P.S.C. MO. No. 1	Fifth Revised	SHEET No. 2
Canceling P.S.C. MO. No. 1	Fourth Revised	SHEET No. 2

Missouri Gas Energy,
a Division of Southern Union Company

For: All Missouri Service Areas

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DATE OF ISSUE: April 2, 2009 (month day year)   DATE EFFECTIVE: May 2, 2009 (month day year)

ISSUED BY: Michael R. Noack, Director, Pricing and Regulatory Affairs
Missouri Gas Energy Kansas City, Missouri 64111

INFRASTRUCTURE REPLACEMENT SURCHARGE (ISRS)

Description: Rate ISRS is designed to recover the costs associated with the Company's eligible infrastructure replacements in accordance with the provisions of sections 393.1009, 393.1012 and 393.1015, RSMo.

Applicability: Rate ISRS is applicable to each customer billing for service during the effectiveness of the ISRS rate element.

ISRS Rate Element: In addition to the other charges provided for in the Company's tariff, a monthly ISRS Rate Element shall be added to each bill for service on and after the effective date of the ISRS rate. The amount of the ISRS Rate Element, by customer class, is as follows:

Residential	$0.00 per month	*
Small General Service	$0.00 per month	*
Large General Service	$0.00 per month	*
Large Volume Service	$0.00 per month	*
Whiteman Air Force Base	$0.00 per month	*
Intrastate Transportation Service	$0.00 per month	*
CNG for use as a fuel in vehicles	$0.00 per month	*

* - indicates new rate

PURCHASED GAS COST ADJUSTMENT
PGA

The Deferred Purchased Gas Cost Account shall be adjusted for those revenues received by the Company for the release of pipeline transmission capacity to another party other than those revenues which are retained by the Company as described in Section IX of this schedule.

The deferred purchase gas cost account shall be adjusted for unrecovered gas billings. Gas-related costs calculated and billed to customers under this Purchased Gas Cost Adjustment, which have been recorded as uncollectible during the preceding computation year and which remain unpaid, shall adjust the cumulative total under/over recovered cost used to calculate the ACA factor.

(a) Definitions:

i. Unrecovered Gas Billings: the portion of Company's uncollectible accounts that is attributable to charges calculated under this Purchased Gas Cost Adjustment.

ii. Ratebased Gas Uncollectibles: the Company's expenses attributable to charges under this Purchased Gas Cost Adjustment clause which are included in the Account 904 balance filed in Company's most recent rate case.

(b) Annual Unrecovered Gas Billings that are greater than the Ratebased Gas Uncollectables shall be additive to the ACA.

(c) To the extent Annual Unrecovered Gas Billings are less than the Ratebased Gas Uncollectables, the difference shall be included as a credit to the ACA.

PURCHASED GAS COST ADJUSTMENT
PGA

For each month during the ACA period and for each month thereafter interest, at a simple rate equal to the prime bank lending rate (as published in the Wall Street Journal on the first business day of the following month), minus two (2) percentage points (but not less than zero) shall be credited to customers for any over-recovery of gas costs or credited to the Company for any under-recovery of gas costs. Interest shall be computed based upon the average of the accumulated beginning and ending monthly ACA account balances. The Company shall maintain detailed work-papers that provide the interest calculation on a monthly basis.

Initially, monthly interest shall be credited as described above based upon the average of the ending balance determined from the monthly ACA balance ending September 30, 2004 and the monthly ACA balance ending August 31, 2004.

For each twelve month billing period ended June 30, the differences of the cost of gas and the cost recovery comparisons as described herein, including any balance for the previous year shall be accumulated to produce a cumulative balance of over-recovered or under-recovered costs. An "Actual Cost Adjustment" (ACA) shall be computed by dividing the cumulative balance of under-recoveries or over-recoveries by the annual sales volumes set out in Section VIII of this Schedule.

This adjustment shall be rounded to the nearest $0.00001 per Ccf and applied to the billings of each applicable sales and transportation rate classification, commencing in November of each year, and shall remain in effect until superseded by subsequent ACA factors calculated according to this provision. The Company shall file any revised ACA on Sheet No. 24.3 in the same manner as all other Purchased Gas Cost Adjustments.

The current methodology for tracking and recovering gas supply costs, the application of interest on ACA balances and the treatment of natural gas transmission pipeline refunds shall be subject to regulatory review between April 1, 2005 and June 30, 2006. Thereafter, the current methodology may either continue in its present form or be revised to a former or new methodology by Order of the Commission. If the treatment of gas cost recovery, interest determination and handling of refunds described herein is revised by the Commission on or after July 1, 2006, the Company shall continue to perform calculations reflective of the PGA provisions employed during the above review period through the end of its then current ACA period.

PURCHASED GAS COST ADJUSTMENT
PGA

VIII. PGA COMPUTATION VOLUMES

The following volumes shall be used for PGA rate filings made on or after May 1, 2009.

Purchase Volumes (P):

Volumes supplied over Southern Star Central system:

TSS-M	No Notice Fee	727,626	DKT
	Reservation - FSS - Deliverability	485,084	DKT
	Reservation - FSS - Capacity	8,724,110	DKT
	Reservation - FTS - P	153,957	DKT
	Reservation - FTS - M	727,626	DKT
	Injection - FSS	16,007,772	DKT
	Withdrawal - FSS	16,007,772	DKT
	Commodity - FTS - P	16,314,745	DKT
	Commodity - FTS - M	42,626,428	DKT
FSS-M	Reservation - FSS - Deliverability	8,729	DKT
	Reservation - FSS - Capacity	169,662	DKT
	Injection - FSS	288,057	DKT
	Withdrawal - FSS	288,057	DKT
FTS-P	Reservation	96,680	DKT
	Commodity	24,973,956	DKT
	Commodity Balancing Fee	24,973,956	DKT
FTS-M	Reservation	29,652	DKT
	Commodity	1,681,006	DKT
	Commodity Balancing Fee	1,681,006	DKT
	Total Commodity – City Gate	44,006,865	DKT
	Non-Commodity Transport Fuel	1,442,353	DKT
	Total Commodity – Field	45,449,218	DKT

Volumes supplied over Trunkline system:

FT	Reservation-Winter	24,096	DKT

PURCHASED GAS COST ADJUSTMENT
PGA

Volumes supplied over Panhandle Eastern Pipe Line system:

EFT	Transmission-Market	22,062	DKT
	Transmission-Field/Market	22,062	DKT
	Reservation-Winter	23,745	DKT
	Commodity- Haven/Market	2,397,284	DKT
	Commodity- Field/Market	3,297,930	DKT
FS	Deliverability- Field	20,000	DKT
	Capacity- Field	122,650	DKT
	Commodity- Field/Storage	1,471,800	DKT
	Commodity- Storage/Market	1,471,800	DKT
	Total Commodity-City Gate	2,397,284	DKT
	Non-Commodity Transport Fuel	59,193	DKT
	Total Commodity-Field	2,456,477	DKT

Volumes supplied over Riverside Pipeline

FT	Reservation	46,332	DKT
	Total Commodity-City Gate	1,249,194	DKT
	Non-Commodity Transport Fuel	41,917	DKT
	Total Commodity-Field	1,291,111	DKT

Volumes supplied over KM Interstate

FT – Prd/Mkt	Reservation	100,000	DKT
FT – Mkt	Reservation	50,000	DKT
	Total Commodity City Gate	10,738,405	DKT
	Non-Commodity Transport Fuel	366,461	DKT
	Total Commodity-Field	11,104,866	DKT

Sales Volumes (V): 561,070,748 Ccf

RESIDENTIAL GAS SERVICE
RS

AVAILABLE

At points on the Company's existing distribution facilities located in the communities specified in the Index.

APPLICABLE

To natural gas service supplied at one point of delivery to residential customers for domestic use by the customer or by members of customer's household for nonbusiness, noncommercial or nonindustrial purposes. Such domestic use shall include space heating, water heating, cooking, air conditioning, and other household uses.

Service hereunder is not available to locations served through a master meter or to a location other than the customer's domicile.

NET MONTHLY BILL

Rate

Fixed Monthly Charge:

$29.83 per month

SMALL GENERAL GAS SERVICE
SGS

AVAILABLE

At points on the Company's existing distribution facilities located in the communities specified in the Index.

APPLICABLE

To natural gas service supplied at one point of delivery to commercial customers and industrial customers whose natural gas requirements at a single address or location do not exceed 10,000 Ccf in any one year. This rate is also applicable to U.S. Military Bases for redistribution without resale for normal domestic uses when individual housing facilities are utilized for base personnel, and where delivery of gas can be made through master metering installations for distribution through facilities provided, owned, and regularly maintained and operated by the Government.

Transportation service is not available to customers receiving service under this schedule.

SMALL GENERAL GAS SERVICE
SGS

NET MONTHLY BILL

Rate

Fixed Monthly Charge:

$41.20 per month

Standby facilities charge - When a customer requests (in writing) retention of a meter larger than what is typical for the class of service that the customer has subscribed, the Company may charge the customer the Fixed Monthly Charge commensurate with the size of meter being retained. In situations where a customer has two meters on the customer's premise, MGE may charge the customer for the higher of the two Fixed Monthly Charges commensurate with the size of the larger of the two meters being retained, but shall not bill the customer the Fixed Monthly Charges for both meters. If the customer does not agree (in writing) to pay the Fixed Monthly Charge commensurate with the larger sized meter being retained, MGE is free to remove the un-utilized meter.

Minimum

The higher of the above rate for zero consumption plus applicable adjustments and surcharges, but subject to the Company's proration rule contained in Section 7.02 of the Company's General Terms and Conditions.

LARGE GENERAL GAS SERVICE
LGS

AVAILABLE

At points on the Company's existing distribution facilities located in the communities specified in the Index.

APPLICABLE

To natural gas service supplied at one point of delivery to commercial customers and industrial customers whose natural gas requirements at a single address or location are greater than 10,000 Ccf in any one year and does not exceed 30,000 Ccf in any on month. Upon application and approval by the Company, this rate is also applicable to commercial and industrial customers whose natural gas requirements at a single address or location exceeds 30,000 Ccf in any one month of a twelve-month billing period.

This rate is also applicable to U.S. Military Bases for redistribution without resale for normal domestic uses when individual housing facilities are utilized for base personnel, and where delivery of gas can be made through master metering installations for distribution through facilities provided, owned, and regularly maintained and operated by the Government.

Transportation service is not available under this schedule.

LARGE GENERAL GAS SERVICE
LGS

NET MONTHLY BILL

Rate

Fixed Monthly Charge:

$140.00 per month

Volumetric Delivery Charge:

$0.11466 per Ccf for the first 1,800 Ccf delivered

$0.07808 per Ccf for all additional gas delivered

Standby facilities charge – When a customer requests (in writing) retention of a meter larger than what is typical for the class of service that the customer has subscribed, the Company may charge the customer the Staff's proposed Delivery Charge commensurate with the size of meter being retained. In situations where a customer has two meters on the customer's premise, MGE may charge the customer for the higher of the two Staff proposed Delivery Charges commensurate with the size of the larger of the two meters being retained, but shall not bill the customer the Staff proposed Delivery Charges for both meters. If the customer does not agree (in writing) to pay the Staff proposed Delivery Charge commensurate with the larger sized meter being retained, MGE is free to remove the un-utilized meter.

In the event that a billing cycle has usage in more than one calendar month, the volumetric delivery charge will be prorated.

Minimum

The higher of the above rate for zero consumption plus applicable adjustments and surcharges, but subject to the Company's proration rule contained in Section 7.02 of the Company's General Terms and Conditions.

Adjustments and Surcharges

The rates and minimum charges hereunder are subject to adjustments as provided in the following schedules:

1. Purchased Gas Cost Adjustment (PGA).
2. Tax Adjustment (TA).
3. Infrastructure Replacement Surcharge (ISRS)

UNMETERED GASLIGHT SERVICE
UG

AVAILABLE

At points on the Company's existing distribution facilities located in the communities specified in the Index.

APPLICABLE

To natural gas service supplied at one point of delivery to customers operating one or more outdoor gaslights where, the connection through which gas is supplied is at a distribution main or the customer's service line at a point ahead of the metering of other gas requirements.

As of May 1, 1990, no new or expanded service shall be provided under this schedule.

NET MONTHLY BILL

Rate

$ 3.68 per gaslight unit.

For the purpose of this rate, a gaslight unit shall consist of a standard single mantle, or a pair of smaller mantles, and is assumed to require 15 Ccf of natural gas per month.

Adjustments and Surcharges

The rates hereunder are subject to adjustments as provided in the following schedules:

1. Purchased Gas Cost Adjustment (PGA).
2. Tax Adjustment (TA).

LARGE VOLUME SERVICE
LV

AVAILABLE

At points on the Company's existing distribution facilities located in the communities specified in the Index.

