHORIZATION: Ordinance 7062 of 07/03/82
Ordinance 7321 of 12/31/82
Ordinance 12381 of 04/19/93

City Code 16.01.002
City Code 16.07.001

DISTRIBUTION OF REVENUE: General Fund

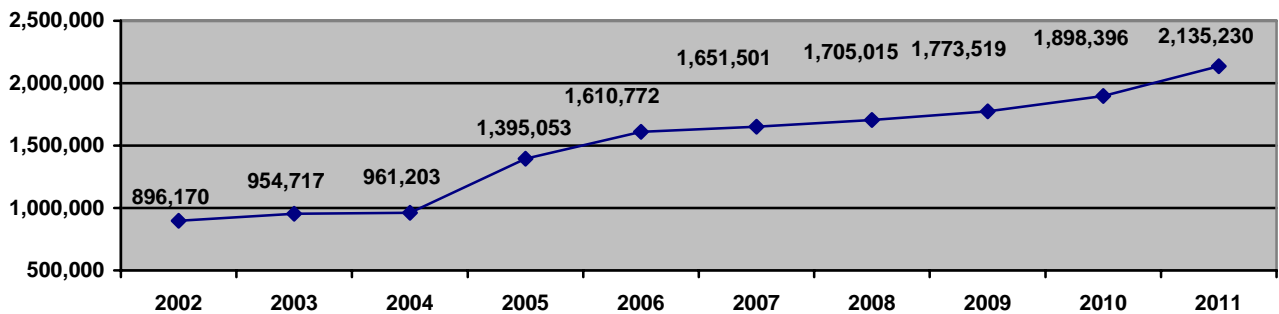
DESCRIPTION, RATE, LEGAL LIMITS:

The Missouri Water Company was purchased on April 1, 1986, becoming known as the Independence Water Department. Although the Water Fund is a City owned utility, it is subject to payment to the City's General Fund of an amount "In Lieu of Taxes" as normally levied on investor owned utilities. The sum to be collected is to include 9.08% of the gross receipts derived from operation of the water utility and the amount of real estate property taxes (including utility property tax) due if Water was a private utility.

PROJECTION:

The estimate is obtained from the Water Department's projected water gross receipts for the year. Other major factors that would change this revenue drastically are the temperature and the amount of rainfall. Due to the unpredictability of these factors, initial estimates are made based on normal weather conditions and adjustments are made when abnormal conditions are experienced.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Sanitary Sewer Service In Lieu of Taxes **ACCOUNT:** 3283

AUTHORIZATION: Ordinance 12381 of 04/19/93 City Code 16.07.001

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

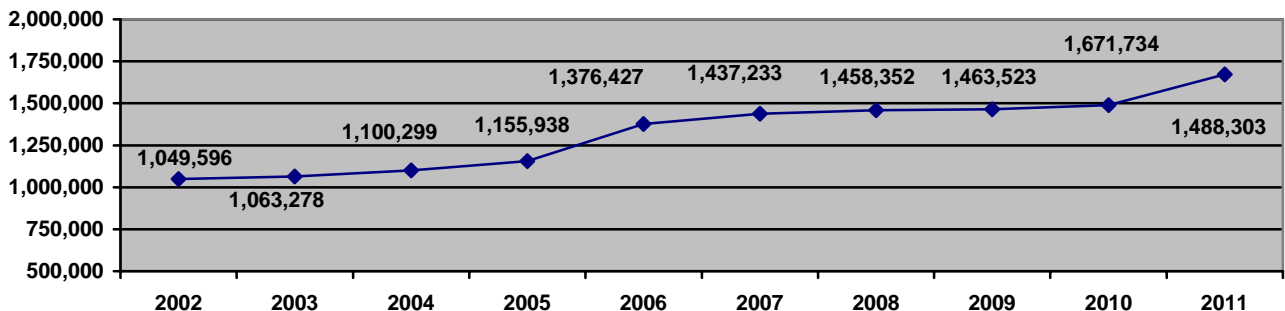
The Sanitary Sewer Fund is a City owned utility and is required to make a payment to the City's General Fund of an amount "In Lieu of Taxes" as are normally levied on investor owned utilities. This includes:

1. 9.08% of the gross receipts derived from operation of a sanitary sewer utility; except where excluded by contract
2. The amount of real estate property taxes (including utility property tax) due if Sanitary Sewer was a private utility

PROJECTION:

The estimate is obtained from the Water Pollution Control Department and is based on the projected gross receipts of the Sanitary Sewer Fund for the year. These receipts are categorized primarily as residential and commercial. Residential rates are fixed for the upcoming fiscal year based on the lower of current season winter water consumption or the previous year's total. Commercial rates vary monthly based on actual water consumption.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Planning and Zoning Fees **ACCOUNT:** 3302

AUTHORIZATION: Ordinance 14399 of 01/13/00 City Code Chapter 14

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

1. A Home Business Permit allows use of a residence for a limited business venture provided it does not disrupt the character of the surrounding residential neighborhood. A business license is still needed to conduct business. Permit application fee \$100.00

2. Upon submission of an application for subdivision, the subdivider will pay:

Pre-application or sketch plat application fee	\$100.00
Preliminary application fee	\$200.00, plus \$3.00/lot.
Final plat fee (paid upon submission of final plat)	\$200.00, plus \$3.00/lot
Minor Subdivisions	\$200.00 plus \$1.00/lot

3. The following fees will accompany each application for a final site plan:

Less than 5 acres	\$275.00
5-10 acres	\$600.00
11-15 acres	\$800.00
16-20 acres	\$1,100.00
More than 20 acres	\$1,600.00

4. Fees for rezoning or special use permit applications are:

Less than 5 acres	\$250.00
5-10 acres	\$500.00
11-15 acres	\$750.00
16-20 acres	\$1,000.00
More than 20 acres	\$1,500.00

5. Whenever any person does file a petition for the vacation of any street or public place, he will complete an application from the Community Development Department. A fee of \$150.00 will accompany this application.

6. Special Sign Permit \$245.00

7. Zoning Verification Letter \$60.00

PROJECTION:

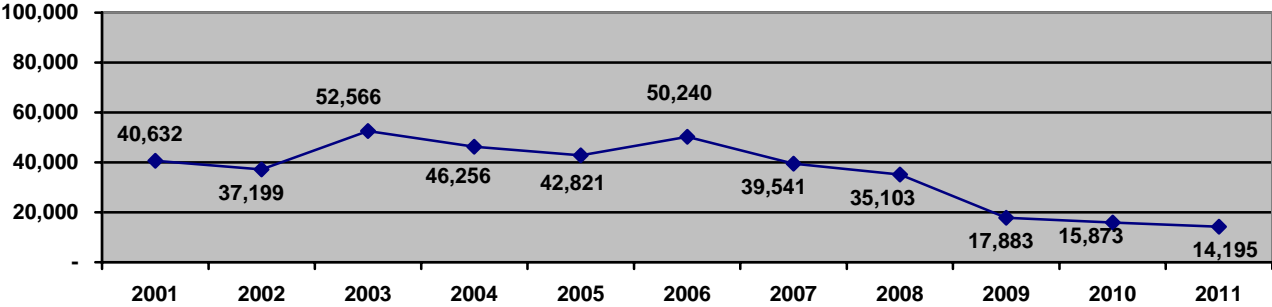
Estimates are based on historical data and information provided by the Community Development Department.

REVENUE MANUAL

REVENUE SOURCE: Planning and Zoning Fees (continued)

ACCOUNT: 3302

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Board of Adjustment Fees

ACCOUNT: 3303

AUTHORIZATION: Board of Adjustment By-Laws of 6/63
Ordinance 14005 of 10/16/98

DISTRIBUTION OF REVENUE: General Fund

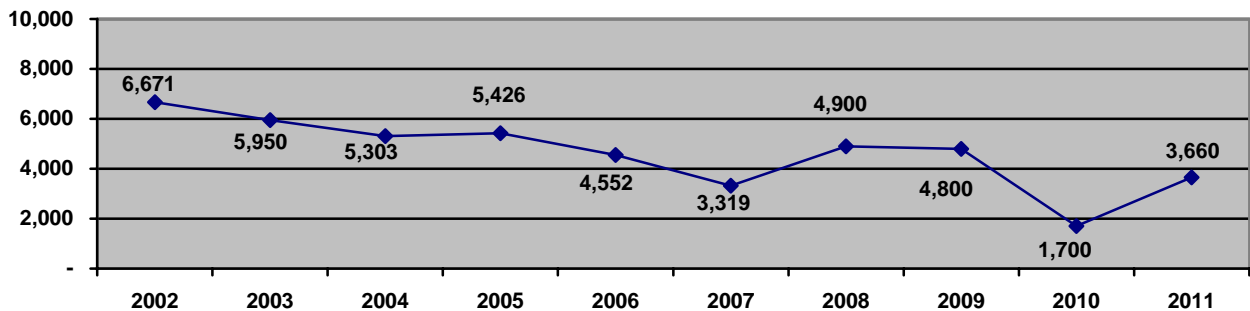
DESCRIPTION, RATE, LEGAL LIMITS:

The Board of Adjustment will take action only in reference to a specific lot when it has determined that a permit has been incorrectly issued or denied, or when it is determined that the City Code, Article 1 Chapter 14 has been incorrectly interpreted, or when the appellant believes undue and unnecessary hardship due to the application of a provision or provisions in the Code to a specific lot or tract. The board will charge a fee of \$150.00 for each application filed.

PROJECTION:

Estimates are based upon historical data provided by Community Development Department.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Fees for Copies of Official Documents **ACCOUNT:** 3304, 3305, 3306, 3398

AUTHORIZATION: Ordinance 15240 of 10/28/02

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

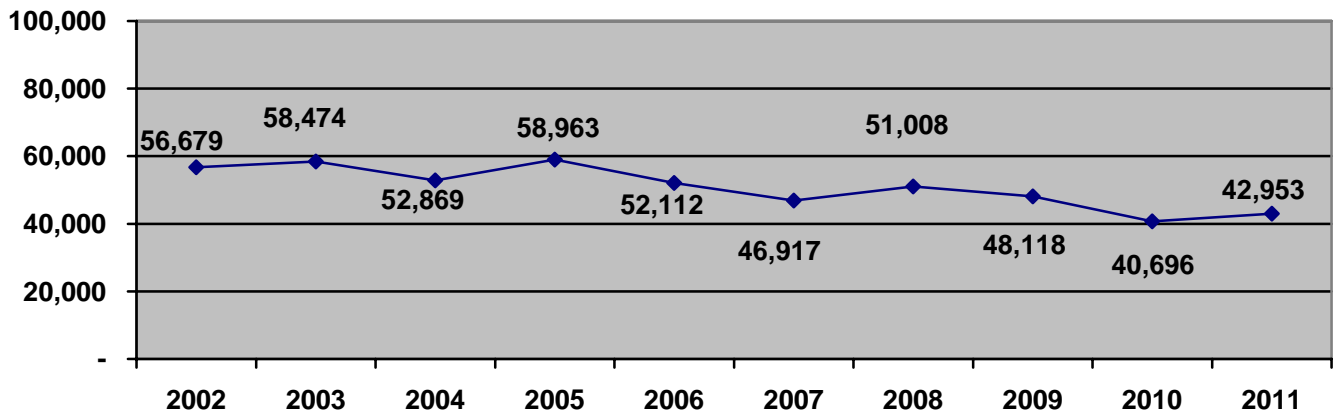
Fees charged for copies of certain official documents available to the public and corresponding services other than those set forth in the City Code or established by separate ordinance or resolution. This includes the sale of maps, books, plans, police reports and fire reports.

- 3304 Sale of Maps, Books, & Plans
- 3305 Sale of Police Reports
- 3306 Sale of Fire Reports
- 3398 Miscellaneous Charges

PROJECTION:

Estimates are based on historical data with information about fee changes or new types of documents available obtained from the Police, Fire and Community Development Departments.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Computer Service Charge

ACCOUNT: 3307

AUTHORIZATION: Ordinance 16137 of 09/19/05

DISTRIBUTION OF REVENUE: General Fund

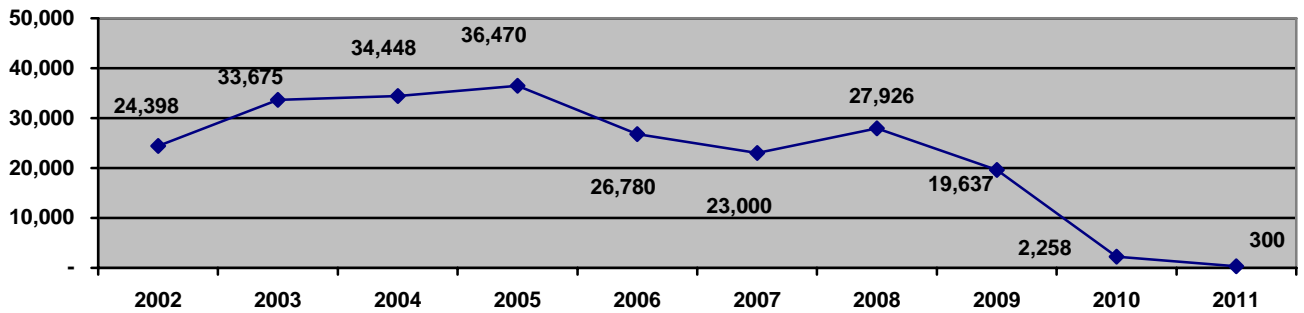
DESCRIPTION, RATE, LEGAL LIMITS:

This revenue represents reimbursement of all costs for processing of voter registration records for the Jackson County Board of Election Commissioners.

PROJECTION:

Estimates are based upon historical data and trends connected with the Board's activities during election and non-election years. Consideration was also given to possible special elections, which could be called during the next fiscal year, and information furnished by the Technology Services Department.

Actual Revenue Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Animal Shelter Charges

ACCOUNT: 3311

AUTHORIZATION: Ordinance 12053 of 07/06/92
Ordinance 17516 of 03/22/10

City Code 3.01.007

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Any animal or fowl impounded in the public animal shelter of the City will be released to the owner upon payment of the following fees for the total period of any impoundment. Unclaimed dogs and cats may be adopted for \$30.00 and \$20.00 respectively.

A. Impounding:

Dog/Cat - 1st impoundment	\$80.00
Rabbit and fowl	\$10.00
Any other animal - 1st impoundment	\$50.00
Any other animal - after 1st impoundment	\$65.00
Livestock	\$100.00

B. Feeding and caring each day of impoundment:

Each horse, mare, mule, colt, cow, bull, steer	\$20.00/day
Each jack, jennie, calf, sheep, goat, hog	\$12.00/day
Each dog	\$15.00/day
Each cat	\$10.00/day
Each unspecified animal or fowl	\$8.00/day
Expanded after hours release fee	\$25.00/day

C. Fees for adopting unclaimed dogs or cats and for animal disposal:

Adoption	
Dogs	\$30.00
Cats	\$20.00
All other small animals	\$15.00
Livestock	Fees equal to Expenses incurred by the City
Disposal	
Incineration	\$10.00
Pick up	\$15.00
Trap Rental	
Animal Services pickup	\$20.00
Citizen brings animal to shelter	\$10.00
Broken, lost or stolen trap replacement	\$80.00

REVENUE MANUAL

REVENUE SOURCE: Animal Shelter Charges (continued)

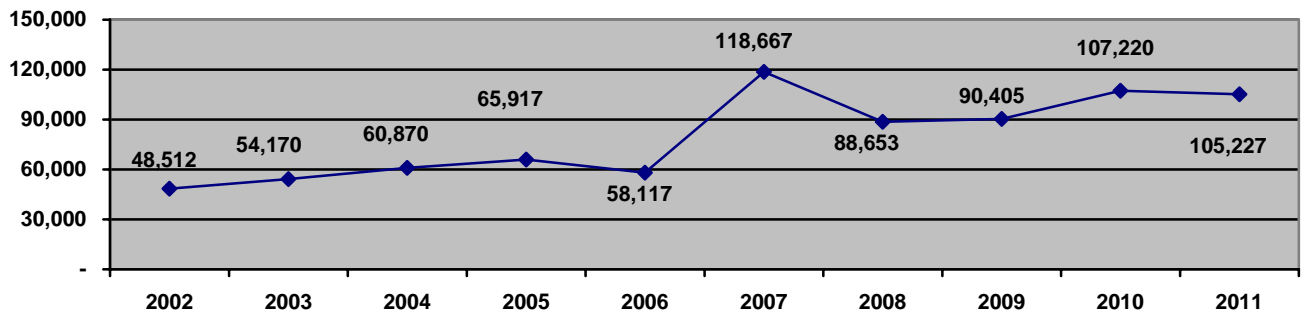
ACCOUNT: 3311

Bark Collar Rental	
Two week loan	\$15.00
Broken, lost or stolen bark collar	
Replacement charge	\$55.00
Nutrition Consultation Services	\$25.00/hour

PROJECTION:

Estimates are based upon historical data and information furnished by the Animal Control Division of the Health Department.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Identification Tags (animals)

ACCOUNT: 3312

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: General Fund

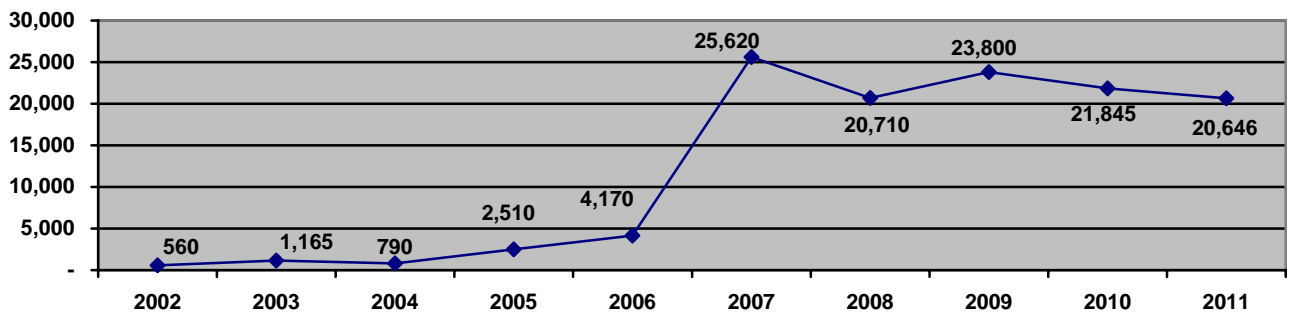
DESCRIPTION, RATE, LEGAL LIMITS:

Upon request, a new pet owner can have an information microchip placed in an adopted animal's neck for future identification. This service is provided for a fee of \$10.00/animal. The service is for animals adopted from the animal shelter only. All animals that are picked up by Animal Control are scanned for a microchip.

PROJECTION:

Estimates are based on information provided by the Animal Control Division of the Health Department.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Police Services Reimbursement

ACCOUNT: 3316

AUTHORIZATION: Ordinance 13863 of 04/06/98
Ordinance 14756 of 03/05/01

DISTRIBUTION OF REVENUE: General Fund, Grant Fund

DESCRIPTION, RATE, LEGAL LIMITS:

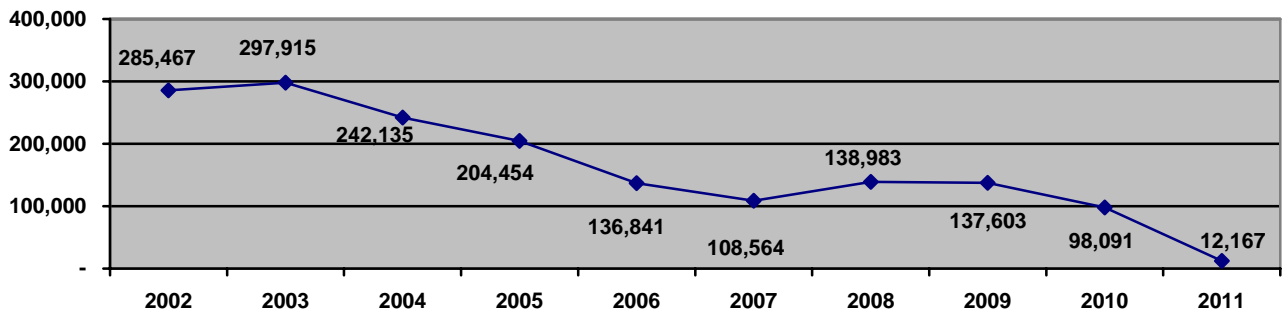
Nightlight Program (Family Court)

Housing Authority

PROJECTION:

Estimates are based on information provided by the Police Department.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: School Resource Officer

ACCOUNT: 3317

AUTHORIZATION: Ordinance 13306 of 04/01/96
Ordinance 14030 of 10/19/98
Ordinance 14156 of 03/15/99

DISTRIBUTION OF REVENUE: General Fund, Grant Fund

DESCRIPTION, RATE, LEGAL LIMITS:

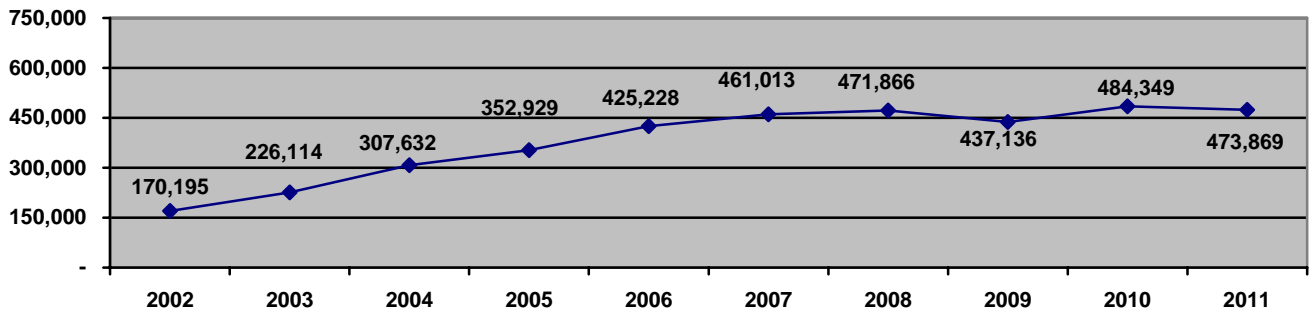
School district pays for a police officer at specific schools during the school year. The school district is to reimburse the City on an actual cost basis.

Independence Board of Education
Blue Springs School District

PROJECTION:

Estimates are based upon data provided by the Police Department.

Actual Revenue Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Alarm Charges

ACCOUNT: 3318, 3319

AUTHORIZATION: Ordinance 14078 of 12/21/98

City Code 12.07.006

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

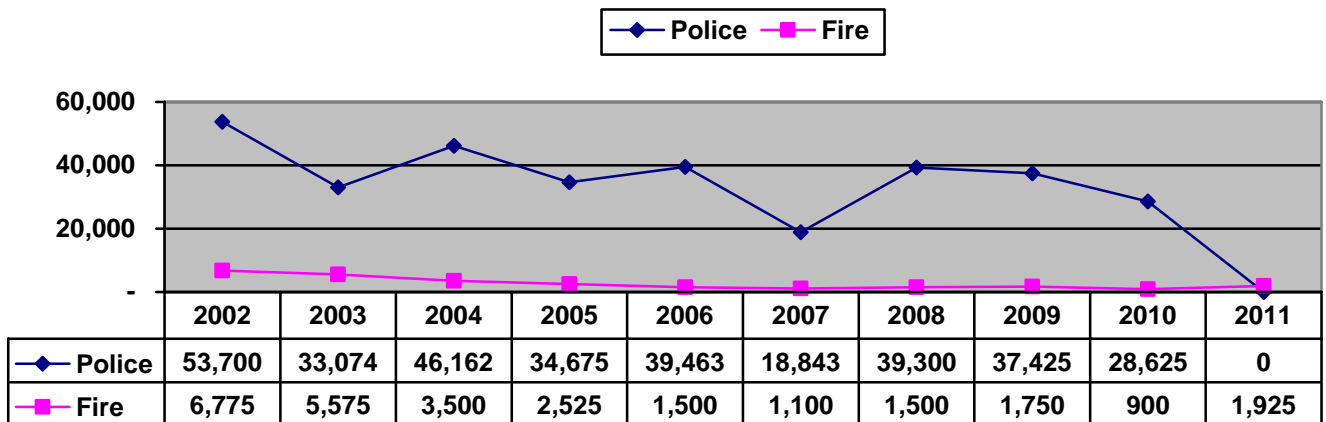
Business and residential alarm users are allowed two (2) false alarms per calendar year and a 30-day grace period following the initial installation. Alarm users will be assessed a Twenty-five dollar (\$25.00) fee for any additional false alarms. This fee is to help pay at least a portion of the cost of the emergency response to those false alarms.

3318 Alarm Charges - Police
3319 Alarm Charges - Fire

PROJECTION:

Estimates are based upon data provided by the Police Department and Fire Department.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Recreation Program Fees

ACCOUNT: 3322

AUTHORIZATION: Ordinance 6221 of 07/07/80
Ordinance 6338 of 09/01/81
Ordinance 12785 of 07/05/94

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

This revenue source encompasses more than just arts and crafts. It is to provide a wide range of activities for people with different interests. Below is a list of activities and their corresponding fees:

Pastel Portrait Painting	\$125/person
Craft Classes (ceramics, tole painting, drawing, painting, and similar activities)	\$ 5.00 - \$20.00/person
Total Body Aerobics	\$ 10.00/person
Aerobics Dance Class	\$ 15.00/person
Ball Room Dance Class	\$ 25.00/couple
Theatre Class	\$ 30.00 - \$35.00/person
Kaerobox	\$ 40.00/person
Step Aerobics	\$ 20.00/person
Tai Chi	\$ 35.00/person
Yoga	\$ 30.00/person
Lapidary	\$ 20.00/person
Toddler Town	\$ 1.00/person
Swim Class	\$30.00 - \$35.00/person
Power Pilates	\$ 35.00/person
Wake Up Workout	\$ 2.00/person
Chen Tai Chi	\$12.50/person
AM Pilates	\$40.00/person
Advanced Ballroom	\$50.00/couple

PROJECTION:

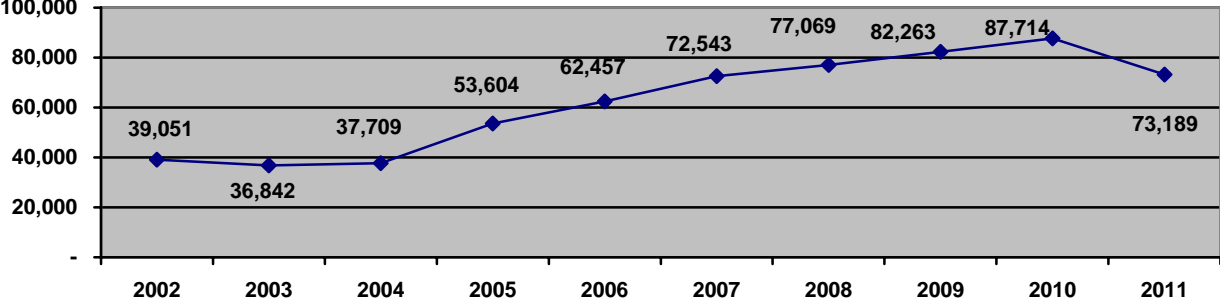
Estimates based on historical data with consideration given to information about changes in classes, fees, or class enrollment provided by the Parks and Recreation Department.

REVENUE MANUAL

REVENUE SOURCE: Recreation Program Fees (continued)

ACCOUNT: 3322

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Park Concessions

ACCOUNT: 3323

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: General Fund, Park Sales Tax

DESCRIPTION, RATE, LEGAL LIMITS:

Concession stands at Mill Creek Park, Santa Fe Park and Chrysler Stadium are operated on a contractual basis. The contract allows the City to receive a percentage of gross sales.

In recent years, revenue has been on a decline due to deteriorated facilities. As facility improvements were implemented in 2002 through the park sales tax, an increased revenue stream should be realized. In 2005 Adventure Oasis opened, which had a significant impact on concessions revenues.

PROJECTION:

Estimates based upon historical data and contract information provided by the Parks and Recreation Department. Revenue percentages for the most recent concession contract are listed as follows:

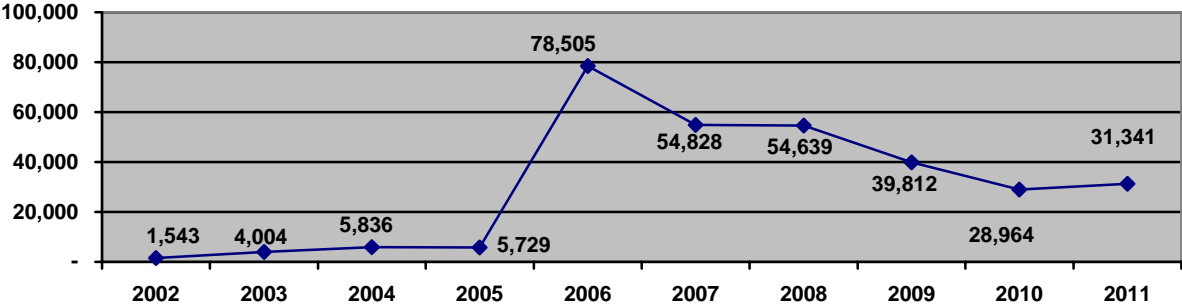
- 2003: 26.5% of gross sales
- 2004: 27.5% of gross sales
- 2005: 28.5% of gross sales
- 2006: 21% of gross sales
- 2007: 21% of gross sales
- 2008: 23% of gross sales
- 2009: 22% of gross sales
- 2010: 22% of gross sales
- 2011: 22% of gross sales

REVENUE MANUAL

REVENUE SOURCE: Park Concessions (continued)

ACCOUNT: 3323

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Pool Fees

ACCOUNT: 3326

AUTHORIZATION: Ordinance 15590 of 03/07/05

DISTRIBUTION OF REVENUE: General Fund, Parks Improvements Sales Tax Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Adventure Oasis

	<u>Resident Daily Admission</u>	<u>Non-Resident Daily Admission</u>
Youth(Ages 2-12) & Senior(>65)	\$6.00	\$7.00
Adult(Ages 13-64)	\$8.00	\$9.00
Family (Includes 4 Members)	\$20.00	\$25.00
Infant(Ages 0-2 w/paid Adult)	No Charge	No Charge
	<u>Resident 5-Punch</u>	<u>Non-Resident 5-Punch</u>
Youth(Ages 2-12) & Senior(>65)	\$24.00	\$28.00
Adult(Ages 13-64)	\$32.00	\$36.00
Family (Includes 4 Members)	\$88.00	\$100.00
	<u>Resident Twilight (5-8 pm)</u>	<u>Non-Resident Twilight (5-8 pm)</u>
Youth(Ages 2-12) & Senior(>65)	\$3.00	\$4.00
Adult(Ages 13-64)	\$5.00	\$6.00
Family (Includes 4 Members)	\$16.00	\$19.00
	<u>Resident Season Pass</u>	<u>Non-Resident Season Pass</u>
Youth(Ages 2-12) & Senior(>65)	\$75.00	N/A
Adult(Ages 13-64)	\$105.00	N/A
Family (Includes 4 Members)	\$250.00	N/A
	<u>Rate per Session</u>	
Lap Swimming	\$20.00	
River Walking	\$16.00	

REVENUE MANUAL

REVENUE SOURCE: Pool Fees (continued)

ACCOUNT: 3326

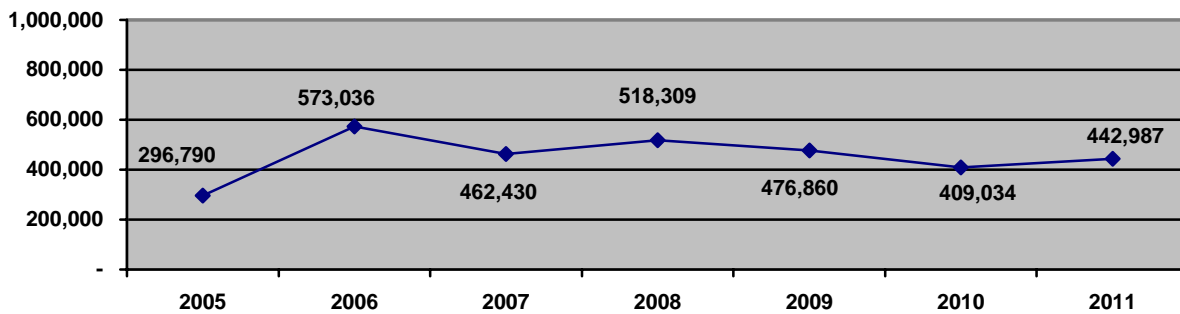
DESCRIPTION, RATE, LEGAL LIMITS:

Swim Lessons	<u>Rate per Session</u>
Shrimp	\$40.00
Seahorse	\$40.00
Starfish	\$40.00
Guppy	\$40.00
Flipper	\$40.00
Seal	\$40.00
Sailfish	\$40.00
Barracuda	\$40.00

PROJECTION:

A new Family Aquatics Center opened in 2005 in conjunction with the Parks and Recreation Sales Tax Renewal Program. This has had a significant positive impact on overall departmental revenues.

Actual Revenues Received Past Seven Years



REVENUE MANUAL

REVENUE SOURCE: Recreation Centers

ACCOUNT: 3327

AUTHORIZATION: Resolution 1788 of 07/20/81
Ordinance 12785 of 07/05/94

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

A membership year is a calendar year from day of purchase.

Membership fees:

<u>Sermon Center</u>	<u>Resident</u>	<u>Non-Resident</u>
Ages 13 to 59	\$15.00/year	\$25.00/year
60 and over	\$ 5.00/year	\$10.00/year
Family Membership	\$45.00/year	\$75.00/year
Guest fee is \$1.00/visit.		
 <u>Palmer Center</u>		
50 and over	\$50.00/year	\$65.00/year
 <u>Truman Memorial Building</u>	\$5.00/year	Table Tennis

A membership fee is not required to participate in classes offered (i.e., arts and crafts, bridge, aerobic dance, exercise).

The Senior Adult Program provides services for senior citizens.

PROJECTION:

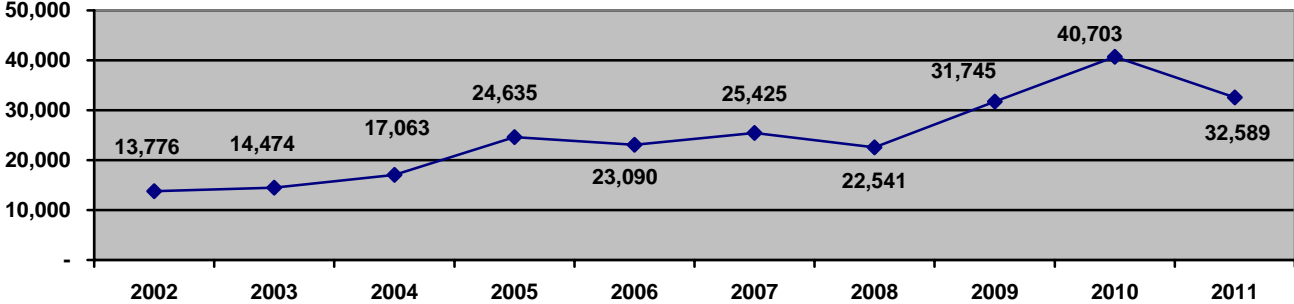
Estimates are based upon historical data with information about membership trends furnished by the Parks and Recreation Department.