APPLICABLE

To natural gas service supplied to commercial and industrial customers whose natural gas requirements at a single address or location the Company expects will exceed 15,000 Ccf in any one month of a 12-month billing period. Service to such customers shall be subject to a contract between the customer and the Company, in the form of Sheet Nos., 50 through 53, as applicable, unless otherwise authorized by state law.

Customers receiving service under this schedule whose maximum monthly requirement at a single address or location has exceeded 15,000 Ccf during the most recent 12 month period ended February, or the Company expects will exceed 15,000 Ccf in the following contract year will retain their eligibility for this rate for the following contract year beginning November 1. Any customer failing to meet this requirement shall become ineligible for this rate at the end of the current contract year and will be served under the applicable rate schedule for such reduced requirement until such time as the customer may re-qualify for service hereunder in accordance with the above paragraph.

For purposes of this schedule, a single address or location is defined as the customer's contiguous premises, including streets, alleys and other rights of way, within an area completely surrounded by property owned by others.

When more than one meter is set at a single address or location for the customer's convenience, an LVS customer charge shall be assessed for each of the first two meters. For each such remaining installed meter, the Fixed Monthly Charge will be $258.11. Gas delivered through all meters set at a single address or location will be aggregated for the purpose of calculating the monthly sales or transportation charges.

LARGE VOLUME SERVICE
LV

NET MONTHLY BILL

The bill for each billing period shall be the sum of the Customer Charge, the Delivery Charge, the Contract Demand Charge, and the EGM Charge. Service hereunder is subject to the Purchased Gas Cost Adjustment (PGA) schedule, the Tax Adjustment (TA) schedule and other provisions as hereinafter described.

Rate

Fixed Monthly Charge: $904.57 per month

Volumetric Delivery Charge:

$ 0.04361 per Ccf for the first 30,000 Ccf delivered, plus
$ 0.03261 per Ccf for all additional gas delivered.

Contract Demand Charge: The Contract Demand rate as set forth in the Purchased Gas Adjustment schedule Sheet 24.3.

Maximum Delivery Charge: The delivery charge as stated above.

Minimum delivery Charge: The higher of the above rate for zero consumption plus applicable adjustments and surcharges, or the minimum as set forth by contract, but subject to the Company's proration rule contained in Section 7.02 of the Company's General Terms and Conditions. In no event may the minimum delivery charge be below an amount equivalent to:

Basic service charge plus $0.0005 per Ccf.

SCHOOL TRANSPORTATION PROGRAM
ESTP

This program is established pursuant to section 393.310 RSMo.

AVAILABLE

Available to any seven-director, urban or metropolitan school district as defined pursuant to section 160.011, RSMo. And also available to any school for elementary or secondary education whether a charter, private or parochial school or school district. Such eligible school entities purchasing gas on an aggregated basis through a not-for-profit school association may enroll in this transportation program as provided hereinafter.

NET MONTHLY BILL

The bill for each billing period shall be the sum of the Customer Charge, the Commodity Charge, the Aggregation Fee, the Balancing Fee (if applicable), and the EGM Charge (if applicable). Service hereunder is subject to the Tax Adjustment (TA) schedule and other provisions as hereinafter described.

Customer Charge and Commodity Charge

The Customer Charge and the Commodity Charge shall be those applicable based upon the class of service under which the eligible school entity took service immediately prior to enrolling in the school transportation program; provided that changes in usage volumes while enrolled in the school transportation program shall result in a change in class of service (and rates) as provided in the applicable rate schedules of this tariff.

SCHOOL TRANSPORTATION PROGRAM
ESTP

In the event that a billing cycle has usage in more than one calendar month, the Commodity Charge will be prorated.

Aggregation Fee

An eligible school entity enrolled in the ESTP shall be assessed an Aggregation Fee of $0.003 per Ccf for all gas delivered. This fee is subject to adjustment on an annual basis.

Balancing Fee

An eligible school entity enrolled in the ESTP shall be assessed a Balancing Fee of $0.001 per Ccf for all gas delivered through any meter on which EGM equipment is not installed. This fee is intended to recover costs for such customers associated with any difference between actual daily deliveries and actual daily consumption. This fee shall be credited to the Purchased Gas Adjustment Clause and is subject to adjustment on an annual basis.

Reporting Requirements

The Company shall, no later than June 1st of each year of the ESTP, provide records of the revenues and expenses associated with the ESTP. These records shall be provided to the Staff of the Missouri Public Service Commission and the Office of the Public Counsel and shall be categorized in sufficient detail to permit the PSC Staff and Office of the Public Counsel to determine what under-or-over recovery of expenses may be taking place at that time and to determine what changes in rates, if any, may be appropriate at that time to prevent any harm to the groups identified in RSMo section 393.310. The Commission may, no later than November 1st of each year of the experimental program, implement any adjustments in rates it deems appropriate to comply with RSMO section 393.310. The Company reserves all rights available under the law.

EGM

An eligible school entity enrolled in the ESTP shall be required to have EGM equipment installed for individual meters reasonably expected to register more than 100,000 Ccf of usage per year. The terms and conditions governing the installation of such EGM equipment are found in Sheet Nos. 70, 71 and 71.1.

Minimum

The sum of the above fees and charges for zero consumption plus applicable adjustments and surcharges, but subject to the Company's proration rule contained in Section 7.02 of the Company's General Terms and Conditions.

SCHOOL TRANSPORTATION PROGRAM
ESTP

Adjustments and Surcharges

The rates and charges hereunder are subject to adjustments as provided in the following schedules:

1. Tax Adjustment (TA).

OTHER TERMS AND CONDITIONS

Service hereunder is also subject to the following terms and conditions as approved by the Commission:

1. Gross Receipts Taxes--To enroll in the ESTP, an eligible school entity must agree to pay local gross receipts taxes, or local franchise taxes, or other similar local fees or taxes, on the basis of actual gas supply costs in a manner similar to the way such taxes would be paid if service were not taken under the ESTP but as traditional sales service under rate schedules SGS, LGS or LVS. It shall be the responsibility of the school aggregator or administrator to make the tax payments directly to the appropriate taxing authority.
2. Contract--To enroll in the ESTP, an eligible school entity shall execute and provide to the Company the contract contained in Sheet Nos. 58.1 through 58.4.
3. Billing through Designated Agent--Billing of charges will occur through the not-for-profit association, or its designated agent. The company will render bills to the not-for-profit school association, or its designated agent, which shall in turn render bills to the participating individual eligible school entities.
4. Capacity Release--The Company shall release interstate pipeline capacity to the not-for-profit school association or its designated agent for a cost equal to the company's system-wide average interstate transportation cost. All capacity release revenue received pursuant to this provision from the not-for-profit school association or its designated agent will be credited to the Company's PGA account. The Company shall determine the amount of capacity needed to be released based on the participating eligible school entities' total peak month with an assumed peak day requirement equal to 150% of the average daily consumption during such peak month. The Company will release up to 4,500 MMbtu/day of pipeline capacity on the Southern Star Gas Pipeline Central System. If the price of the Southern Star capacity is below the Company's system-wide average interstate transportation cost, the not-for-profit school association or its designated agent shall also purchase capacity on the Enbridge Pipeline Company System in sufficient quantity to raise the overall average price for released capacity to the level of the system-wide average. Any additional capacity which is needed will be made available on the Enbridge Pipeline Company System at the Company's system wide average interstate transportation cost.

SCHOOL TRANSPORTATION PROGRAM
ESTP

5. Delivery Points--So long as volumes delivered under the ESTP do not, and are not reasonably expected to, exceed 30,000,000 Ccf in a twelve (12) month period, volumes of natural gas to be transported on the Company's distribution system under this schedule ESTP shall be delivered into the Company's Kansas City market area and the Company will deliver such thermally equivalent volumes of gas less any retainages to the outlet side of the Company's meters at customer's premises. The gas retained by the Company shall be two percent of the volume delivered to the Company for transportation to the customer as compensation for Company's lost and unaccounted for and Company use gas. Gas transported hereunder will be delivered to the Company in the state in which it will ultimately by consumed.
6. Nominations—The usage of eligible school entities enrolled in the ESTP may be aggregated into pools for purposes of nominations, balancing, assessment of unauthorized use charges and billing. Eligible school entities enrolled in the ESTP with EGM shall not be pooled with eligible school entities enrolled in the ESTP without EGM. All members of a pool shall be on the same billing cycle.

   Prior to the commencement of deliveries of gas hereunder, the transporting pipeline shall notify Company of the pool's daily nomination of MMBTUs to be transported. Should the pool's daily requirement for transportation volumes change, the transporting pipeline shall be notified of its new nomination level 24 hours prior to making any such change. The transporting pipeline company will notify Company of any such nomination change.

   For purposes of coordinating nominations, confirmations, scheduling, and delivery of volumes with the transporting pipeline (s), Company may at its sole discretion, communicate customers' daily usage information and/or grant electronic access to such information as requested by transporting pipelines.

SCHOOL TRANSPORTATION PROGRAM
ESTP

The transporting pool shall, at all times, cause gas to be delivered to a "city gate" (an interconnection point between the delivering upstream pipeline system and the Company's local distribution system over which the gas is being delivered to the customer's facilities where it is to be ultimately consumed) which is acceptable to the Company.

The Company will not accept gas from a pool where such pool causes gas to be delivered at a city gate location which could jeopardize, at any time, delivery of gas purchased by the Company for resale to its firm customers.

The Company shall retain all records associated with its decision to deny a pool transportation service and/or to deny service at any specific city gate interconnection point. The Company will provide an explanation of its decision and supporting documentation to the pool, or its designated agent, upon request. The Company will also provide pertinent records to the staff of the Missouri Public Service Commission and the Office of Public Counsel upon request, subject to claims of privilege.

7. Refunds--Except for the Balancing Fee as provided hereinabove, it is the Company's general intention that reconciling factors within the Purchased Gas Adjustment clause not apply to volumes transported under the ESTP; provided, however, that the Commission shall retain authority to order otherwise upon good cause shown.

8. General Transportation Provisions--The following Transportation Provisions (TRPR) also apply to service under this schedule ESTP:
   a. Responsibility for Transported Gas (Sheet No. 59)
   b. Daily Quantity (Sheet No. 60);
   c. Quality, Heat Content and Delivery Pressure for Transportation (Sheet Nos. 60a, 61 and 61.1);
   d. Cash Out (Sheet 61.1 and 61.2)
   e. Priority of Service (Sheet Nos. 61.4, 62 and 63);
   f. Unauthorized Deliveries and Penalties (Sheet Nos. 64, 65 and 66)

SCHOOL TRANSPORTATION PROGRAM
ESTP

CONTRACT FOR SCHOOL TRANSPORTATION PROGRAM

THIS AGREEMENT, made this _____ day of ____________, _____, between **MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY**, hereinafter referred to as "Company", and ___________________________, hereinafter referred to as "Customer".

WITNESSETH: That Company owns and operates facilities for the distribution, sale and transportation of natural gas and Customer desires to transport gas purchased through a not-for-profit school association through Company's distribution facilities.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereof, Company and Customer have agreed and do hereby covenant and agree each with the other as follows, to wit:

1. Subject to all the terms and conditions of this Contract, Company agrees to transport for and Customer agrees to transport through Company, natural gas for use at its facility at _________________________, Company account number ___________________, at the rates and charges due and payable pursuant to the Company's applicable Gas Rate Schedule **ESTP**, the provisions of which are hereby incorporated by reference, and upon the terms and conditions set forth in such Rate Schedule and in the Company's "General Terms and Conditions for Gas Service," all as now on file with the regulatory authority having jurisdiction herein, and as amended, reissued and made effective from time to time as provided by law. Company shall provide a copy of "General Terms and Conditions" upon request.

2. Customer shall receive transportation service from Company at its existing facility located at ______________________________ from ________________________ delivery location _________________________, or as may otherwise be subsequently agreed by the parties hereto. Customer may have various accounts that qualify for transportation as a single location and elect to have Company transport natural gas in accordance with tariffs filed by Company with the regulatory authority having jurisdiction. In that event, the service address, account number and rate schedule of each account to receive transportation shall be as follows:

SCHOOL TRANSPORTATION PROGRAM
ESTP

SERVICE ADDRESS **ACCOUNT NO.** **RATE**

____________________ __________ _____

3. Customer agrees to pay local gross receipts taxes, or local franchise taxes, or other similar local fees or taxes, in a manner similar to the way such taxes would be paid if gas service were not taken under the school transportation program.