REVENUE MANUAL

REVENUE SOURCE: Recreation Centers (continued)

ACCOUNT: 3327

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Recreation Facility Rentals

ACCOUNT: 3329

AUTHORIZATION: Ordinance 6221 of 04/07/80
 Administrative Policy of 09/01/81
 Ordinance 12785 of 07/05/94
 Administrative Policy of 04/10/98
 Administrative Policy of 04/01/00
 Ordinance 16432 of 08/02/2006

DISTRIBUTION OF REVENUE: General Fund, Park Sales Tax

DESCRIPTION, RATE, LEGAL LIMITS:

The City makes facilities and equipment available on a rental basis to individuals, groups and organizations according to the following rate schedule:

	<u>For-Profit Organizations</u>	<u>Non-Profit Organization</u>
1. Roger T. Sermon Community Center		
Meeting Room	\$25.00 per hour	\$15.00 per hour
Theater	\$200.00/3 hrs	\$100.00/3 hrs
Gym - practice	\$20.00 per hour	\$15.00 per hour
Gym – game	\$25.00 per hour	\$20.00 per hour
Gym – special event	\$300.00/4 hrs	\$150.00/4 hrs
Fee for kitchen use:		\$5.00 per hour
Miscellaneous use: (television sets, overhead projectors, amplifiers)		\$10.00
Best Little Arts & Crafts Show		
8’ x 8’ space	\$60.00	
8’ x 6’ space	\$50.00	
2. Crysler Stadium		
8 a.m. to 6 p.m.	\$ 75.00	\$ 50.00
6 p.m. to 11 p.m.	\$ 90.00	\$ 60.00
8 a.m. to 11 p.m.	\$120.00	\$ 90.00
3. Athletic Fields		
	<u>For-Profit</u>	<u>Non-Profit</u>
8 a.m. to 6 p.m.	\$ 50.00	\$ 25.00
6 p.m. to 11 p.m.	\$ 60.00	\$ 40.00
8 a.m. to 11 p.m.	\$ 90.00	\$ 60.00

REVENUE MANUAL

REVENUE SOURCE: Recreation Facility Rentals (continued) **ACCOUNT:** 3329

DESCRIPTION, RATE, LEGAL LIMITS:

4. George Owens Nature Park	<u>Resident</u>	<u>Non-Resident</u>	
Shelter House-Lake Lorraine	\$25.00-6 hr period	\$35.00-6 hr period	
Camp Area	\$25.00-24 hr period	\$35.00-24 hr period	
Lodge Facility	\$35.00-3 hr period	\$50.00-3 hr period	
5. Shelter Houses (8 sites)	\$25.00-6/hr period	\$35.00-6 hr period	
6. McCoy, Santa Fe, and Van Hook Picnic Pavilion	\$50.00-6/hr period	\$70.00-6 hr period	
7. Arts and Crafts Show			
Booth Space Rental			
First two floors	\$60.00/space		
Third & Fourth floors	\$50.00/space		
8. Truman Memorial Building	<u>For-Profit</u>	<u>Non-Profit</u>	<u>Room Prep & Teardown Fee</u>
Banquet Room	\$35/hr	\$25/hr	\$50
Truman Hall	\$75/hr	\$50/hr	\$75
Multi-Purpose Room (#1, 2, 4)	\$20/hr	\$15/hr	\$30
Multi-Purpose Room (#3)	\$35/hr	\$25/hr	\$50
Catering Kitchen	\$20/hr	\$20/hr	N/A
Roger T Sermon Memorial Rm	\$100/hr	\$75/hr	\$60
Exhibit Hall	\$75/hr	\$55/hr	\$30
Rotary Room	\$75/hr	\$55/hr	N/A
King-Hershey Room	\$20/hr	\$15/hr	N/A
Auditorium/Gymnasium	\$300/4 hrs	\$150/4 hrs	\$90
Gymnasium – games	\$25/hr	\$20/hr	\$60
Gymnasium - practices	\$20/hr	\$15/hr	N/A

REVENUE MANUAL

REVENUE SOURCE: Recreation Facility Rentals (continued) **ACCOUNT:** 3329

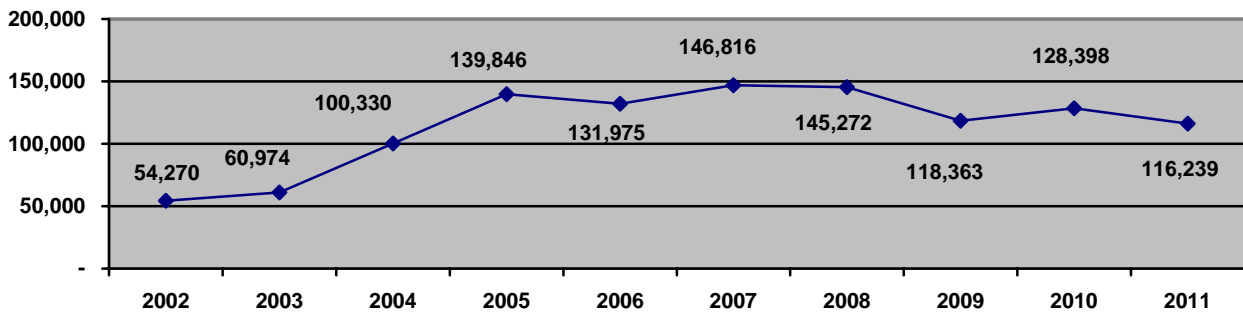
DESCRIPTION, RATE, LEGAL LIMITS:

9. Palmer Center	<u>For Profit</u>	<u>Non Profit</u>
Gymnasium – special event	\$300/4 hrs	\$150/4 hrs
Gymnasium - game	\$25/hr	\$20/hr
Gymnasium – practice	\$20/hr	\$15/hr
Dining Room	\$100/hr	\$75/hr
Meeting Room	\$20/hr	\$15/hr
Kitchen (Catering Only)	\$20/hr	\$20/hr

PROJECTION:

Estimate is based on historical data and information provided by Parks and Recreation Department. Staff developed a new fee schedule associated with the re-opening of the Truman Memorial Building in the 2002-03 fiscal year. Staff will also be looking at all rental fees for possible fee adjustments during each fiscal year.

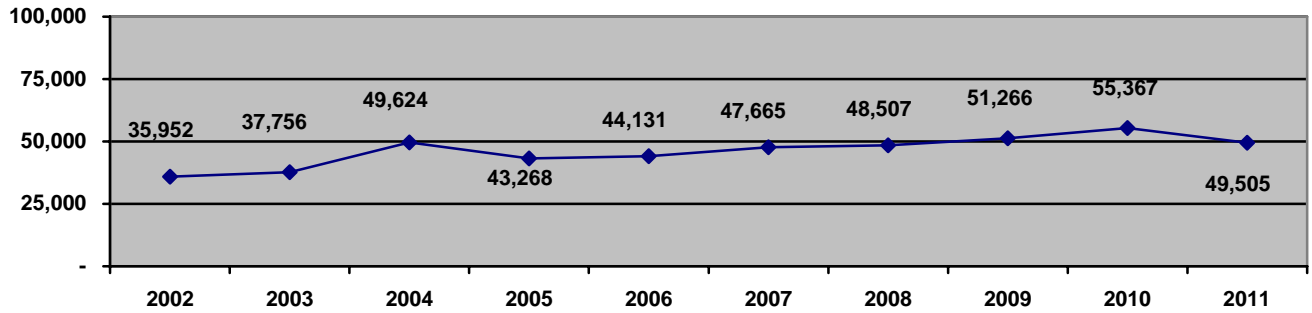
Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Admission/National Frontier Trails (continued) **ACCOUNT:** 3331

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: National Frontier Trails
Museum Store

ACCOUNT: 3332

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

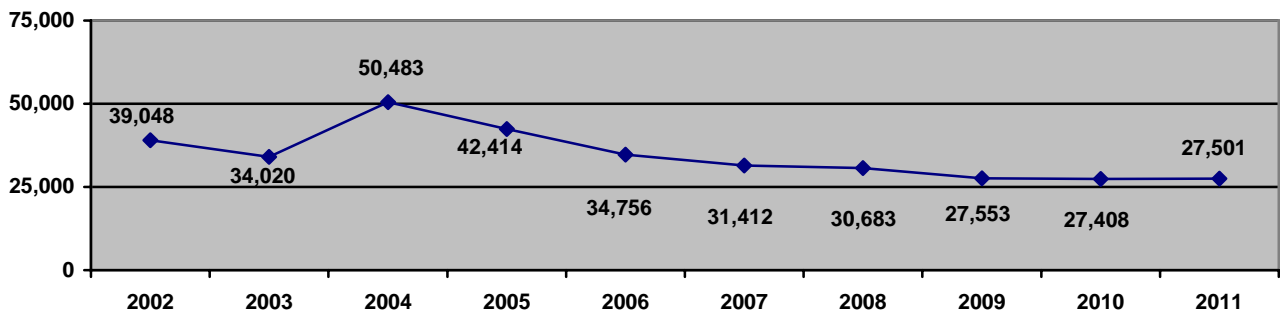
This revenue encompasses the sale of various gift type items sold at the National Frontier Trails Museum. Gift items include shirts, books, souvenirs, toys, doll kits, candles, food, candy, etc.

The City is the owner of the copyright for the book, Bound for the Promised Land, written by Bill Bullard while under contract with the City, and it depicts the history of the people who followed the frontier trails.

PROJECTION:

Estimates are based on historical data and information provided by the Director of the National Frontier Trails Center.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Admission/Vaile Mansion

ACCOUNT: 3335

AUTHORIZATION: Ordinance 12626 of 12/20/93
Ordinance 12699 of 04/04/94
Ordinance 17660 of 09/16/10

DISTRIBUTION OF REVENUE: Miscellaneous Expendable Trust Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Lots 52 & 53 of Subdivision Vaile Parks was given to the City by Mary Mildred DeWitt to insure preservation and protection of this historical and cultural asset.

The Vaile Mansion houses the Mary Mildred DeWitt Victorian Museum and is operated by the Board of Trustees – DeWitt-Vaile Foundation. Vaile Mansion first opened April 1, 1984.

The Victorian Society of the Vaile Mansion – DeWitt Museum provides funding for the restoration and preservation of the Vaile and the Mary Mildred Victorian Museum.

Admission Rates:

Adults	\$6.00
Seniors	\$5.00
3-Site Ticket	\$12.00
Child	\$3.00
Student with class group	\$2.00
Group tour (15 or more)	\$4.50
Children 5 and under	Free

The City Reservation budget retains all the income April 1 to October 31st. During the Christmas season, the Friday after Thanksgiving to December 31st, the Vaile Society retains the income.

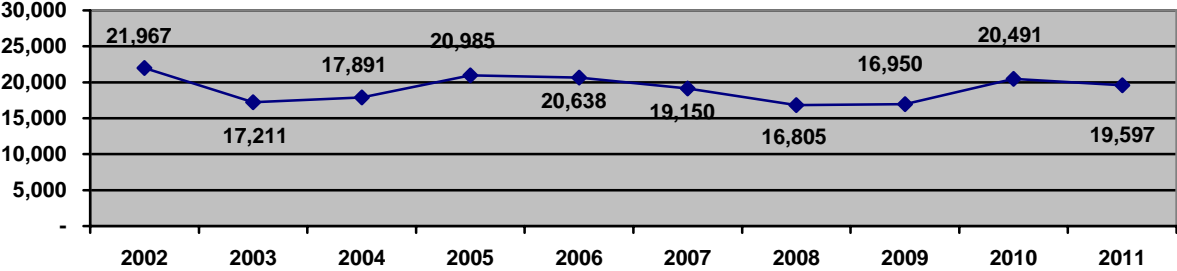
PROJECTION:

Estimates are provided by the Tourism Department.

REVENUE MANUAL

REVENUE SOURCE: Admission/Vaile Mansion (continued) **ACCOUNT:** 3335

Actual Revenues Received Past Ten Years

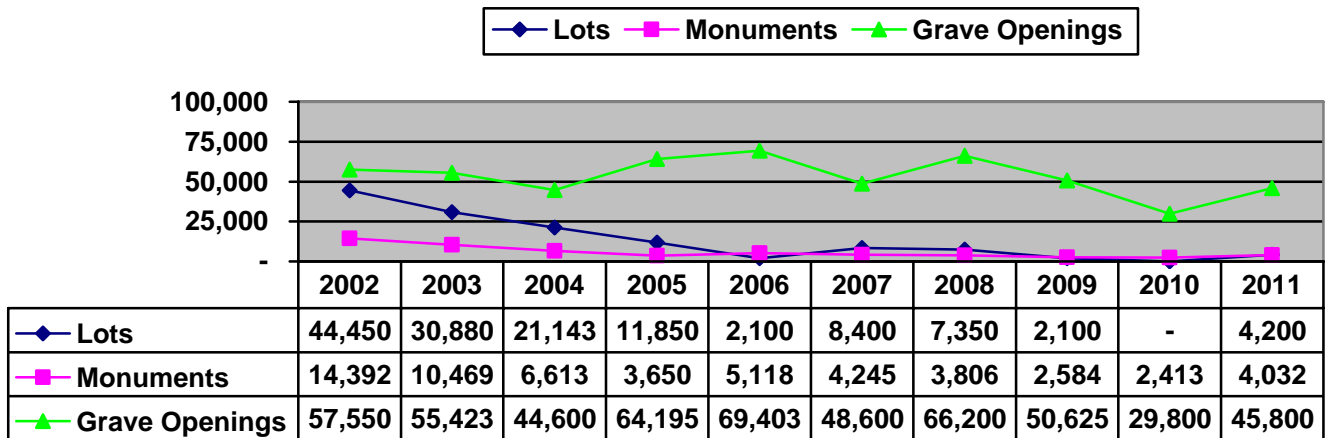


REVENUE MANUAL

REVENUE SOURCE: Cemetery Charges (continued)

ACCOUNT: 3341, 3342,
3343

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Central Garage Charges

ACCOUNT: 3380

AUTHORIZATION: Ordinance 8226 of 08/06/84

DISTRIBUTION OF REVENUE: Central Garage Fund

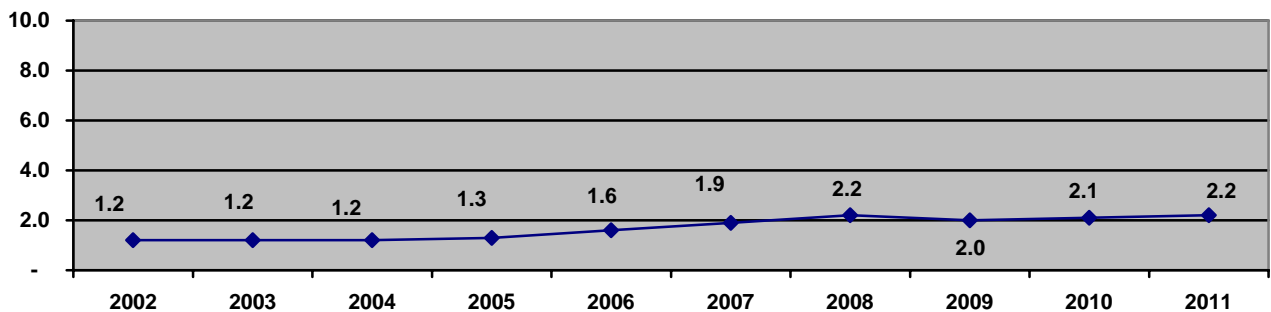
DESCRIPTION, RATE, LEGAL LIMITS:

Charge for services provided involving maintenance, fuel, and parts for vehicles rated to other funds within the City.

PROJECTION:

Since the Central Garage Fund is an Internal Service Fund, the revenues are established at a level sufficient to cover the operating costs of the Central Garage facility.

**Actual Revenues Received Past Ten Years
in Millions**



REVENUE MANUAL

REVENUE SOURCE: Sale of Street Signs

ACCOUNT: 3392

AUTHORIZATION: Ordinance 13290 of 03/18/96

City Code 14.540

DISTRIBUTION OF REVENUE: General Fund

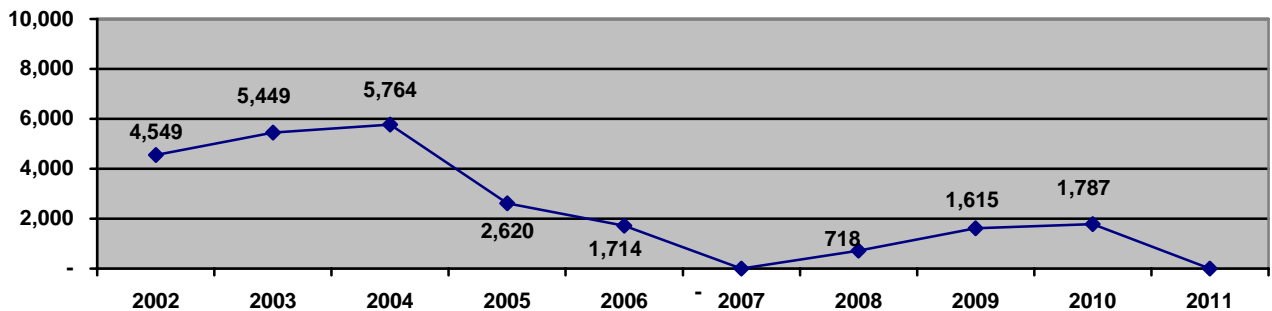
DESCRIPTION, RATE, LEGAL LIMITS:

It is the responsibility of the developer to install, at his cost; and, in accordance with the Public Works Manual, all necessary street signs. The cost of the street sign installed will vary depending on the type and size of the sign.

PROJECTION:

Estimates are based upon historical data.

Actual Revenues Received Past Ten Years

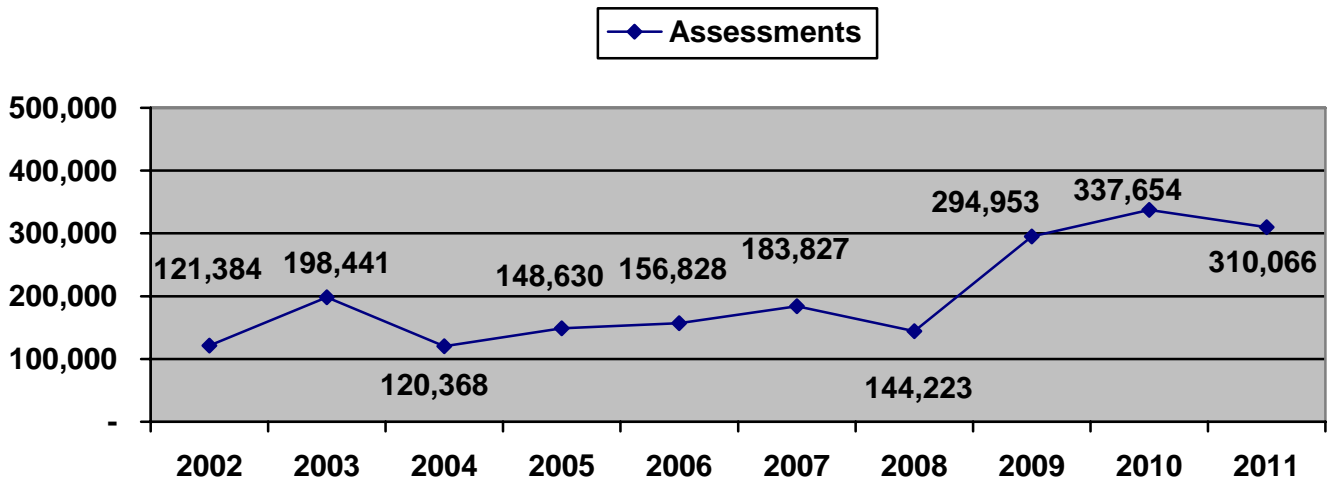


REVENUE MANUAL

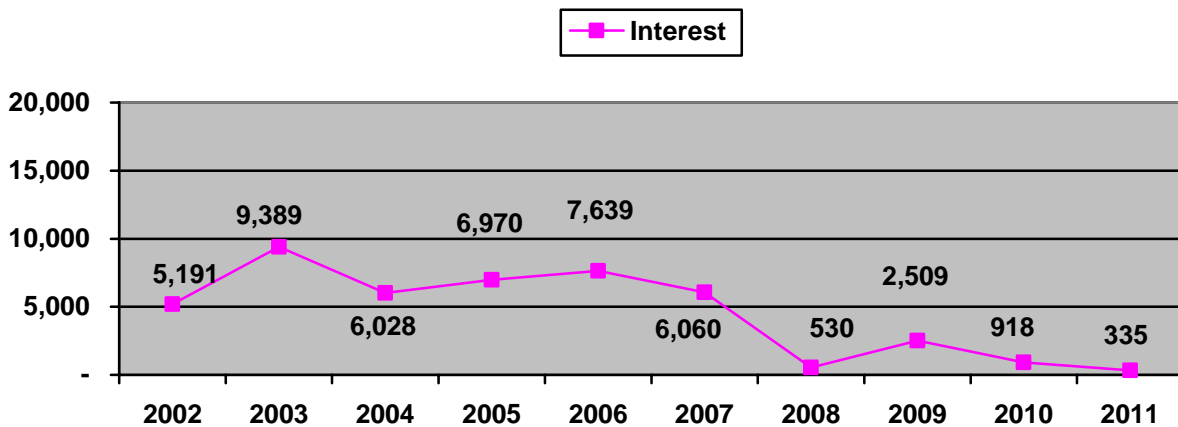
REVENUE SOURCE: Special Assessments (continued)
Interest Earned on Special Assessments

ACCOUNT: 3393
3412

Actual Revenues Received Past Ten Years



Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Sale of Recycled Material

ACCOUNT: 3396

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: General Fund

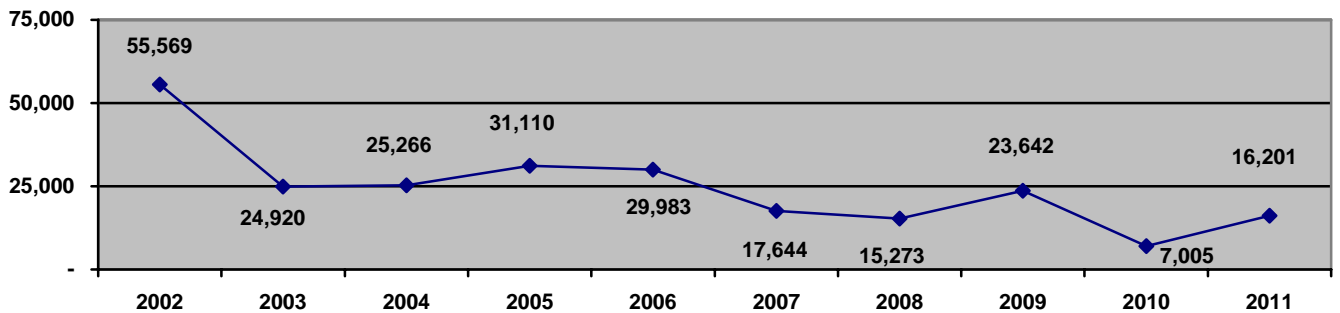
DESCRIPTION, RATE, LEGAL LIMITS:

Sale of materials collected at the two recycling centers.