4. Customer understands and agrees that billing for gas service under the school transportation program will occur through the not-for-profit school association, or its designated agent. Customer understands and agrees that it remains responsible for charges for gas service taken under the school transportation program. The name of the not-for-profit school association through which customer is purchasing its natural gas supplies to be transported over the Company's facilities under this school transportation program is:

____.
Customer hereby authorizes the above-named not-for-profit school association, or its designated agent, with usage and account information as necessary to administer gas service under the school transportation program.

5. Should Company be requested by Customer to install new facilities in order to provide deliveries hereunder or to expand its existing facilities, the special conditions under which such investment will be recovered from Customer are as set forth in a "Special Conditions Amendment" to be attached when applicable.

6. This Contract shall continue from the date of execution through the next October 31. This contract shall continue thereafter from year to year until terminated by either party giving written notice at least 180 days prior to the November 1st renewal date, provided however, Company may terminate or suspend its obligations under this Contract as provided for in its General Terms and Conditions.

SCHOOL TRANSPORTATION PROGRAM
ESTP

7. Nothing contained herein shall be construed as affecting in any way the right of Company to unilaterally make application for a change in its rates or General Terms and Conditions to the regulatory authority having jurisdiction; provided customer shall have the right to protest any changes.

8. This Contract, and the rates and service hereunder, shall be subject to regulation by the regulatory authority having jurisdiction; to all applicable present and future state and federal laws; and to all rules, regulation, and orders of any other regulatory authority having jurisdiction of the subject mater or either of the parties hereto.

9. Company shall use reasonable diligence to provide a regular supply of natural gas subject to the priority of service provisions and other terms of Company's filed tariffs, but does not guarantee such supply. Company does not assume responsibility for interruption of service, whether caused by inadequacy of supply, equipment, facilities or because of uncontrollable forces, except when such interruption is the result of reckless, willful or wanton acts of Company, its agents or employees.

10. The provisions of this Contract shall not be changed except in writing duly signed by Company and Customer; however, the contract is subject to valid orders of legally constituted regulatory bodies having jurisdiction of the Company's rates.

11. No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Contract shall operate or be construed as a waiver of any future defaults, whether or a like or of a different character.

12. This contract shall inure to the benefit of and be binding upon the parties hereto, their respective successors and assigns.

13. This Contract sets forth the only agreements between the Company and Customer and all prior agreements, contracts or other mutual understandings whether oral or in writing shall be considered canceled as of the date of this Contract.

SCHOOL TRANSPORTATION PROGRAM
ESTP

IN WITNESS WHEREOF, the parties hereto have executed this Contract in duplicate the day and year first above.

____

____

MISSOURI GAS ENERGY, A DIVISION OF SOUTHERN UNION COMPANY

By ______________________________

By ______________________________

Attest: ______________________________

Attest: ______________________________

____
Legal Department Approval

TRANSPORTATION PROVISIONS
TRPR

A. REQUIREMENTS FOR TRANSPORTATION SERVICE: The provisions of this schedule apply to the transportation service provided to customers qualified to receive such service, in accordance with the Company's applicable rate schedules.

(1) Company's Responsibility:

(a) Company shall deliver to a customer, volumes of gas which are thermally equivalent to the volumes of gas received each day for the customer at a receipt point, less any amount retained by Company according to Section 7, Retainage.

(b) Company shall confirm on each Gas Day, Customer daily nominations in line with customer usage and history. Company may confirm and lower nominations to meet this requirement.

(c) Metering: Actual usage shall be provided by electronic gas measurement (EGM) equipment installed and maintained by the company. If Company is unable to obtain data from a customer's EGM device, the customer's usage shall be determined by actual meter reads or in the event an actual meter read is not available, customer usage shall be estimated from historical usage.

(2) Customer's Responsibility: A customer, by taking service under a transportation service rate schedule, warrants and agrees that:

(a) Gas delivered to the Company for transport shall be free from all adverse claims, liens and encumbrances and shall indemnify and save the Company harmless from and against all suits, actions, causes of action, claims and demands, including attorneys' fees and costs, arising from or out of any adverse claims by third parties claiming ownership of or an interest in said gas, caused by the failure to provide clear title to the gas,

(b) Company shall not be responsible in any way for damages or claims relating to the customer's gas or the facilities of the customer or others containing such gas prior to receipt into Company's facilities or after delivery to the customer, and

(c) Customer will nominate for each Gas Day and deliver to the Company: 1) a daily volume of gas (adjusted for retainage) thermally equivalent to the daily volume of gas and delivered by the Company to the customer and 2) correction of the customer's out-of-balance condition existing for the preceding gas days.

(d) Customer shall communicate with Company changes in usage which significantly affect daily or monthly imbalances.

(e) The customer's gas shall at all times remain vested in the customer.

(3) Customer's Agent: Agents shall be allowed to deliver gas to Company's system for a transportation service customer.

(a) Agent's Responsibilities: An agent arranging for delivery of gas for a transportation service customer must receive Company authorization prior to delivering gas to Company's system. Agents shall obtain Company authorization to aggregate balancing as described in Section A-4 Aggregation by entering into a signed agreement with Company, which shall acknowledge the agent's responsibilities under Section A-10 Cash Out and Section B-6 Penalties for Unauthorized Usage.

(b) Affidavit: A customer to be represented by an agent must provide Company with an affidavit identifying its agent. This authorization shall be in a form provided by the Company and shall remain in effect until a signed replacement is received by Company.

(c) Billing: Company may accept payment from the customer's agent; however, the customer shall continue to be responsible for all charges on the account. In the event of any billing dispute, Company shall notify the customer directly and shall not be required to notify the customer's agent.

(4) Aggregation: In accordance with the Aggregation Agreement provided by the Company, customers' agents shall aggregate their customers' usages for purposes of nominating and balancing transportation receipts on the same pipeline.

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(a) Aggregation Groups (Pools): An agent shall establish its customers within each aggregation area into a pool or pools. Customers may not belong to more than one pool.

(b) Changes to Pools: Company must receive changes to pools, in writing, no later than the 15th day of the month preceding the month requiring the change. Changes shall become effective on the first day of the following month except that pools shall be as designated prior to the first effective day of an OFO, POC or PODB. In the event an OFO, POC or PODB overlaps the end of one month and the beginning of another, no changes to pools will become effective until the first day of the month following.

(5) Monthly Imbalances: The agent selecting pooling or individual customers shall be responsible for managing daily nominations and daily usage and for the settlement of the monthly imbalance according to Section A-10, Cash Out.

(6) Nominations: A transportation service customer or the customer's agent shall be responsible for nominating daily volumes of gas in accordance with Section A-2 to be received by Company at receipt points in order to manage the customer's daily thermal balancing requirement for flowing gas plus retainage.

(7) Retainage: The gas retained by the Company shall be two percent of the volume delivered to the Company for transportation to the customer as compensation for Company's lost and unaccounted for and Company use gas; provided however, that upon agreement of the Company and customer in situations where actual lost and unaccounted for gas attributable to facilities serving the customer may be measured accurately, such actual measurement may be used in lieu of the two percent retainage otherwise provided in this subsection.

(8) Daily Quantity of Transportation Service Gas: The customer will, as nearly as practicable, have delivered daily to the Company receipt point, and shall daily take redelivery from Company at the same uniform rate. Variations in such deliveries nominations, receipts or redeliveries which cause imbalances or cause the Company operating problems of any kind shall give the Company the right to curtail or discontinue receipts of such gas until such variations are corrected.

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(9) Quality and Pressure of Transportation Service Gas: The gas delivered by a producer, supplier or pipeline to the Company's receipt point for transportation to the customer shall conform to the standards prescribed in the Company's applicable rate schedules and General Terms and Conditions and shall at all times be merchantable gas of a quality otherwise required for the system of the Company to which the gas is being delivered. Such gas shall be free from any foreign materials such as dirt, dust, gums, iron particles, water, entrained liquids, and other impurities which might render it unmerchantable or interfere with the proper operation of pipelines, meters, regulators or other facilities through which it flows or is. Company may refuse to receive gas not meeting the quality requirements of Section A-9-a Specifications. Acceptance by the Company of any gas not meeting the applicable quality requirements shall not obligate the Company to continue such receipts, nor shall it remove the customer's obligation to deliver gas meeting those specifications:

(a) Specifications: Unless stated otherwise in specific agreements, gas shall conform to the following specifications:

(i) It shall not contain more than one (1) grain of hydrogen sulfide per 100 cubic feet, nor more

(ii) than twenty (20) grains of total sulphur per 100 cubic feet,

(iii) Its temperature shall not exceed 70° Fahrenheit

(iv) It shall not contain more than seven (7) pounds of water vapor per 10,000 Ccf,

(v) It shall not contain more than 2% carbon dioxide by volume, nor more than 1% oxygen by volume,

(vi) Its Btu content shall be no less than that normally provided or currently flowing from interconnected pipelines, nor less than as provided for in an existing contract for Company's gas from that source.

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(b) Determination of Quality: If the customer or customer's agent contracts for the purchase of gas from a producer or pipeline who is not currently delivering gas to the Company and such gas is to be delivered directly into Company facilities, the customer will bear all expense connected with the determination of the quality of gas being delivered and any required interconnections. However, the Company's obligation to transport such gas is also contingent upon the execution of an agreement between the Company and such producer or pipeline which the Company shall not unreasonably withhold setting forth the terms of interconnection, quality standards, and the respective rights of the Company and such producer or pipeline in connection with deliveries of such gas.

(c) Heat Content: The heat content of the gas delivered to the customer by the Company shall be the heat content available in its system at the particular point of delivery at the time of delivery. It is recognized that the heat content at the various delivery points will vary from point to point and from time to time and nothing herein contained shall be construed as obligating the Company to alter the usual operation of its facilities to achieve deliveries of a prescribed heating value at any point or points.

(d) Measuring Heat Content of Gas Received: The heat content of the gas delivered to the Company shall be the heat content stated in BTU per cubic foot of all gas received from transporting pipeline(s) into the distribution system.

(e) Measuring Heat Content of Gas Delivered: On Company's distribution systems served by a single transporting pipeline, the heat content of natural gas stated in BTU per cubic foot shall be the heat content of the gas delivered by the transporting pipeline. For customers transporting gas in distribution systems served by multiple pipelines, the heat content of gas delivered to customers shall be calculated utilizing the BTU per cubic foot for each transporting pipeline multiplied by a pro rate share of the total gas delivered to the distribution system.

(f) Additional Equipment for Measuring Heat Rate: If additional BTU measurement is required by the Company or the customer, the Company shall determine the type and location of such measurement equipment and cause the same to be installed at the customer's sole expense. For customers requesting the installation of BTU

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measurement equipment hereunder, thermal balancing shall be performed on the basis of such measurement for a minimum period of twelve consecutive months following such installation. In all cases where BTU measurement devices requiring periodic or continuous sampling of the gas are to be installed, the customer shall pay the Company a monthly charge reasonably calculated to reimburse the Company for its operating expenses related to such sampling as well as other expenses incurred to measure and account for the heat content of the gas.

(g) Delivery Pressure of Transportation Service Gas: Delivery pressures to customers shall be mutually agreed upon from time to time and shall take into account system capacity, customer requirements, and other pertinent factors.

(10) Cash Out: Volumes of gas delivered to a transportation service customer should, to the extent practicable, match Company's receipts for the customer less any amount retained by Company according to Section A-7, Retainage. Agents shall balance the aggregated volumes of gas for each pool of customers they represent, according to the terms of Section A-4, Aggregation. Cash Out will provide for a zero imbalance at the close of the month. Any imbalance volumes in any given month will not be carried forward to a future month nor will any imbalance volume in a pool have access to another pool for pool swaps and balancing.

(a) Monthly Cash Out: Differences between deliveries and retainage-adjusted receipts shall be reconciled on a monthly basis between Company and a customer or the customer's agent. Cash Out volumes are inclusive of all monthly nomination and usage volumes including all volumes subject to OFO, POC or PODB penalties.

(i) (Under-nominated Receipts)
If Company's retainage-adjusted receipts (nomination) for the customer are less than deliveries (usage) to the customer (Under-nominated), the customer or the customer's agent shall pay:

1.00 times the Under-nominated Cash Out Price for each MMbtu of imbalance up to and including 5% of usage, plus

1.20 times the Under-nominated Cash Out Price for each MMbtu of imbalance which is greater than 5%, up to and including 10% of usage, plus

1.40 times the Under-nominated Cash Out Price for each MMbtu of imbalance which is greater than 10% of usage, plus

The firm transportation charges included in the current PGA rate to bring the gas to the Company's system.

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(i)(a) Under-nominated Cash Out Price
The Cash Out Price for an under-nominated imbalance shall be the higher of the index price for the business month or the index price of the month immediately following the business month.