PROJECTION:

Estimates are based on historical information provided by the Public Works Department.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Solid Waste Disposal Fee

ACCOUNT: 3397

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: General Fund

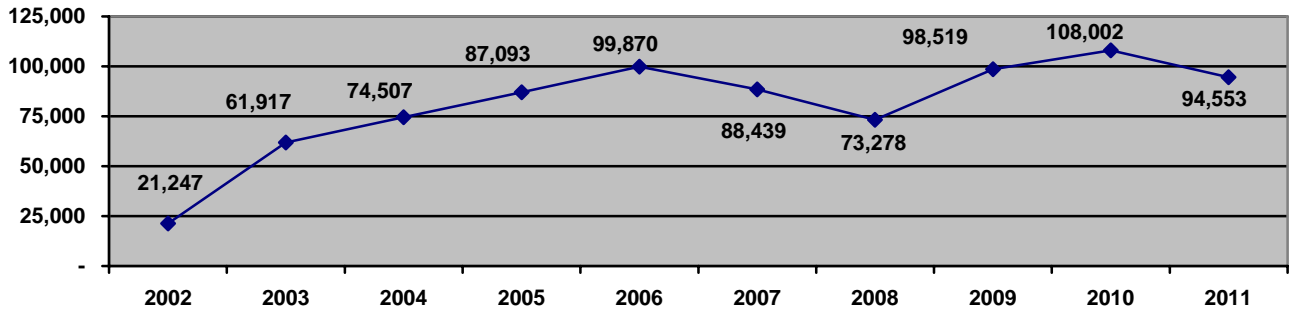
DESCRIPTION, RATE, LEGAL LIMITS:

Donations collected from both recycling centers, Citywide clean up fees, brush drop-off fees, sale of scrap metals from Citywide clean up, and sale of batteries from Citywide clean up.

PROJECTION:

Estimates are based on historical information provided by Public Works.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Fines & Forfeitures

ACCOUNT: 3401

AUTHORIZATION: Ordinance 12229 of 11/16/92
Ordinance 12797 of 07/29/94

City Code 18.650
City Code 18.634

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

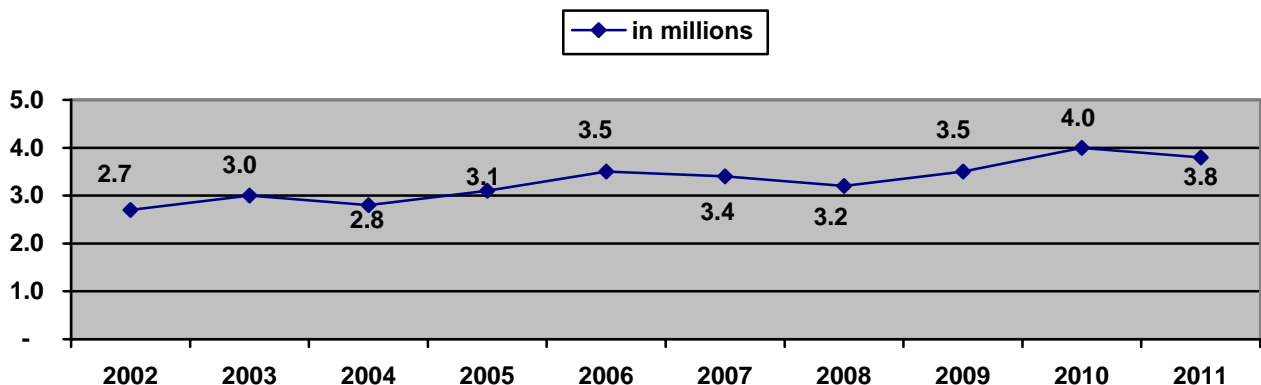
Fines will be assessed against every person who commits, attempts to commit, conspires to commit, or aids or abets in the commission of any act declared to be unlawful. All fines are subject to successful conviction.

PROJECTION:

The estimate is based on historical data and information supplied by the Police Department on reported crimes, either violent or nonviolent, and traffic violations. Also, information maintained by the Municipal Court regarding the number of court cases and conviction rate is given consideration in arriving at the estimate.

These revenues increased in 2008-09 due to the issuance of Failure to Appear in Court for Traffic Violations (FACT) forms. Once these forms have been filed with the Missouri Department of Revenue, a defendant has 30 days to pay the fine; otherwise, his/her driver's license will be suspended until the ticket is disposed of.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Court Costs

ACCOUNT: 3402

AUTHORIZATION: Ordinance 11099 of 04/02/90

City Code 1.22.016

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

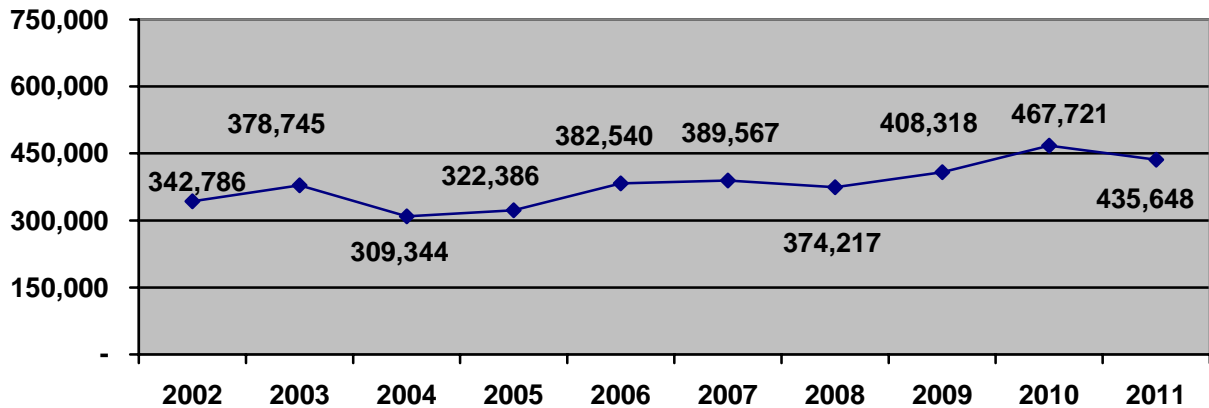
A fee on the guilty cases handled by the Municipal Court or the Traffic Violation Bureau.

Guilty cases handled by the Court	\$12.00
Guilty cases handled by the Traffic Violation Bureau	\$12.00
Credit Card Fees	\$4.00
IMS (Inmate Security) Fees	\$2.00

PROJECTION:

The estimate is based on historical data and information supplied by the Police Department on reported crimes, either violent or non-violent, and traffic violations. Also, information maintained by the Municipal Court regarding the number of court cases and conviction rate is given consideration in arriving at the estimate.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Court Costs for Police Training

ACCOUNT: 3403

AUTHORIZATION: Ordinance 5994 of 01/18/80
Missouri State Statue 479.050

City Code 1.22.018

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

The clerk of the Municipal Court will assess \$2 as court costs for each court proceeding. This fee will not be collected when the proceeding has been dismissed or the court has discharged the defendant.

Unexpended funds received are recorded in the Reserved Fund Balance for Police Training.

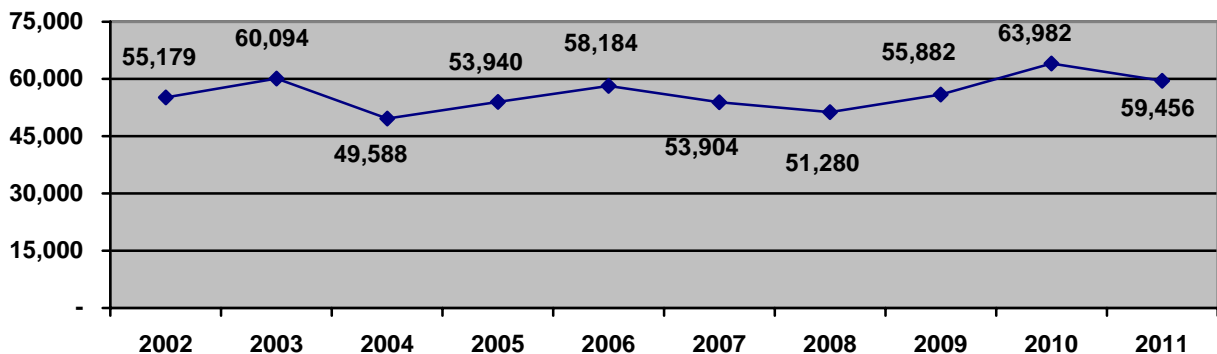
This was changed to a liability account in June 1981.

This was changed back to a revenue account on June 30, 1984.

PROJECTION:

The estimate is based on historical data and information supplied by the Police Department on reported crimes, either violent or nonviolent, and traffic violations. Also, information maintained by the Municipal Court regarding the number of court cases and conviction rate is given consideration in arriving at the estimate.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Court Cost for Domestic Violence

ACCOUNT: 3404

AUTHORIZATION: Ordinance 14334 of 11/01/99

City Code 1.22.017

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

The clerk of the Municipal Court will assess \$2 as court costs for each court proceeding. This fee will not be collected when the proceeding has been dismissed or the court has discharged the defendant.

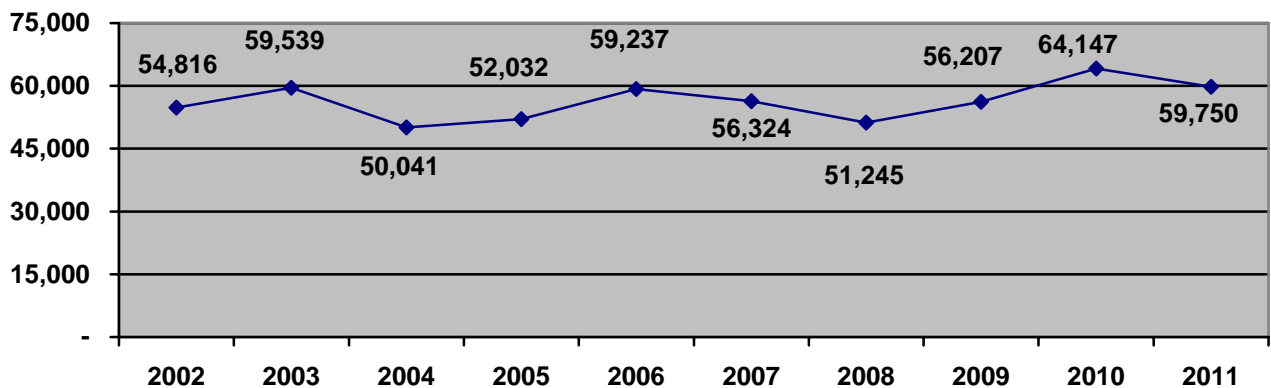
The fees collected will be used solely for the purpose of providing operating expenses for shelter for victims of domestic violence that are qualified under state law to receive these fees.

Funds received are recorded in the General Fund Balance for Domestic Violence.

PROJECTION:

The estimate is based on historical data and information supplied by the Police Department on reported crimes, either violent or non-violent, and traffic violations. Also, information maintained by the Municipal Court regarding the number of court cases and conviction rate is given consideration in arriving at the estimate.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Driving While Intoxicated/Drugs

ACCOUNT: 3405

AUTHORIZATION: Missouri State Statute 577.048
Ordinance 12719 of 05/02/94

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

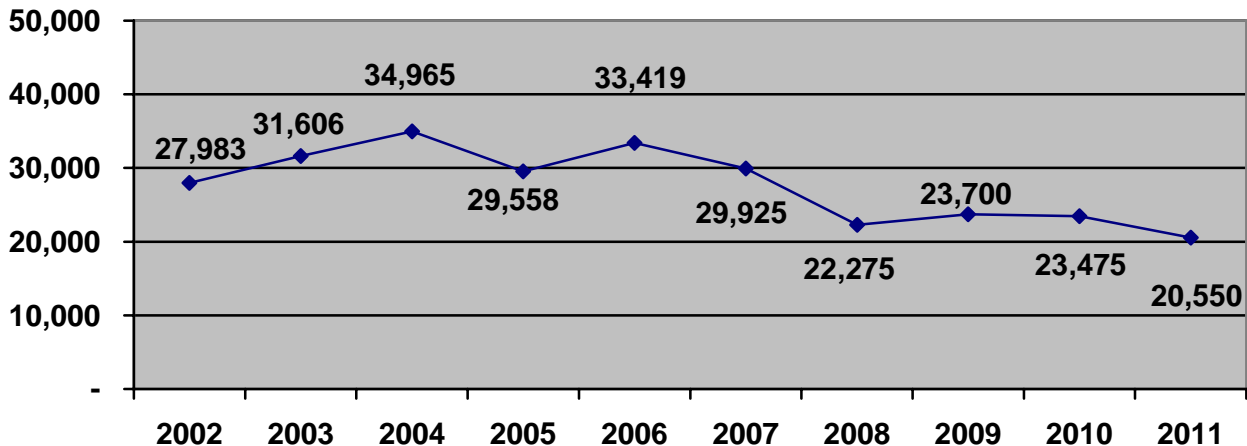
Municipal Court is authorized to impose costs against those who plead guilty or are found guilty of an alcohol or drug related traffic offense.

The cost associated with arrests for alcohol and drug related traffic offenses are \$75.00.

PROJECTION:

The estimate is based on historical data and information supplied by the Police Department on reported crimes, either violent or non-violent, and traffic violations. Also, information maintained by the Municipal Court regarding the number of court cases and conviction rate is given consideration in arriving at the estimate.

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Special Warrant Collections

ACCOUNT: 3406

AUTHORIZATION: Ordinance #13564 of 03/17/97

DISTRIBUTION OF REVENUE: General Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Fines and court costs assessed by Municipal Court and collected by an outside collection service.

PROJECTION:

This account is currently inactive but is included for historical information.

REVENUE MANUAL

REVENUE SOURCE: Interest - Investments **ACCOUNT:** 3411, 3413

AUTHORIZATION: Ordinance 8440 of 11/04/84 City Code 8.05.001
Ordinance 12576 of 10/18/93

DISTRIBUTION OF REVENUE: General, Debt Service, Utility, and Other Funds

DESCRIPTION, RATE, LEGAL LIMITS:

The Finance Director is authorized and directed to invest and re-invest all monies and funds available except those restricted by special laws. Securities and obligations are limited to the following:

1. General obligations of the United States government; State of Missouri; Jackson County, Missouri; of the City; and in bonds and notes of the City; or
2. Certificates of deposit issued by a financial institution insured through an agency of the Federal Government with collateral equal to the face of said certificates of deposit provided by the financial institution in United States Government securities or other securities provided by law and acceptable to the Director of Finance with regards to value and marketability, deposited to the credit of the City of Independence, Missouri.

Funds, other than those restricted by special laws, that are not invested in securities or obligations are held in the depository bank. Interest is earned on these funds at a rate or by a rate formula, which is specified in the contract with the depository bank.

PROJECTION:

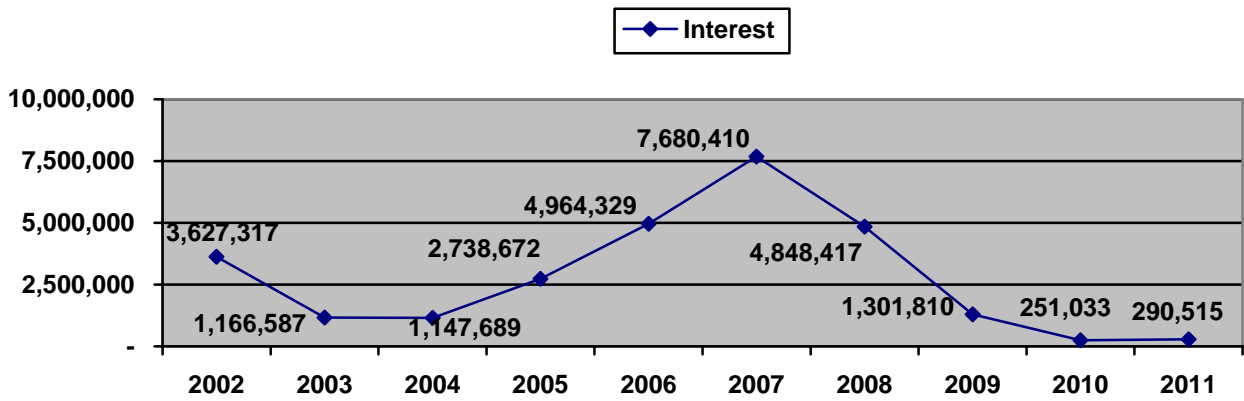
Using the projected average cash balance of each fund times the projected annual percentage rate, which is reflective of national monetary policies and economic conditions as a whole, derives the interest.