(ii) (Over-nominated receipts)
If Company's retainage-adjusted receipts (nomination) for the customer exceed deliveries (usage) to the customer (Over-nominated), the customer or the customer's agent shall receive:

1.0 times the Over-nominated Cash Out Price for each MMbtu of imbalance up to and including 5%, of usage, plus

0.8 times the Over-nominated Cash Out Price for each MMbtu of imbalance which is greater than 5%, of usage, up to and including 10%, plus

0.6 times the Over-nominated Cash Out Price for each MMbtu of imbalance which is greater than 10%, of usage.

(ii)(a) Over-nominated Cash Out Price
The Cash Out Price for an over-nominated imbalance shall be the lower of the index price for the business month or the index price of the month immediately following the business month.

(b) Index Price: The index price shall be determined as the arithmetic average of the first-of-the-month index prices published in Inside F.E.R.C.'s Gas Market Report for

Southern Star Central Gas Pipeline, Inc. f/k/a Williams Gas Pipeline Central Inc. (Texas, Kansas, Oklahoma) (If Inside FERC's Gas Market Report does not publish an index price for Southern Star, then the alternate index price approved by FERC for use by Southern Star Central will be substituted.)
And Panhandle Eastern Pipe Line Company (Texas and Oklahoma)

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(11) Limitations: If the Company's system capacity is inadequate to meet all of its other demands for sales and transportation service, the services supplied under this schedule may be curtailed in accordance with the Priority of Service rules in the Company's General Terms and Conditions. If a supply deficiency occurs in the volume of gas available to the Company for resale, and the customer's supply delivered to the Company for transportation continues to be available, then the customer may continue to receive full transportation service even though sales gas of the same or higher priority is being curtailed. The determination of system capacity limitations shall be in the sole discretion of the Company reasonably exercised. If capacity limitations restrict the volume of gas which the customer desires to be transported, the customer may request the Company to make reasonable enlargements in its existing facilities, which requests the Company shall not unreasonably refuse, provided that the actual cost (including indirect costs) of such system enlargements are borne by the customer. Title to such expanded facilities shall be and remain in the Company free and clear of any lien or equity by the customer. Nothing herein contained shall be construed as obligating the Company to construct any extensions of its facilities.

(12) Limitation of Transportation Service and Other Charges: Transportation shall be available on pipelines and receipt points designated by the Company. Company has gas transportation supply and pipeline transportation contracts, tariffs and schedules under which the Company obtains its gas supplies. Any conditions or limitations on supply and transportation by the Company imposed by such contracts, tariffs and schedules shall be applicable to service hereunder. In the event that this transportation service causes the incurrence of demand charges, standby charges, reservation charges, penalties or like charges from the Company's gas suppliers or transporters, which charges are in addition to charges for gas actually received by the Company, such charges shall be billed to the customer in addition to amounts for service rendered hereunder.

(13) Third Party Metering: When the gas delivered to the Company for transportation to the customer is delivered through meters which are not owned and/or operated by the Company or the customer, customer's agent(s) or supplier(s) shall, at the earliest practicable time, but not later than the last day of each month, furnish the Company a statement showing the amount of gas in Ccf or MMBTU per day delivered for the customer's account to the Company during the billing period. The customer, upon request, shall furnish to the Company all charts, or satisfactory copies thereof, or other documentation in the case of electronic metering, upon which the statements provided for above were based. Any original charts

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furnished shall be returned within thirty days. By accepting natural gas transported hereunder, the customer agrees to maintain records of the volumes of transportation gas delivered to the Company on its account and to permit the Company to inspect such records upon request during the customer's regular business hours.

B. PRIORITY OF SERVICE

(1) Notice: Notice of critical use periods, Operational Flow Orders, Periods of Curtailment and Periods of Daily Balancing shall be provided as far in advance as practicable and may be changed by Company as conditions warrant. Notice shall be given to each affected customer by telephone or in writing, including facsimile and, with the customer's agreement, electronic mail. Notification of the customer's agent shall fulfill the requirement of this paragraph. During emergency situations, Company may use commercial radio and/or television to notify customers.

(2) Operational Flow Orders: Company may issue an Operational Flow Order (OFO) whenever necessary to instruct all customers or agents on a given pipeline segment, on a distribution system or any portion thereof or any individual agent or customer to control their usage to avoid either Under-Deliveries or Over-Deliveries. The Company will specify in the OFO whether customers or agents are required to avoid Under-Deliveries, Over-Deliveries, or both.

(a) Standard OFO: A Standard OFO shall require the customer to take, on a date and time specified by the company, preemptive or preventive actions and/or measures in order to address large daily imbalances, to neutralize or reduce threats to, or to otherwise preserve the integrity of all or a portion of Company's system, or to insure compliance with the requirements of upstream pipeline companies.

(b) Emergency OFO: An Emergency OFO shall require the customer to take immediate actions and/or measures in order to neutralize or reduce threats to, or to otherwise preserve the integrity of all or a portion of Company's system, or to insure compliance with the requirements of upstream pipeline companies.

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(c) Authorized Usage: A transportation service customer's authorized usage during an OFO shall be equal to that customer's daily retainage-adjusted confirmed nomination.

(d) Interrupted Supply: On any day, a transportation service customer's supply is partially or totally interrupted for any reason, that customer's authorized usage shall be limited to the retainage-adjusted confirmed nomination being delivered to Company on behalf of that customer.

(e) Curtailment of Transportation Service: A transportation service customer shall not be required to curtail as long as the customer's gas is delivered to Company's delivery system and the Company's system capacity is adequate to meet all of its other demands for sales and transportation service as provided in Section A-11, Limitations.

(3) Period of Curtailment: Consistent with the provisions of Section A-11, Limitations, curtailment may be initiated due to a supply deficiency or limitation of pipeline capacity or a combination of both. Company may require its sales service and transportation service customers to limit, in whole or in part, their use of Company's facilities during a Period of Curtailment (POC), taking into consideration priority of use or other factors it deems necessary to ensure public health and safety.

(a) Authorized Usage: Company shall, at its sole discretion, authorize customers a daily usage level which is appropriate to the conditions of the POC.