REVENUE MANUAL

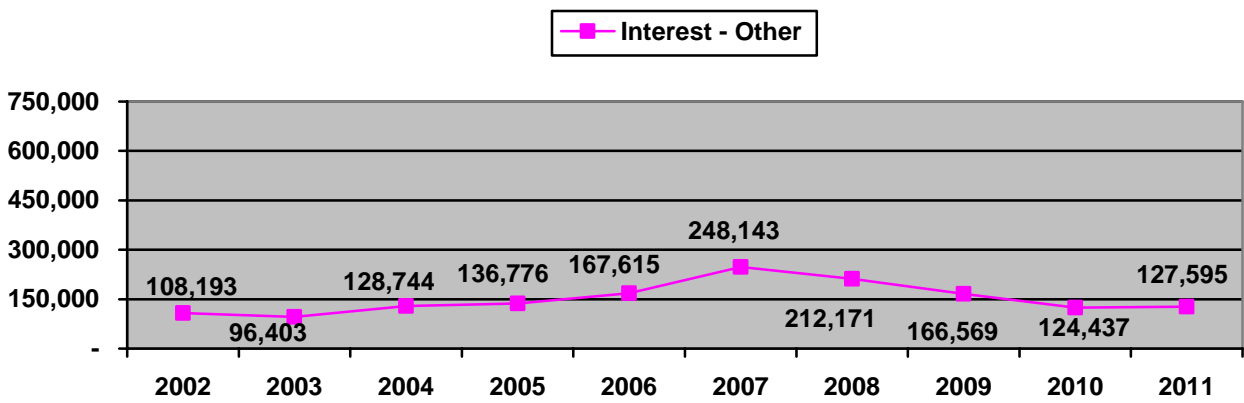
REVENUE SOURCE: Interest – Investments (continued)

ACCOUNT: 3411,3413

Actual Revenues Received Past Ten Years



Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Interfund Charges
for Support Services

ACCOUNT: 3421

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: General, Power & Light and Water Funds

DESCRIPTION, RATE, LEGAL LIMITS:

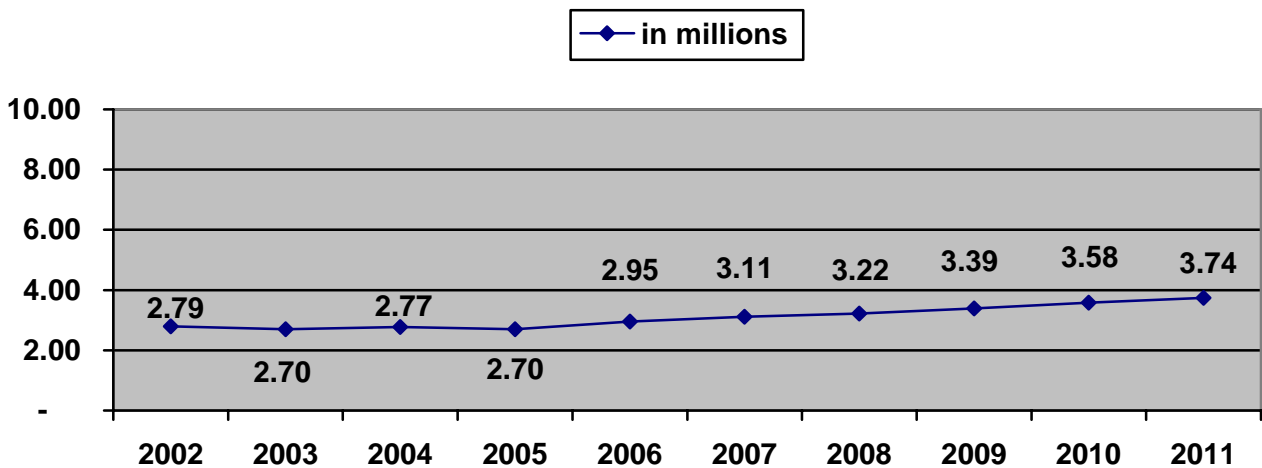
An allocation of the general and administrative costs to the user departments.

A cost allocation study is conducted annually. The study is based on service statistics compiled for support functions in relation to services provided to receiving cost centers. Actual expenditure amounts are then allocated based on the compiled statistics using a double apportionment step-down allocation process. The actual allocation data generated for a given year is utilized in the succeeding year for budgetary purposes.

PROJECTION:

These estimates are based on information provided by the Budget Manager.

Actual Revenues Received Past Ten Years – General Fund

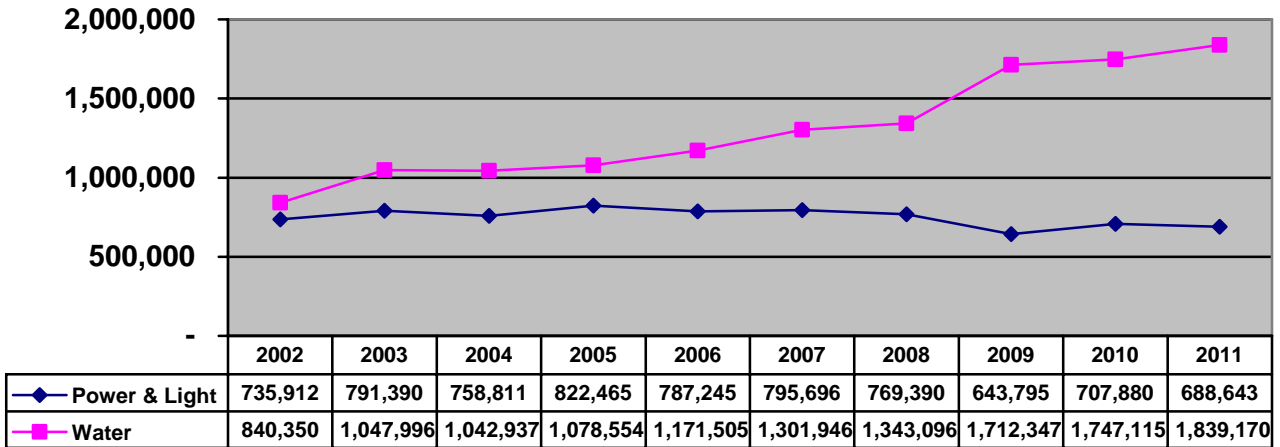


REVENUE MANUAL

REVENUE SOURCE: Interfund Charges (cont.)
for Support Services

ACCOUNT: 3421

Actual Revenues Received Past Ten Years – Utility Funds



REVENUE MANUAL

REVENUE SOURCE: Sale of Property

ACCOUNT: 3431, 3432

AUTHORIZATION: Ordinance 1705 of 02/19/68
Ordinance 7037 of 06/07/82

City Code 8.06

DISTRIBUTION OF REVENUE: General, Power & Light, Sewer, Water, Street Improvements Funds

DESCRIPTION, RATE, LEGAL LIMITS:

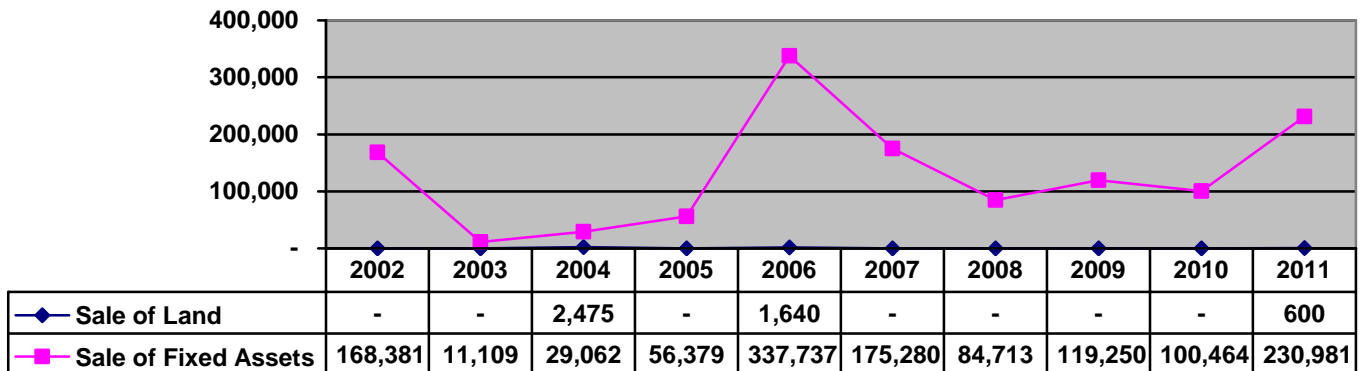
The Purchasing Manager is authorized to sell specific items. These items may consist of surplus, obsolete, or unused supplies or property.

- 3431 Sale of Land
- 3432 Sale of Fixed Assets

PROJECTION:

Projections are based on historical data and information provided by Public Works/Engineering, Central Garage, and Purchasing Division.

Actual Revenues Received Past Ten Years – All Funds Combined



REVENUE MANUAL

REVENUE SOURCE: Rent

ACCOUNT: 3433

AUTHORIZATION: Administrative Policy
Ordinance 13855 of 03/16/98 Ordinance 13331 of 05/06/96
Ordinance 13886 of 05/04/98 Ordinance 13601 of 04/21/97
Ordinance 17629 of 8/23/10

DISTRIBUTION OF REVENUE: General, Water and Power & Light Funds, Fire Sales Tax Fund

DESCRIPTION, RATE, LEGAL LIMITS:

The City of Independence rents out facilities and equipment as follows:

1. Rental of computer equipment by the proprietary funds.
2. Lease of undeveloped park land for farming purposes (approx. 75.7 acres at Randall Park).
3. Power & Light Department leases 180 acres of farmland.
4. Fire Department leases space on a tower for antennas.
5. Bass Pro leases a building from the Crackerneck Creek fund. (Beginning in 2008).
6. Rental of Fire Training Facility (Beginning in 2010).
Costs below are exclusive of any personnel expense and supplies as stipulated in the individual rental agreement for each day:
 - Exclusive Use with Live Burn & Fire Simulator \$1,000
 - Non-exclusive Use with Live Burn & Fire Simulator \$800
 - Exclusive Use without Live Burn & Fire Simulator \$800
 - Non-exclusive Use without Live Burn & Fire Simulator \$600
 - Building Only \$400

PROJECTION:

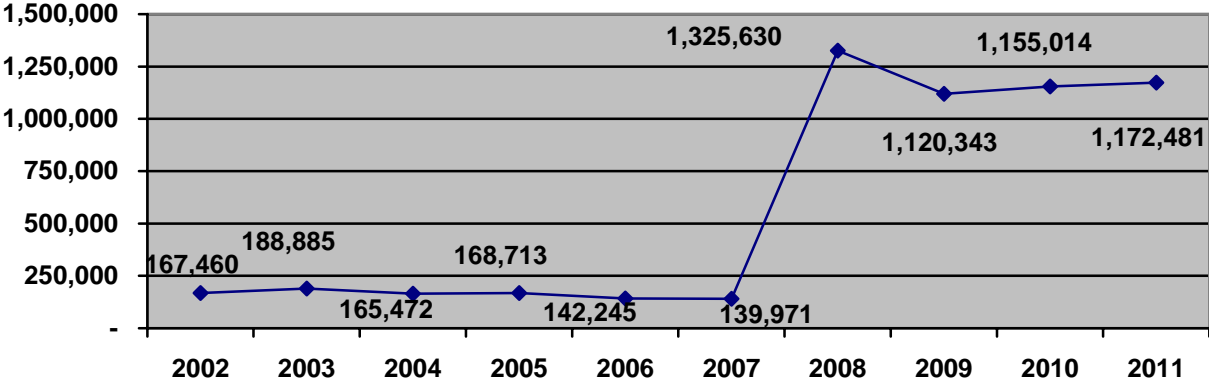
The revised revenue estimate for the previous fiscal year is based on historical data and information provided by Public Works, Water and Power & Light Departments, and the Budget Manager.

REVENUE MANUAL

REVENUE SOURCE: Rent (cont.)

ACCOUNT: 3433

Actual Revenues Received Past Ten Years



REVENUE MANUAL

REVENUE SOURCE: Damage Claims

ACCOUNT: 3434

AUTHORIZATION: Ordinance 575 of 02/24/64
Ordinance 12576 of 10/18/93

DISTRIBUTION OF REVENUE: General, Power & Light, Water and Sanitary Sewer Funds

DESCRIPTION, RATE, LEGAL LIMITS:

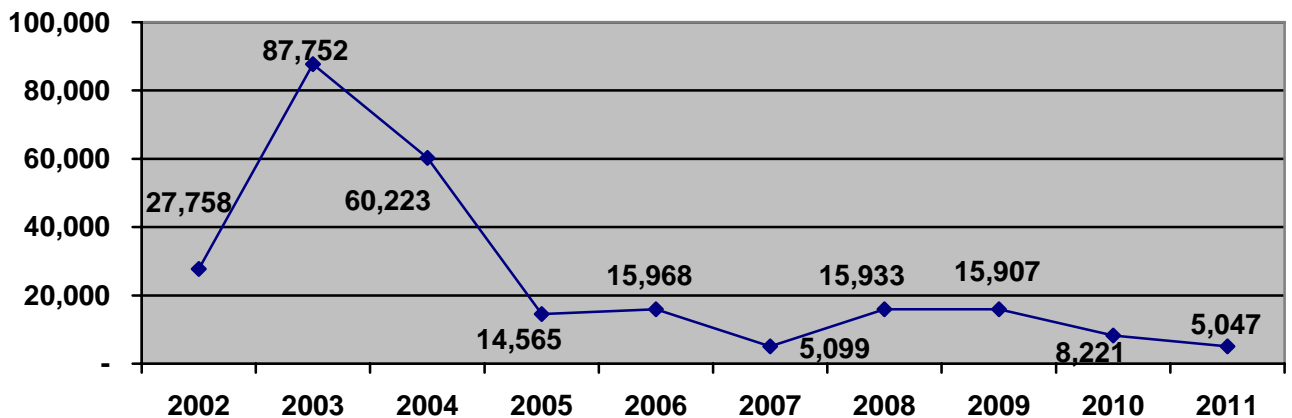
Payments received for damages caused to City owned property such as: traffic signs, light poles, vehicles, hydrants, etc. The departments involved assess the damage and prepare a cost report for billing purposes. The Finance Department submits a bill for damages to the responsible party.

Costs are calculated by the various departments involved and are based on actual repair costs.

PROJECTION:

Estimates are based on historical data with consideration given to unusual occurrences to avoid over estimation of revenue.

Actual Revenues Received Past Ten Years – All Funds Combined



REVENUE MANUAL

REVENUE SOURCE: Contributions

ACCOUNT: 3435

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: Various Funds

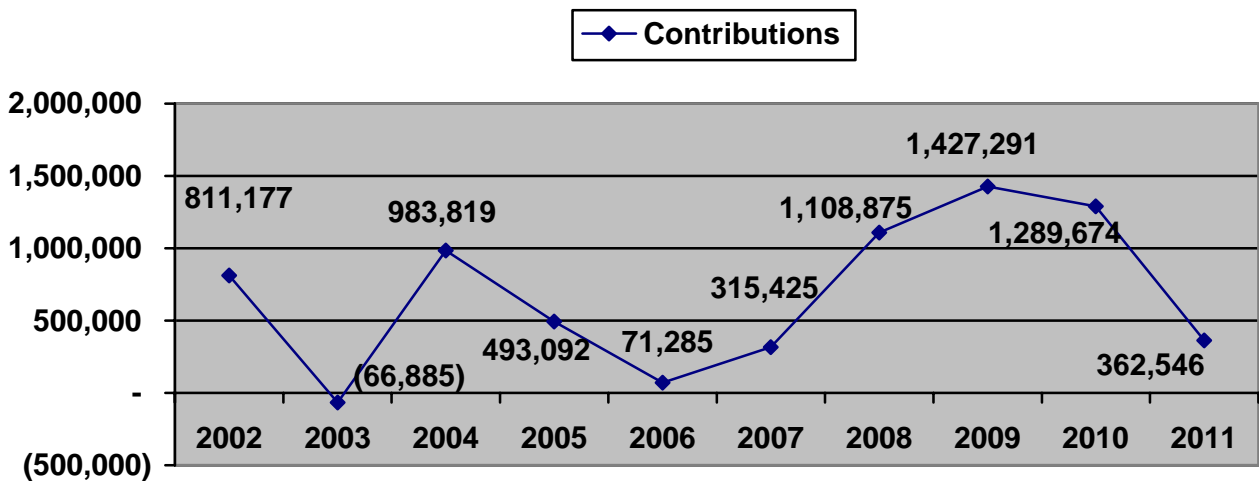
DESCRIPTION, RATE, LEGAL LIMITS:

Citizens, companies, and other organizations exhibit concern for the community and cooperation in helping the City meet the needs of the community by donations.

PROJECTION:

Estimate includes private grants and other known donations accepted by the Council.

Actual Revenues Received Past Ten Years – All Funds Combined



REVENUE MANUAL

REVENUE SOURCE: Cash over and (short)

ACCOUNT: 3439

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: General, Power & Light and Water Funds, Parks Fund

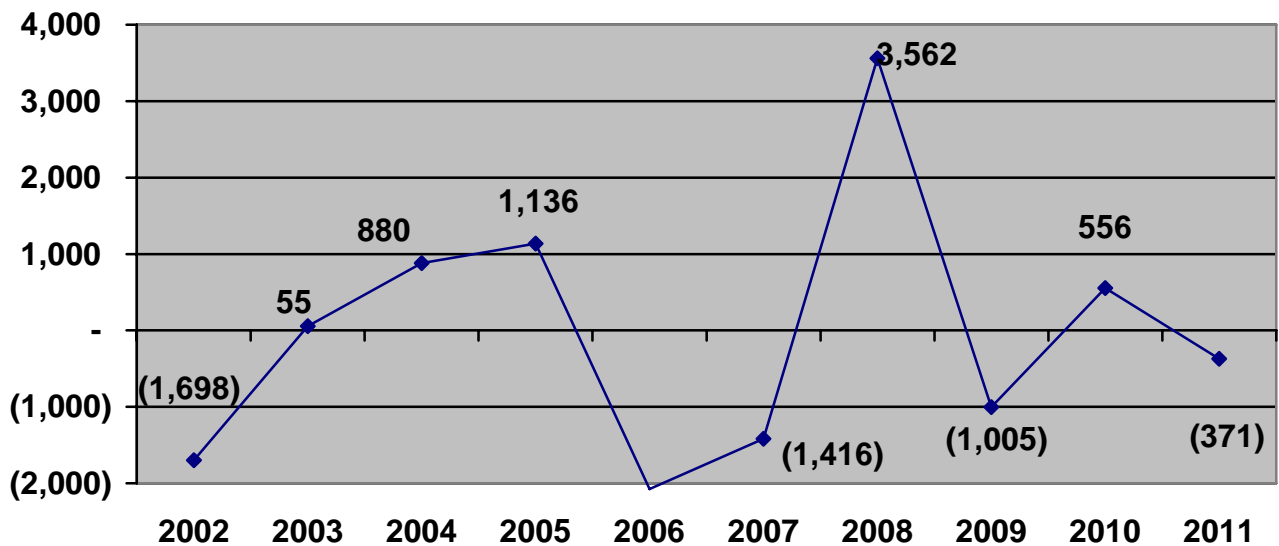
DESCRIPTION, RATE, LEGAL LIMITS:

Revenue account to record differences in the cashier's daily collections.

PROJECTION:

No projections are made.

Actual Overage/Shortage Past Ten Years – All Funds Combined



REVENUE MANUAL

REVENUE SOURCE: Discounts Taken

ACCOUNT: 3440

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: General, Power & Light, Water, and Sanitary Sewer Funds

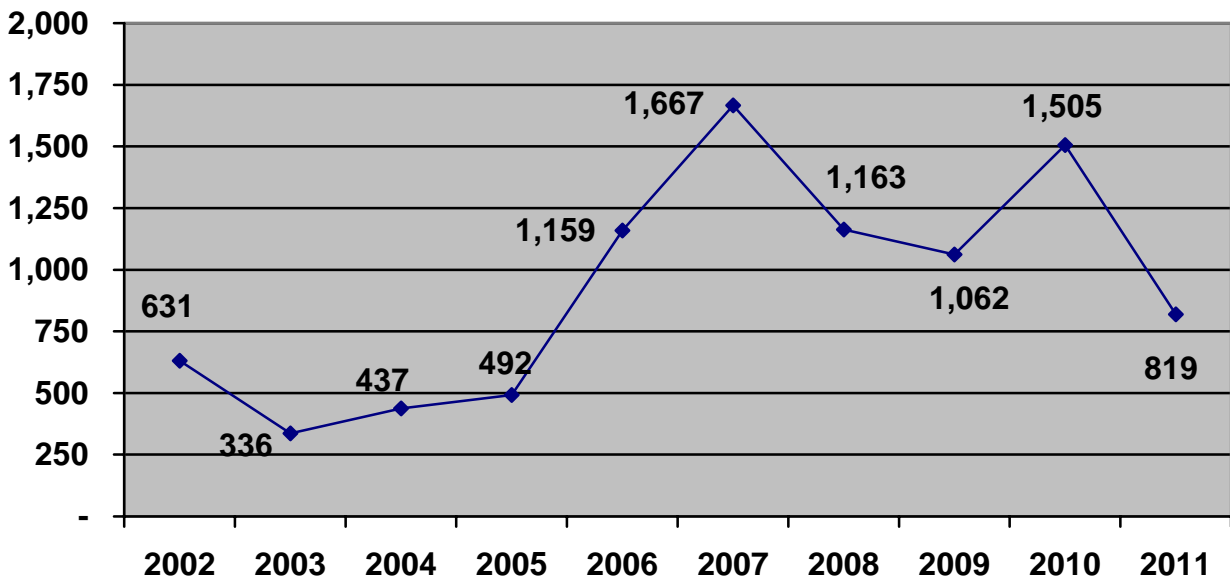
DESCRIPTION, RATE, LEGAL LIMITS:

Allowance that is deductible from the selling price of merchandise if payment is made within specified period of time.

PROJECTION:

Historical data is provided by the Finance Department.

Actual Revenues Received Past Ten Years – All Funds Combined



REVENUE MANUAL

REVENUE SOURCE: Miscellaneous
Non-Operating Revenue

ACCOUNT: 3449

AUTHORIZATION: Administrative Policy

DISTRIBUTION OF REVENUE: Various Funds

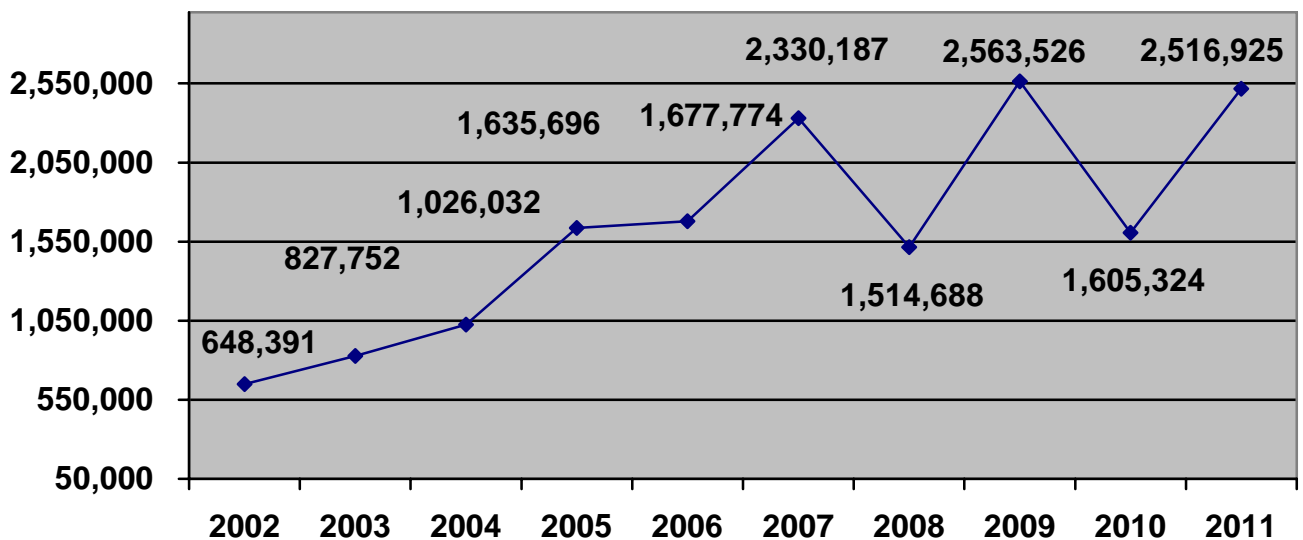
DESCRIPTION, RATE, LEGAL LIMITS:

Any miscellaneous revenues not classified elsewhere, such as the employee's portion of dues and memberships, commissions on pay telephones, and commissions on vending machines.

PROJECTION:

Estimates are based on historical data and adjusted for transfers and large one time receipts. Estimates are made on a very conservative basis.

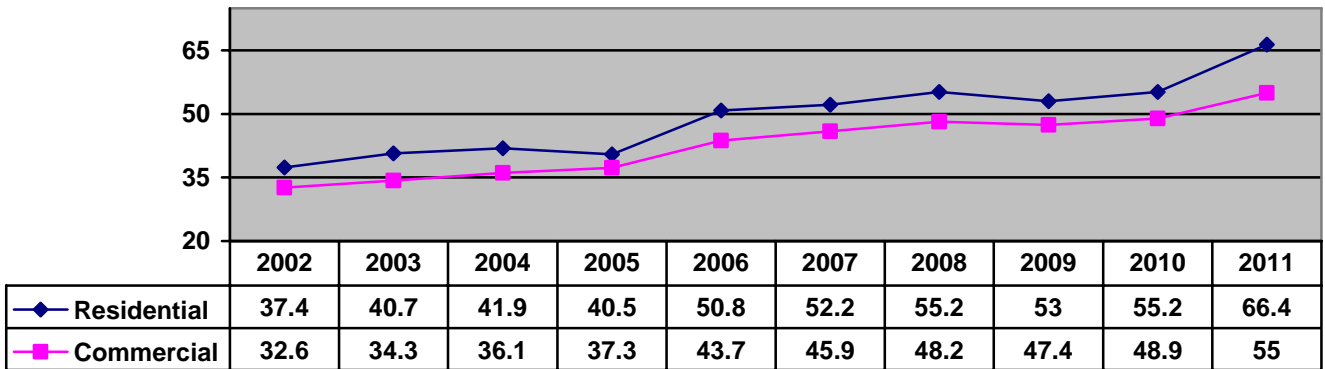
Actual Revenues Received Past Ten Years – All Funds Combined



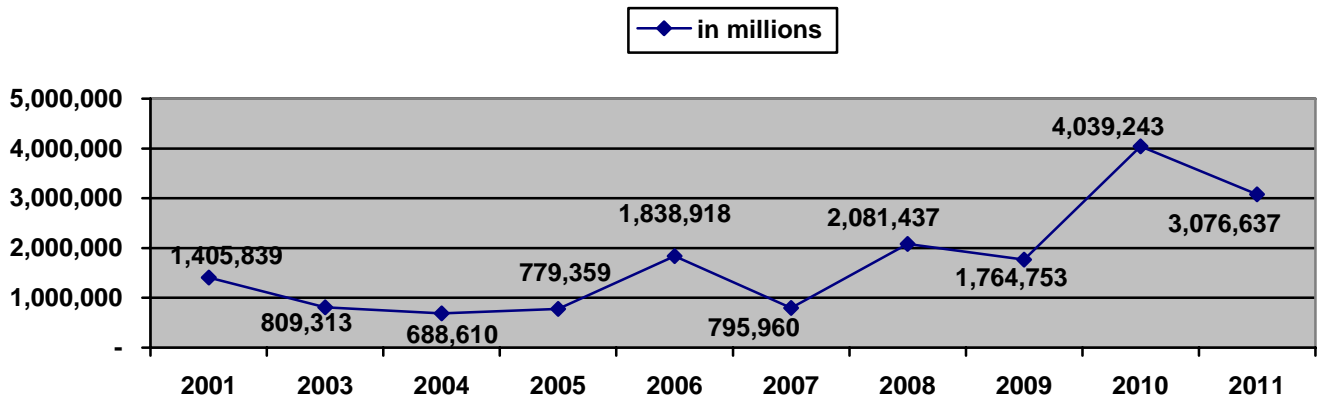
REVENUE MANUAL

REVENUE SOURCE: Electric Service Charges (cont.) **ACCOUNT:** 4010-4037,
 4100,-4362,
 4522-4547

**Actual Revenues Received Past Ten Years
 - in millions**



Actual Revenues Received Past Ten Years – Border Customers & Interchange Sales



REVENUE MANUAL

REVENUE SOURCE: Sewer Service Charge **ACCOUNT:** 4010, 4110, 4120

AUTHORIZATION: Ordinance 12027 of 06/29/92 City Code 7.07.003
Ordinance 12393 of 05/03/93 City Code 7.07.005
Ordinance 12954 of 02/27/95 City Code 7.07.003
Ordinance 15527 of 09/02/03
Ordinance 17575 of 06/21/10

DISTRIBUTION OF REVENUE: Sanitary Sewer Fund

DESCRIPTION, RATE, LEGAL LIMITS:

A charge for the use and services provided by wastewater treatment system. It is to be collected from each customer connected to the system or from those who are not connected but to whom the system is available.

	<u>Base Fee</u>	<u>Consumption</u>
Residential	\$9.60/mo	\$1.9566/ccf
Residential on Private system	\$8.61/mo	\$1.9566/ccf
Regulatory Charge	\$3.00/mo	

Commercial and Industrial Users rate per connection is dependent upon meter size and standard industrial classification (SIC) code. Consumption rate is \$1.9566/ccf with bills having water consumption for August 2010 and later.

Non-resident users rate per connection for sanitary sewer customers whose property is situated outside the city limits are 1.5 times the appropriate base rate for private sewers. Consumption rate is \$1.9566/ccf beginning with bills for water consumption since August 2010.

Non-resident users residing in unincorporated areas of Jackson County are charged a base fee of \$14.21/month and a consumption fee of \$2.23/ccf.

4010 Residential Sales
4110 Commercial - Base
4120 Commercial - Surcharge

PROJECTION:

Estimates are based upon historical data from monthly billing reports and information provided by the Water Pollution Control Department

REVENUE MANUAL

REVENUE SOURCE: Sewer Service Charge (continued) **ACCOUNT:** 4010, 4110, 4120

AUTHORIZED RATE INCREASES:

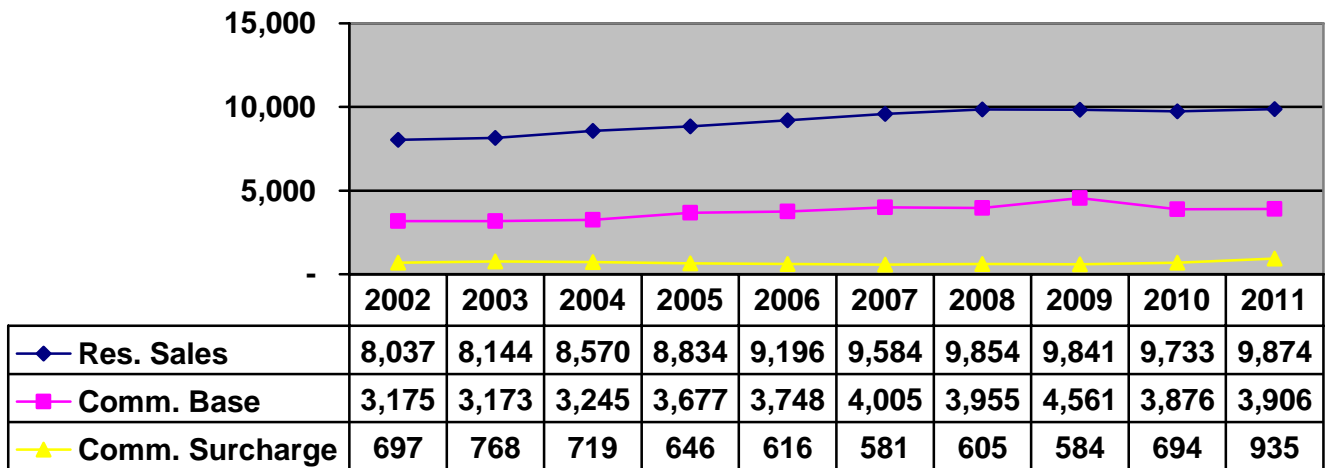
Volume Rates

<u>8/1/2010</u>	<u>7/1/2011</u>	<u>7/1/2012</u>	<u>7/1/2013</u>	<u>7/1/2014</u>
3.0%	4.5%	4.5%	4.5%	4.5%

Regulatory Compliance Base Charge/Month

<u>8/1/2010</u>	<u>7/1/2011</u>	<u>7/1/2012</u>	<u>7/1/2013</u>	<u>7/1/2014</u>
\$3.00	\$3.00	\$6.00	\$6.00	\$9.00

Actual Revenues Received Past Ten Years
Amounts in Thousands



REVENUE MANUAL

REVENUE SOURCE: Intermunicipal Sewer Agreements **ACCOUNT:** 4571, 4572

AUTHORIZATION: Ordinance 7234 of 10/07/82
Ordinance 10007 of 10/19/87
Ordinance 13087 of 08/21/95

DISTRIBUTION OF REVENUE: Sanitary Sewer Fund

DESCRIPTION, RATE, LEGAL LIMITS:

Revenue collected by the City, through a cooperative agreement with the Cities of Sugar Creek, Kansas City, and Lee's Summit for reciprocal sewer service.

Kansas City:

The monthly service charge shall be equal to the higher average monthly residential charge of Kansas City or Independence.

Sugar Creek:

	October 2005 <u>Base Fee</u>	October 2005 <u>Consumption</u>
Residential	\$7.49/mo	\$1.7351/ccf

Commercial and Industrial Users rate per connection is dependent upon meter size and standard industrial classification (SIC) code. Consumption rate is \$1.7351/ccf starting October 1, 2005.

4571 Inter-municipal Sewer Agreement - Kansas City
4572 Inter-municipal Sewer Agreement - Sugar Creek

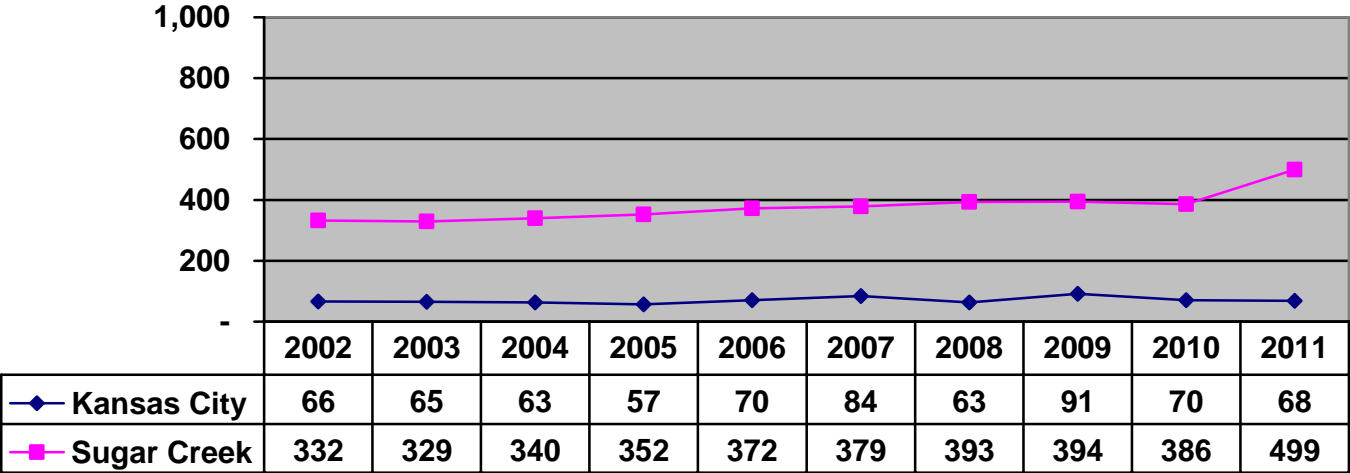
PROJECTION:

The estimates are based on historical data and information provided by the Water Pollution Control Department.

REVENUE MANUAL

REVENUE SOURCE: Intermunicipal Sewer Agreements (cont.) **ACCOUNT:** 4571, 4572

**Actual Revenues Received Past Ten Years
Amounts in Thousands**

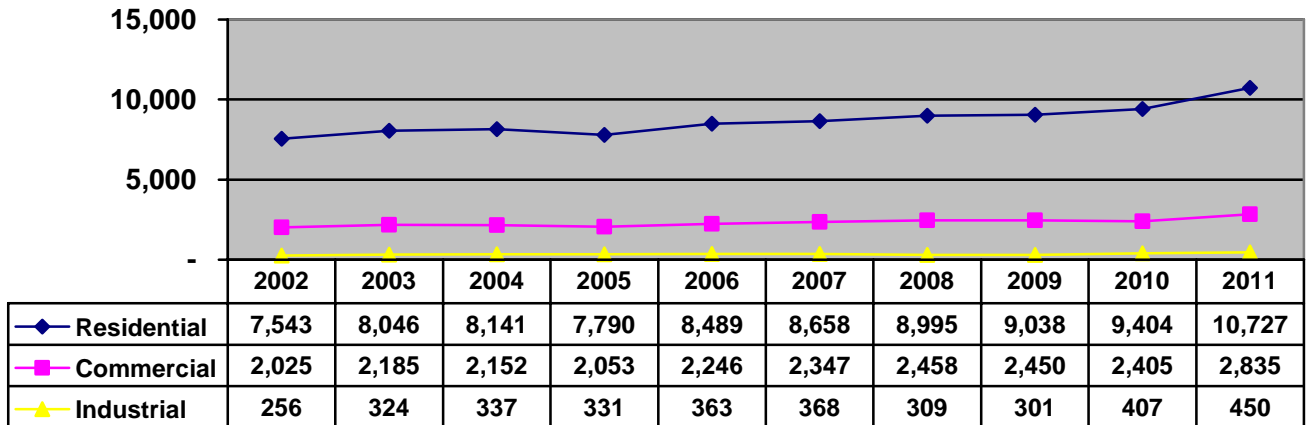


REVENUE MANUAL

REVENUE SOURCE: Water Service Charges (cont.)

ACCOUNT: 4010, 4100,
4420, 4500

Actual Revenues Received Past Ten Years
Amounts in Thousands



City of Independence

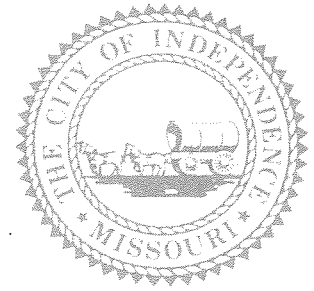


111 E. MAPLE ST., INDEPENDENCE, MISSOURI 64051-0519 (816) 325-7000

City of Independence

111 EAST MAPLE • P.O. BOX 1019 • INDEPENDENCE, MISSOURI 64051-0519

www.ci.independence.mo.us • (816) 325-7000



December 21, 2010

Mr. Todd Jacobs
Senior Attorney
Missouri Gas Energy
3420 Broadway
Kansas City, MO 64111


Re: Independence Franchise Agreement Renewal

Mr. Jacobs:

Enclosed please find a copy of Ordinance No. 17697 which represents the Franchise Agreement with Missouri Gas Energy that was approved by the City Council at its meeting of Monday, December 20, 2010. Prior to this action being taken, the Bill for the Franchise Agreement was presented to the City Council for first reading at the meeting on November 15, 2010. Notice of the December 6, 2010 Public Hearing was published in The Examiner on November 26, 2010. The Bill for the Franchise Agreement was available for public inspection in the Office of the City Clerk for the required thirty (30) days.

As I understand the approval process, Missouri Gas Energy now has sixty (60) days to provide the City with its formal acceptance of this Franchise Agreement. This acceptance should be provided to the City on or before Friday, February 18, 2011.

I very much appreciate your assistance in developing this Agreement. Should you have any questions, please feel free to contact me.


James C. Harlow
Director of Finance & Administration

Encl. – Franchise Agreement Ordinance

c: Jane Sharon, City Clerk
Allen Garner, City Counselor

BILL NO. 10-173

ORDINANCE NO. 17697

AN ORDINANCE GRANTING A FRANCHISE TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, ITS SUCCESSORS AND ASSIGNS, TO OPERATE AND MAINTAIN A GAS DISTRIBUTION SYSTEM IN THE CITY OF INDEPENDENCE, MISSOURI; SETTING FORTH CONDITIONS ACCOMPANYING THE GRANT OF FRANCHISE; PROVIDING FOR CITY REGULATION OF THE GAS SYSTEM; AND PRESCRIBING PENALTIES FOR THE VIOLATION OF ITS PROVISIONS.

WHEREAS, there is a need to enter into a new franchise agreement with Missouri Gas Energy, a Division of Southern Union Company;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF INDEPENDENCE, MISSOURI, AS FOLLOWS:

SECTION 1. SHORT TITLE.

This Ordinance shall be known and may be cited as the Missouri Gas Energy Franchise Ordinance Referencing Agreement (the "Agreement").

SECTION 2. DEFINITIONS.

For the purposes of this Agreement, the following terms, phrases, words, and their derivations shall have the meaning given herein, unless the context or use clearly indicates another or different meaning is intended.

- 2.1 "City" is the City of Independence, Missouri.
- 2.2 "City Council" is the Council of the City of Independence, Missouri.
- 2.3 "Commission" is the Public Service Commission of the State of Missouri and any successor of such commission having jurisdiction of the subject matter herein.
- 2.4 "Company" is the grantee of rights under this Agreement, which is Missouri Gas Energy, a division of Southern Union Company, doing business as Missouri Gas Energy ("MGE"), and any successor or assigns thereof acting through their officers, agents or employees within the scope of their respective duties and authorities.
- 2.5 "Construction" is the process utilized to install, excavate or repair Company assets on the public property and public ways including utility easements and rights-of-way.

- 2.6 “Corporate Authorities” are the Mayor and the City Council of the City of Independence, Missouri.
- 2.7 “Gas Distribution System” shall include (a) through (c) below:
- (a) “Gas Facilities” includes the piping, fuel lines, fixtures, valves, regulators, appliances and apparatus of any kind, owned and/or used by the Company, which are part of the mechanism by which gas is transported and supplied.
 - (b) “Main” is a gas pipe owned, operated and maintained by Company as a distribution line that serves as a common source of supply for more than one service line.
 - (c) “Service Line” is the pipe installed from Company’s Main to the inlet of Company’s meter or to the connection to a customer’s piping, whichever is farther downstream.
- 2.8 “Gas Service” is the availability of gas supplied or transported over or through Company’s facilities to any person or customer regardless of whether or not the person or customer makes use of such gas service and regardless of whether Company, person or the customer owns the gas transported over Company’s facilities while such gas is in the Company’s possession.
- 2.9 “Gross Receipts” shall represent all amounts received from the sale or transportation of natural gas; delayed payment charges (forfeited discounts); collection, disconnection and reconnection charges; insufficient fund charges; customer read charges, but shall not include compensation received by Company for collecting sales tax. So long as Company shall be required by any regulatory authority having jurisdiction, to separately state the gross receipts tax increment on its charges for natural gas service rendered under the franchise hereby granted, the term “gross receipts” as used herein shall include the separately stated gross receipts tax increment.
- 2.10 “Infrastructure” means the City’s streets, sidewalks, curbs, gutters, waterlines, pavements, alleys, sewer line and storm water facilities.
- 2.11 “Liability” includes, but is not limited to actual loss or damage to property or injury to or death of persons; actual responsibility for such loss, damage, injury or death; and any and all judgments, decrees, costs and expenses of every sort and kind incident to such loss, damage, injury or death or responsibility, including, but not limited to, court costs, fines and reasonable attorney’s fees.
- 2.12 “Person” is any individual, firm, partnership, co-partnership, company, association, public or private corporation, joint stock company, trust, estate, political subdivision, governmental agency, or other legal entity recognized by law.

- 2.13 “Public Property” means all real property and all improvements thereon, owned, leased to, leased by or otherwise controlled by the City.
- 2.14 “Public Ways” means the surface, the air space above the surface and the area below the surface of any public right-of-way, including, but not limited to, any street, highway, avenue, drive, boulevard, lane, path, alley, sidewalk, waterway, bridge, tunnel, park, parkway or other public right-of-way, including public utility easements or rights-of-way over which the City has jurisdiction, and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the City in which the City holds rights sufficient, without consent of any other Person, to permit Company the use thereof for the purpose of installing, operating or maintaining its Gas Distribution System.
- 2.15 “Tariff” shall be defined as the schedule of rates and charges and general terms and conditions for gas service filed by the Company with the Commission, as amended and approved by the Commission.
- 2.16 “Utility Coordinator” is an individual appointed by the City to facilitate communications between the City and the Company. The Utility Coordinator will serve as a contact for the Company to help expedite permits and to maintain City policy affecting Company work.
- 2.17 “Utility Construction and Maintenance Permit”, is a permit issued by the City to the Company to allow construction, alteration, repair or maintenance of a main or any part of the Gas Distribution System in or on Public Property.

SECTION 3. RULES OF CONSTRUCTION.

- 3.1 This Agreement shall be construed in accordance with the following provisions. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and words in the singular number include the plural number. To the extent terms or words used in this Agreement are defined in Commission rules, regulations and orders, the Company’s Tariff or the Adopted International Codes, those definitions are incorporated by reference herein. Where the provisions hereof conflict in any way with the Company’s Tariff, or the rules, regulations or orders of the Commission which specifically pertain to Company and with which the Company is required to comply, the conflicting provisions hereof shall be void and the relevant provisions of such rules, regulations or orders shall prevail.
- 3.2 The words “shall” and “will” are always mandatory and not merely directory.
- 3.3 The provisions of this Agreement shall be read as a whole so as to effect the purposes of this Agreement.
- 3.4 Section headings are descriptive and used merely for the purpose of organization.

Where inconsistent with the text, section headings are to be disregarded.

SECTION 4. NON-EXCLUSIVE RIGHTS GRANTED.

- 4.1 There is hereby granted by the City to the Company the right and privilege to erect, construct, operate, maintain a Gas Distribution System, and to import, transport, sell and distribute gas, whether natural, manufactured, or mixed, within the City, and for these purposes to establish the necessary facilities and equipment and to lay and maintain Mains, Service Lines and any other appurtenances necessary to the sale and distribution of gas in the Public Property and Public Ways of the City. The right to use and occupy said Public Property and Public Ways for the purposes herein set forth shall not be exclusive, and the City reserves the right to make a similar use or grant a similar use of said Public Property and Public Ways, to any Person at any time during the period of this Agreement.
- 4.2 **Emergency Access to Public Ways and Public Property.** In the event of an emergency which the Company reasonably believes poses a threat of immediate harm to the public or to any of the Gas Facilities, the Company is hereby granted access to the Public Ways and Public Property, without a permit, to ameliorate the threatened harm. The Company shall immediately advise the City of any such emergency.

SECTION 5. MUNICIPAL RIGHTS RESERVED.

- 5.1 **Police Powers and City Rights.** The City expressly reserves the right to adopt, from time to time, in addition to the provisions contained herein, such ordinances, rules and regulations as the appropriate City authorities may deem necessary in the exercise of police power for the protection of the health, safety and welfare of the City's citizens and their properties.
- 5.2 **Regulation of Public Ways and Public Property.** The City expressly reserves the right to enforce reasonable regulations concerning access to or use of the Public Ways and Public Property, as may from time to time be provided by ordinance, including requirements for permit applications.

SECTION 6. INDEMNIFICATION AND INSURANCE.

- 6.1 The Company shall indemnify, become responsible for and forever hold harmless the City, its officers, agents and employees from and against Liability to the extent caused by any negligent act, error, or omission, or willful misconduct of the Company or its agents or employees in the Public Ways or on Public Property pursuant to this Agreement or by virtue of or pursuant to an order, rule, regulation or authorization of the Commission. The indemnity required hereunder shall not be limited by reason of the specification of any particular insurance coverage in this Agreement.

- 6.2 To the extent permitted by law, the City shall indemnify, become responsible for and forever hold harmless the Company, its officers, agents and employees from and against Liability to the extent caused by any negligent act, error, or omission, or willful misconduct of the City or its agents or employees in the Public Ways or on Public Property pursuant to this Agreement.
- 6.3 **Comprehensive Liability Insurance or Self Insurance.** At all times while this Agreement remains in effect, and in recognition of the Indemnification provided in the foregoing Sections 6.1, the Company shall, at its own cost and expense, maintain a program of third party liability insurance and/or self-insurance in the amounts specified below to protect the City, its officers, employees and agents from any liability for bodily injury, death and property damage occasioned by the activities of the Company or any Person acting on its behalf. As proof of this compliance, the Company shall, during the life of this Agreement, keep on file with the Clerk of the City a certificate of insurance with an insurance company licensed to do business in the State of Missouri and/or affidavit of self-insurance which shall show the types and amounts of coverage. Any affidavit of self-insurance shall be signed by an employee or officer of the Company who has knowledge of the Company's self-insurance program and is authorized to make representations as to the scope of said program, and shall contain a statement making such representations. The insurance coverage required by the City is set out in Exhibit A attached hereto and incorporated herein by reference.
- 6.4 Any right to indemnification as set forth in this franchise shall survive the termination of this franchise

SECTION 7. SERVICE STANDARDS.

- 7.1 **Maintenance of Facilities.** The Company shall maintain and operate its Gas Distribution System and render efficient Gas Service in accordance with the rules and regulations as set forth by the Commission.
- 7.2 **Nondiscrimination.** The Company shall not, as to rates, charges, service, facilities, rules, regulations or in any other respect, make or grant any preference or advantage to any Person or subject any Person to any prejudice or disadvantage, except as allowed pursuant to its Tariff on file with the Commission.
- 7.3 **Service Interruptions**
- 7.3.1 The Company shall make all reasonable efforts to prevent interruptions of Gas Service. When interruptions occur, the Company shall reestablish Gas Service with the shortest possible delay consistent with general safety and public welfare.

- 7.3.2 The Company shall make all reasonable efforts to notify the City Utility Coordinator, or the appropriate City authorities if the Utility Coordinator is not immediately available, of major service interruptions within the City within one (1) hour after the Company learns of such interruption. "Major service interruption" shall mean any interruption which may affect public health or safety or an interruption affecting more than five (5) customers. If at the time such notification is made the Company is not able to provide an estimate of when Gas Service is expected to be restored, such information shall be provided to the Utility Coordinator or the appropriate City authorities as it becomes available.
- 7.3.3 The Company shall make a good faith effort to notify potentially affected customers and the Utility Coordinator prior to performing any work on its Gas Distribution System that may result in an interruption of Gas Service to customers in the City.

SECTION 8. COMPANY RULES.

The Company shall have the authority to promulgate such rules, regulations, terms and conditions governing the conduct of its business as shall be reasonably necessary to enable the Company to exercise its rights and perform its obligations under this Agreement, to the extent that such rules, regulations, terms, and conditions do not conflict with, or require approval by any relevant jurisdiction.

SECTION 9. CONDITIONS ON PUBLIC PROPERTY.

- 9.1 The Company shall, as a condition of making any excavation in, through or under any street, sidewalk, alley, or Public Way in the City, deposit with the Director of Public Works a performance bond in the penal sum of TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00), or such other sum as may be established by ordinance, conditioned that the principal thereunder shall save harmless and indemnify the City on account of damages to any persons or property occurring by reason of any excavations as provided for in this Agreement; provided, however, if Company has over \$25,000,000 in net assets and otherwise qualifies pursuant to RSMo 67.1830(6)(a), Company shall be exempt from such performance bond requirement. In such event, Company shall provide an affidavit of net assets upon City's request. The Company or any Person acting on its behalf may construct, repair, maintain, renew or replace Gas Facilities, Service Lines, Mains and any apparatus necessary to the operation and maintenance of the Gas Distribution System in the City located in the Public Ways or on Public Property, subject to the following conditions:
- 9.2 **Use.** The Gas Distribution System placed by the Company in or on the Public Property and Public Ways in the City shall be placed so as not to obstruct or interfere with Public Ways and Public Property existing or hereafter existing. All Gas Facilities, Mains and Service Lines must be in a standard location and at a

standard depth and in accordance with the Public Works Manual, as codified in Chapter 20 of the City Code, as adopted and as continually amended. The Company shall avoid interfering with the use of any street, alley or other highway where the paving or surface of the streets would be disturbed. All new installation must be on the opposite side of the street as the water line and in accordance with the latest edition of the City's Public Works Manual. New installation shall not be located within thirty-six (36) inches of any water and sanitary sewer lines or stormwater facilities. Should Company determine that it cannot comply with this provision, then before any work is done or a permit applied for, Company shall contact the City Utility Coordinator for approval of any variance from these installation requirements. The requirements set forth in this paragraph shall not be construed to imply an obligation of the Company to relocate existing Gas Distribution Systems.

9.2.1 Neither the Company nor any Person acting on its behalf may unreasonably interfere with the use of the Public Ways or Public Property by the general public or by other Persons authorized to use or be present upon said Public Ways or Public Property.

9.3 **Utility Coordinator and Construction Meetings.** In an effort to facilitate issue resolution, construction planning, and franchise management, the City shall identify a Utility Coordinator to serve as the principal contact between the City and Company. Representatives of the Company and the City shall meet and confer on an as needed basis or not less than quarterly, concerning all construction projects proposed by the Company, the City, or private development that will affect the provision of Gas Service or the Gas Distribution System by the Company and the use of Public Property and Public Ways.

9.4 **Company Contact.** The Company shall identify one (1) individual to serve as the principal contact between the Company and the City Utility Coordinator. This officer or employee shall be present at all quarterly meetings or any other meetings scheduled as needed, and handle City complaints and service requests and expedite resolution thereof between the City and the Company.

9.5 **Construction on Public Property and Public Ways.**

9.5.1 Whenever it becomes necessary to construct or excavate in the Public Property or Public Ways of the City in order to install, construct, maintain or repair any part of the Company's Gas Distribution System now located, or to be located, therein or thereon Public Property or Public Ways, the Company shall obtain a Utility Construction and Maintenance Permit issued by the City, prior to commencement of each Construction project. Such permits shall state the particular parts or points where said Construction shall occur and the length of time in which such permits shall authorize the work to be done. Time of commencement and time of completion shall also be stated in said permits. The Company shall include

with its permit application such plans and schedules for restoration of the Public Ways or Public Property as the City may reasonably require. The City at all times shall have the right to inspect all Construction being conducted by the Company or any Person acting on its behalf and to stop any work being conducted if it does not meet City specifications and ordinances.

- 9.5.2 When the Company, or any Person acting on its behalf, performs any Construction in or affecting the Public Ways or Public Property, it shall, at its own expense, remove any obstructions therefrom and restore such Public Ways or Public Property, to as good a condition as existed before the Construction was undertaken, including landscape and tree replacement, unless otherwise directed by the City. Cuts in the City streets are prohibited except when no other reasonable construction alternatives exist as reasonably determined by the Utility Coordinator. Company, at its expense, shall repair any curb or pavement replacement or restoration in a condition consistent with the City's Public Works Manual for a period of two (2) years after acceptance by the City of the replacement or restoration of all street cuts. Prior to commencement of any Construction in or affecting the Public Ways or Public Property by Company pursuant to this Agreement, Company shall provide at its own cost, preconstruction photos when said Construction impacts Infrastructure.
- 9.5.3 If weather or other conditions do not permit the complete restoration of Public Property and Public Ways required by Section 9, the Company may temporarily restore the affected Public Ways or Public Property upon receiving the approval of the City Utility Coordinator, provided that such approval shall not be unreasonably withheld. Such temporary restoration shall be at the Company's sole expense and the Company shall promptly undertake and complete the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration.
- 9.5.4 If the Company fails, neglects or refuses to restore the Public Ways or Public Property or to remove any obstruction therefrom, the City may, after affording the Company a reasonable opportunity to correct the situation, as will be determined by the Utility Coordinator, give five (5) days written notice to the Company, or such longer period if mutually agreed upon, and thereafter restore such Public Ways or Public Property or remove the obstruction therefrom. No such prior written notice shall be required in the event that the City determines that an emergency situation exists. The Company shall pay the City for any such restoration or removal within thirty (30) days after receiving a bill from the City for such work. The City may file a claim against the performance bond in lieu of payment to the City if not paid in full within forty-five (45) days of billing.

9.6 **Inspection of Restoration Work.**

9.6.1 All restoration work shall be subject to inspection by the Utility Coordinator and/or his designee. Immediately after the Construction has been completed, the Company herein shall notify the City Utility Coordinator that the work has been completed and is ready for final inspection. If, upon final inspection, the Utility Coordinator or his designee finds such work to be not in conformance with City standards, Company shall replace the work at its cost within two (2) weeks of final inspection by the Utility Coordinator.

9.6.2 Company shall not open or encumber, at any one time, any more of such Public Property or Public Ways than may, in the opinion of the Utility Coordinator, be reasonably necessary to enable the Company to proceed in laying or repairing its Gas Distribution System. Nor shall the Company permit any property so opened or encumbered by the Company to remain open for a longer period of time than shall, in the opinion of the City Utility Coordinator, be reasonably necessary. In all cases where any Public Property or Public Ways shall be excavated or encumbered by the Company herein, the Company shall take all precautions for the protection of the public as is reasonable in such circumstances and as may be required by the general ordinances of the City.

9.7 **City Projects.** Whenever the City shall construct or maintain Infrastructure, along or across Public Property or Public Ways or alters or changes the grade of any street, alley or other Public Way where the Company shall have installed any of its Gas Distribution System, it shall be the duty of the City to provide reasonable advance notice to the Company and to provide such plans as Company may reasonably require. Company shall, at its own expense, move or relocate the appropriate parts of its Gas Distribution System so as to conform to the locations of the Public Property, Public Ways or Infrastructure. It shall be the further responsibility of Company to review all construction projects submitted to it by the City and to notify the City of all necessary alterations of Company's Gas Distribution System which will be occasioned by proposed construction. Upon reasonable notification by the City of the timing of the construction project, Company shall complete the required alteration of its Gas Distribution System within the time reasonably directed by the Utility Coordinator at Company's expense.

9.8 **Utility Locate.** Company or its contractor shall, not in excess of two (2) working days from receipt of the notice from the City or the City Utility Coordinator requesting the location of underground facilities, identify the approximate location of underground Gas Facilities so as to enable the City to locate the facilities in advance of and during any work performed by the City or by Persons acting on its behalf. If the City states in the notice of intent that the City's planned work will involve tunneling or horizontal boring, the Company shall inform the

Utility Coordinator of the depth, to the best of its knowledge or ability, of its Gas Facilities according to the records of the Company. Company and City shall follow all requirements set out in the Missouri Underground Facility Safety and Damage Prevention Act, when applicable.

- 9.9 **Right of Way Acquisition.** Acquisition of right of way shall be the responsibility of the Company if acquisition is required by Construction projects proposed by the Company. Such acquisition shall occur in a timely fashion so as not to interfere with the timely completion of a City construction project.
- 9.10 **Construction Standards.** The quality of all Company Construction and restoration shall comply with the laws, statutes, ordinances, and regulations promulgated by Federal, State and Local governments.

SECTION 10. Remedies.

- 10.1 Subject to the limitations in Sections 10.2, 10.3 and 10.4 below, in the event the Company or the City fails to fulfill any of their respective obligations under this Agreement, the City or the Company, whichever the case may be, will have claims for breach of contract and specific performance against the other in addition to any other remedy provided under this Agreement or otherwise provided by law, except that no remedy that would have the effect of amending the specific provisions of this Agreement shall become effective without such action as would be necessary to formally amend the Agreement.
- 10.2 In the event that the Company violates any terms of this Agreement for conduct that is subject to the exclusive jurisdiction of a competent authority other than the City, the sole remedy for such violation shall be before that other competent authority. For purposes of determining the applicability of this section, no provision of this Agreement may be used as the sole basis to defeat the exclusive jurisdiction of such other competent authority.
- 10.3 In the event that the Company violates any term of this Agreement for conduct that is also a violation of another applicable City ordinance, the Company shall be subject to remedies under that other ordinance plus ordinary contract remedies under this Agreement.
- 10.4 Subject to the limitation of Section 10.2, upon the finding by either party hereto that the other party hereto has failed or refused to observe any terms and conditions of this Agreement, the non-offending party shall notify such other party in writing of the terms and conditions which it has not observed. Waiver of any breach of this Agreement shall not constitute a waiver of any subsequent breach of the same or any other provision in this Agreement. The notice shall inform the offending party of the actions which it must take to correct the violation and shall grant such party seven (7) calendar days to cure such failure or violation unless such failure or violation infringes upon the public safety or

health, in which case cure shall be immediate. In events of non-emergency, the non-offending party may agree to extend this seven (7) day cure period. In the case of an emergency, the notice need not be made in writing. If a competent authority other than the City has determined that the action giving rise to the City's notice constituted a violation of an applicable rule, regulation or order of such competent authority, then the cure period granted by the City shall be no less than the cure period ordered by such competent authority. If the offending party does not eliminate or correct such failure or violation in accordance with the notice, the party's rights under this Agreement may be forfeited or such party may be subjected to any other remedies afforded by this Agreement, including the assessment of reasonable attorney's fees incurred by the non-offending party.

SECTION 11. REVOCATION OR SUSPENSION BY PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI.

In the event that the Commission revokes or suspends any license, certificate, or other authorization held by the Company for the purpose of either operating any portion of its Gas Distribution System within the City or providing Gas Service within the City, then the Company's rights under this Agreement shall likewise be revoked or suspended, without further notice from the City. The Company's rights under this Agreement shall be reinstated (1) if the Commission rescinds its revocation or suspension; (2) if the revocation or suspension order is overturned upon review by the Commission; (3) if the Commission reinstates the Company's license; or (4) if the suspension expires of its own terms. The original termination date of this Agreement shall not be affected if the rights forfeited under this Agreement are reinstated.

SECTION 12. NON-DISCRIMINATION AND EQUAL OPPORTUNITY.

The Company and City represent that they will not discriminate against any person employed or seeking employment with respect to hiring, promotion or tenure, or to terms, conditions or privileges of employment, on account of race, color, sex, religion, national origin or ancestry.

SECTION 13. TRANSFER AND RIGHTS AND OBLIGATIONS OF ASSIGNEES.

In the event of a sale, transfer, assignment or any other transaction Company may enter into which involves the Company's rights, duties and privileges under this Agreement, all provisions of this Agreement which are obligatory upon, or which inure to the benefit of the Company shall also be obligatory upon and shall inure to the benefit of any and all successors and assigns of the Company. Further, all obligations, duties, liabilities, limitations, prohibitions, amendments and forfeitures by this Agreement created or imposed upon Company, shall be binding upon and be assumed, kept and performed by its legal and bona fide assigns and successors in interest, according to the true intent and purpose of this Agreement, whether expressly so stated or not.

SECTION 14. LAWS, RULES AND REGULATIONS.

- 14.1 **Compliance with Laws, Rules and Regulations.** While this Agreement remains in effect, the Company shall promptly and fully comply with all applicable statutes, ordinances, judgments, decrees, orders, rules and regulations of any competent authority other than the City having jurisdiction over the Company's activities.
- 14.2 **Compliance with Municipal Ordinances, Rules and Regulations.** While this Agreement remains in effect, the Company shall promptly and fully comply with all applicable orders, rules, regulations and ordinances of the City.
- 14.3 **Violation of Laws, Rules and Regulations.** Any claim by the City that the Company has violated any provision of Section 16, shall be subject to the procedures set forth in Section 10 of this Agreement.

SECTION 15. PAYMENT TO CITY.

The Company shall, not later than the twentieth (20) day of each calendar month in each year, make a report to the Finance Director of the City of its gross receipts from the sale or transportation of gas with the corporate limits of said City for the one (1) month period ending on the last day of the month preceding that on which the report is due; and at the time of making reports, pay into the City treasury a sum equal to the City's then current gross receipts tax on gross receipts of the Company. Company's gross receipts tax is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company and the City agree that with a period of sixty (60) days notice, City shall have the right to adjust the gross receipts tax rates.

SECTION 16. RECORDS AND REPORTS AND INSPECTION OF FACILITIES.

The City shall have access upon reasonable notice and during the Company's normal business hours, to such of the Company's plans, contracts and records relating to the Gas Distribution System and the operations of the Company within the City so as to determine whether the Company is complying with the terms of this Agreement and any City ordinance relating to the conduct of Company's operations in the City.

- 16.1. **Gross Revenue Report.** The Company shall provide to the City an annual summary report showing gross revenues received by the Company from its operations within the City during the preceding year and such other information as the City shall request with respect to properties and expenses related to the Company's Gas Service within the City.

SECTION 17. TERM OF FRANCHISE.

The Franchise granted by this Agreement and rights herein granted shall take effect and be in force from and after the final passage of the Ordinance, as required by law, and shall

continue in force and effect for a term of twenty (20) years after the effective date of this Agreement.

SECTION 18. EFFECTIVE DATE.

This Agreement shall be in full force and effect from and after the passage of the authorizing ordinance and receipt of the Company's acceptance by the City.

SECTION 19. RENEWAL.

At any time during the first sixty (60) days of the last year occurring prior to the expiration date of the Agreement, Company may request the City to enter into negotiations toward renewing or extending this Agreement. Any renewal or extension shall be according to terms that are mutually agreeable and neither party shall be bound to accept any particular terms or to renew any or all of the rights granted by this Agreement.

SECTION 20. TERMINATION.

The rights and obligations of the Company under this Agreement shall be terminated upon the end of the term of this Agreement or if either party hereto has exercised its options to terminate under Section 10 or upon the Company's violation or forfeiture as provided in any other section of this Agreement.

SECTION 21. NOTICES.

Notices required to be given in writing under this Agreement shall be effective when delivered personally to the addressees or when forty-eight (48) hours have elapsed after the notice is deposited in the United States Mail in a sealed envelope with registered or certified mail postage prepaid thereon, addressed to the party which notice is being given. Such addresses may be changed by either party upon notice to the other party given as provided in this section. At the date of execution herein the addresses of the parties are as follows:

Company:

Missouri Gas Energy, a division of Southern Union Company
3420 Broadway
Kansas City, MO. 64111
Attn. Chief Operating Officer

City:

City of Independence
111 East Maple
Independence, Missouri 64050
Attn. Public Works Director

With copy to:

City of Independence
111 East Maple
Independence, Missouri 64050
Attn. City Counselor

SECTION 22. ACCEPTANCE.

The Company shall accept this Agreement by filing with the City Clerk an unconditional written acceptance hereof, to be duly executed according to law, along with proof of compliance required by Section 6.3. The failure of the Company to so accept this Agreement within sixty (60) days of enactment shall be deemed a rejection hereof by the Company, and the rights and privileges herein granted shall absolutely cease unless said period of time shall be extended by an ordinance duly passed by the Corporate Authorities for that purpose before the expiration of the sixty (60) day period.

SECTION 23. REOPENER.

At any time, but not more than once in any five (5) year period, either party may require both parties to negotiate in good faith on any proposed amendment to this Agreement. The object of any proposed amendment shall be set forth in a written notice.

SECTION 24. AMENDMENTS.

No revision, modification or amendment of this Agreement shall be effective unless it has been passed by the Corporate Authorities and accepted by the Company in writing.

SECTION 25. SEVERABILITY.

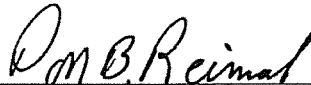
If any section, sentence, paragraph or clause of the Agreement shall be declared invalid or unconstitutional, such declaration shall not affect the validity of any of the remaining sections, sentences, paragraphs or clauses.

SECTION 26. FORCE MAJEURE.

The Company shall not be deemed in violation of this Agreement for the delay in performance or failure to perform in whole or in part its obligations under this Agreement due to war or act of war, whether an actual declaration is made or not, insurrection, riot, act of public enemy, fire, flood or other act of God or by other events to the extent that such events are caused by circumstances beyond the Company's control and are not caused by negligence on the part of the Company or any Person acting on its behalf. In the event that the delay in performance or failure to perform affects only part of the Company's capacity to perform its obligations under this Agreement, the Company shall perform such obligations to the extent it is able to do so in as expeditious a manner as possible. The Company shall promptly notify the City Utility Coordinator in writing of any event covered by this section and the date, nature and cause

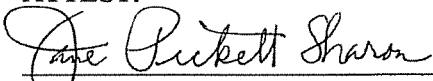
thereof. Furthermore, the Company, in such notice, shall indicate the anticipated extent of such delay and the obligations under this Agreement to be affected thereby.

PASSED THIS 20 DAY OF DECEMBER, 2010, BY THE CITY COUNCIL
OF THE CITY OF INDEPENDENCE, MISSOURI.



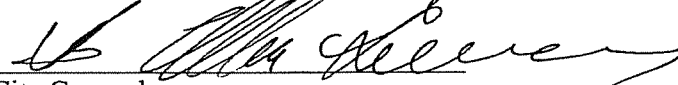
Presiding Officer of the City Council
of the City of Independence, Missouri

ATTEST:



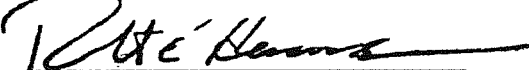
City Clerk

APPROVED – FORM AND LEGALITY:



City Counselor

REVIEWED BY:



City Manager

Exhibit A

CITY REQUIRED INSURANCE COVERAGE

Commercial General Liability, including coverage for contractual liability and products completed operations liability on an occurrence basis and not a claims made basis, with a limit of not less than Two Million Dollars (\$2,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage liability. The City shall be included as an additional insured with respect to liability arising from Company's operations under this Franchise.

Or

Self-insurance providing coverage in the amount not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) in aggregate, to protect City from and against all claims by any person whatsoever for loss or damage from personal injury, bodily injury, death or property damage occasioned by Company, or alleged to so have been caused or occurred.



MISSOURI GAS ENERGY

3420 Broadway • Kansas City, MO • 64111-2404 • (816) 360-5755

ROBERT J. HACK
CHIEF OPERATING OFFICER

December 29, 2010

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Jane Sharon, City Clerk
City of Independence
111 East Maple
Independence, MO 64050

RE: Ordinance No. 17697/Missouri Gas Energy Franchise Agreement

Dear Ms. Sharon:

Please accept this letter as Missouri Gas Energy's formal acceptance of Ordinance No. 17697 which was approved by the City Council at its meeting on Monday, December 20, 2010.

I have enclosed Missouri Gas Energy's certificate of insurance as required by Section 6.3 of the ordinance.

Sincerely,

A handwritten signature in black ink that reads 'Robert J. Hack' followed by the date '12/29/10'.

Robert J. Hack
Chief Operating Officer

Enclosure

A handwritten mark consisting of a vertical line with a loop at the top, resembling a stylized 'D' or a checkmark.

Bill No. 03-4

Ordinance No. 03-4

AN ORDINANCE GRANTING TO MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY, A DELAWARE CORPORATION, OPERATING A GAS DISTRIBUTION SYSTEM IN THE VILLAGE OF AIRPORT DRIVE, MISSOURI, ITS SUCCESSORS OR ASSIGNS, A FRANCHISE TO OPERATE A NATURAL GAS DISTRIBUTION PLANT AND SYSTEM IN SAID VILLAGE AND RELATING THERETO.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF AIRPORT DRIVE, MISSOURI.

Section 1. That there is hereby granted to Missouri Gas Energy, a division of Southern Union Company, a Delaware Corporation operating a gas distribution system, herein called the Company, its successors and assigns, the rights, privileges and franchise for a period of twenty (20) years from June 25, 2000, to construct, maintain and operate in the present and future streets, alleys, bridges and public places in the Village of Airport Drive, Missouri, herein called Village, its gas distribution system as now located, together with the right, privilege and franchise to acquire, construct, maintain and operate therein and thereon such additions and extensions thereto as may be necessary or desirable, all for the purpose of supplying natural gas for all purposes to the inhabitants of said Village and consumers in the vicinity thereof, which grant shall be subject to all lawful ordinances of the Village of Airport Drive now in existence or hereafter enacted which are not inconsistent herewith. Provided, further, that Company shall, upon acceptance of this franchise, be obligated to remove, relocate or adjust as promptly as is practical any of its gas distribution facilities located in or upon the Village's streets, alleys, bridges or other public places at no expense to the Village when reasonably requested to do so by the Village. Such requests made by the Village shall be deemed reasonable unless shown to be otherwise by the Company.

Section 2. All rates established and charges made by Company for gas transported, distributed and sold hereunder shall be subject to valid and lawful orders of the Public Service Commission of the State of Missouri, and other competent authority having jurisdiction in the premises, and the transportation, distribution and sale of gas to consumers shall be governed by the present operating rules, regulations and customs of Company and such rules and regulations as may hereafter be prescribed or approved.

Section 3. That in consideration of and as compensation for the right, privilege and franchise hereby granted, the Company, its successors and assigns, shall furnish gas at such pressure and of such quality as shall be designated by lawful orders of the Public Service Commission of said State, if such gas is reasonably procurable; shall furnish to each consumer a recognized standard meter or other instrument for measurement of gas sold or computation of consumer's bills and keep same in repair at its cost, which meter shall at all times be subject to inspection by said Village; shall at all times save the Village harmless from any and all damages which said Village may be liable to pay that may arise from the construction, maintenance and operation by the Company of its plant system or any part thereof; shall limit all excavations of streets, alleys or public places to the necessity of efficient operation and shall not at any one time

open or encumber more of any highway or public place than shall be reasonably necessary to enable Company to proceed with advantage in laying or repairing mains or pipes and shall not permit such highway or public place to remain open longer than necessary for the purpose for which it was opened; shall refill all excavations and replace all pavements with like material and leave same in as good condition as when altered or removed; shall perform all work on streets, alleys and public places, under supervision of a representative of said Village, if so desired; and shall repay said Village all expense to which it has been put in the repair or replacement of streets, highways or pavements in the event such work is done by said Village after the neglect or refusal of Company to perform same in a reasonable time.

Section 4. Company shall not later than February 1 and August 1 respectively of each year, make a report to the governing board of the Village of its gross receipts from the sale of natural gas for domestic and commercial purposes within the corporate limits of said Village for the six (6) month period ending at the last meter reading preceding December 31 and June 30 respectively; and at the time of making such reports, pay into the Village treasury a sum equal to three (3%) percent of said gross receipts subsequent to the effective date of this franchise. So long as Company shall be required, by any regulatory authority having jurisdiction, to separately state the franchise tax increment of its charges for natural gas service rendered under the franchise hereby granted, the term "gross receipts" as used herein shall not include the separately stated tax increment. Said percentage of Company's gross receipts is hereby levied and assessed as an occupation and license tax (in lieu of all other occupation, license or other revenue taxes or fees) for the privilege of engaging in the business herein recited during the term hereof; and as a further consideration for this franchise, Company agrees to recognize the same as a valid tax and make said payments during such periods.

Section 5. If a majority of the Board of Trustees express their assent to the granting of said franchise, said franchise shall become effective immediately, provided that the Company shall file its written acceptance of said franchise within thirty (30) days from the date said governing body shall have declared the results of said vote.

PASSED THIS 26th DAY OF June, 2003.




Chairman of the Board of Trustees

ATTEST:



VILLAGE CLERK

APPROVED THIS 26th DAY OF June, 2003.



Chairman of the Board of Trustees

This Acceptance of Ordinance received and filed this 22nd day of August, 2003.

Francis Moray
Village Clerk

Village of Airport Drive, Missouri

ACCEPTANCE OF ORDINANCE

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

KNOW ALL MEN BY THESE PRESENTS, That Missouri Gas Energy, a division of Southern Union Company, a corporation organized and existing under the laws of the State of Delaware and Grantee named in Ordinance No. 03-4 of the Ordinances of the Village of Airport Drive, Missouri, the same being entitled:

“AN ORDINANCE granting to Missouri Gas Energy, a division of Southern Union Company, a Delaware corporation, operating a gas distribution system in the Village of Airport Drive, Missouri, its successors and assigns, a franchise to operate a natural gas distribution plant and system in said Village and relating thereto.”

hereby accepts the terms and conditions of said Ordinance and the franchise granted.

IN WITNESS WHEREOF Missouri Gas Energy, a division of Southern Union Company, has caused this instrument to be signed by its President and attested by its Vice President this 7th day of AUGUST, 2003.

MISSOURI GAS ENERGY, a division of Southern Union Company

By James H. Oglesby
James H. Oglesby
President and Chief Operating Officer

ATTEST:

Robert J. Hack
Robert J. Hack, Vice President,
Pricing and Regulatory Affairs

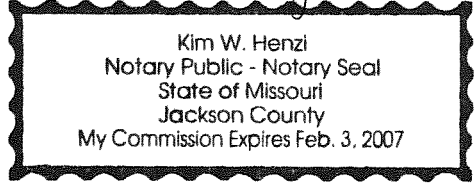
JK
RJA
8/20/03

STATE OF MISSOURI)
)
) ss.
COUNTY OF JACKSON)

BE IT REMEMBERED, that on this 7th day of AUGUST, 2003, before me, the undersigned, a Notary Public, came James H. Oglesby, President and Chief Operating Officer, and Robert J. Hack, Vice President, Pricing and Regulatory Affairs, of Missouri Gas Energy, a division of Southern Union Company, a corporation duly organized, incorporated and existing under and by virtue of the laws of the State of Delaware, who are personally known to me to be such officers, and who are personally known to me to be the same persons who executed as such officers the above and foregoing instrument of writing on behalf of said corporation, such persons duly acknowledged the execution of the same to be the act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notary seal the day and year last above written.

Kim W. Henzi
Notary Public



My Commission Expires:
Feb. 3, 2007