(b) Curtailment Priority: Curtailment shall first apply to the lowest priority category (Category Three) and successively to each higher priority category as required. The categories to be used by Company to allocate available service, listed from highest to lowest priority, are:

(i) For an MGE Sales Service Supply Deficiency

(a) Category 1.
Sales service to residential customers, public housing authorities, public schools, hospitals, and other human needs customers receiving firm sales service from the Company

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(b) Category 2.
Commercial sales service

(c) Category 3.
Industrial sales service

(ii) For an MGE Distribution System Capacity Deficiency

(a) Category 1.
Sales or transportation service to residential customers, public housing authorities, public schools, hospitals, and other human needs customers receiving firm sales service from the Company

(b) Category 2.
Commercial sales service and commercial transportation service

(c) Category 3.
Industrial sales service and industrial transportation service

(c) Exception to Curtailment Priority: Company may curtail customers in higher priority categories before curtailing customers in lower priority categories only if curtailing lower priority category customers would not be useful in maintaining deliveries to the higher priority customers.

(d) Allocation of Partial Capacity: Should partial service only be available to an affected category, deliveries to individual customers shall be limited to the customer's pro rata share of available supply, such allocation to be based on the ratio of the customer's requirements in the category for which partial service is available to the aggregate requirements of all the Company's customers in the same category.

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(e) Emergency Usage during POCs: A customer may request to use gas above authorized levels forestall irreparable injury to life or property. Requests by telephone shall be followed immediately by a written request. Written requests shall state the nature, cause, and expected duration of the emergency and may be submitted by facsimile (fax) transmission. The customer must act to eliminate the cause of the emergency as soon as practicable. The charge for usage above authorized levels shall be determined the highest daily price reported in Gas Daily for the day of flow.

(4) Periods of Daily Balancing:Company may declare a PODB whenever necessary to insure that deliveries to its transportation customers do not exceed their retainage adjusted confirmed nominations at each receipt point.

(a) Company may issue a PODB to all customers and agents or to any customer or agent at a delivery point.

(b) Authorized Usage during PODB
A transportation service customer's authorized usage during a PODB shall be equal to that customer's daily retainage-adjusted confirmed nomination for each delivery point.

(5) Unauthorized Deliveries: Over-Deliveries and/or Under-Deliveries which vary from customer's authorized usage level under an OFO, during a POC or PODB, shall be subject to the penalties described in Section B-6 Penalties for Unauthorized Usage.

(a) Individual Customers: Unauthorized Deliveries for individually balanced customers shall be calculated by comparing each customer's retainage-adjusted confirmed nominations with each day's actual usage less contract demand.

(b) Pools: Unauthorized Deliveries for pools subject to aggregated balancing as defined under Section A-4 Aggregation, shall be calculated by comparing the group members' total retainage-adjusted confirmed nominations with their total actual usage each day less contract demand.

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(c) Meter Reading: Actual usage during an OFO POC or PODB shall normally be provided by electronic gas measurement (EGM) equipment. If Company is unable to obtain data from a customer's EGM device, the customer's usage shall be determined by actual meter reads.

(d) Refusal to Comply: Company may disconnect from its system or refuse to accept the nomination of a customer which endangers system stability and/or safety by continuing to incur Unauthorized Deliveries.

(6) Penalties for Unauthorized Usage: A customer or pool's unauthorized usage under an OFO, during a POC or a PODB shall cause the incurrence of penalties. All revenues received from unauthorized use charges will be considered as gas cost recovery and will be used in the development of the gas cost recovery amount during the ACA audit as set forth in the Purchased Gas Adjustment schedule (PGA).

(a) Tolerance Levels: Penalties shall be assessed:

(i) During an OFO, POC or PODB, when Unauthorized Over-Deliveries to EGM meters exceed 5% of Authorized Usage.

(ii) During an OFO, when Unauthorized Under-Deliveries to EGM meters exceed 5% of Authorized Usage.

(b) Penalties during POCs and PODBs shall be:

(i) The greater of $10 or 5 times the daily midpoint stated on Gas Daily's *Daily Price Survey* for Southern Star Central Gas Pipeline (Oklahoma) for each day of the POC or PODB, and for each MMbtu of Unauthorized Over Delivery that exceeds the Tolerance Levels set in Section B-6-a Tolerance Levels but is no greater than 10% of the Authorized Usage for the customer or the aggregated balancing group, and

TRANSPORTATION PROVISIONS
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(ii) The greater of $20 or 10 times the daily midpoint stated on Gas Daily's Daily Price Survey for Southern Star Central Gas Pipeline (Oklahoma) for each day of the POC or PODB, and for each MMbtu of Unauthorized Over Delivery in excess of 10% of the Authorized Usage for the customer or the aggregated balancing group.

(c) Penalties during OFOs: Penalties for Unauthorized Over-deliveries or Under-deliveries shall be calculated as follows:

(i) Standard OFO Penalties: For each day of the Standard OFO, the greater of $5 or 2½ times the daily midpoint stated on Gas Daily's *Daily Price Survey* for Southern Star Central Gas Pipeline (Oklahoma) times the MMBtu of Unauthorized Over-deliveries or Under-deliveries that exceed the tolerance level applicable under Section B-6-a Tolerance Levels.

(ii) POC and Emergency OFO Penalties: For each day of the POC or Emergency OFO, the greater of $10 or 5 times the daily midpoint stated on Gas Daily's *Daily Price Survey* for Southern Star Central Gas Pipeline (Oklahoma) times the MMBtu of Unauthorized Over-Deliveries or Under-deliveries that exceed the tolerance level applicable under Section B-6-a Tolerance Levels.

(d) Responsibility for Payment: Unauthorized Over- or Under-Delivery Penalties for individually balanced customers shall be billed to and collected from the applicable customer. Unauthorized Over- or Under-Delivery Penalties for pools shall be billed to and collected from the agent representing the aggregated customers. Customers will continue to have ultimate responsibility for all charges on the account.

(7) Relief from Liability: Company shall be relieved of all liabilities, penalties, charges, payments, and claims of whatever kind, contractual or otherwise, resulting from or arising out of Company's failure to deliver all or any portion of the volumes of gas desired by a customer or group of customers during an OFO, POC or PODB. In the event of a POC, Company's relief shall apply if curtailment is according to these General Terms and Conditions or any other orders or directives of duly constituted authorities including, but not limited to, the Missouri Public Service Commission. In addition, all liability limitations contained in section 3.19 of the General Conditions are incorporated herein by reference and shall apply in addition to the foregoing limitation of liability.

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C. DEFINITIONS

- Business month – the calendar month of nominations, flow and usage for each Gas Day.

- Gas Day – The 24 hour period which begins at 9:00 am central Time and ends at 9:00 am Central time the flowing day.

- EGM equipment – gas measurement and communication equipment installed by Company at customer delivery points.

- Deliveries – The quantity of gas delivered by the Company to Customers.

- Delivery point – The location where the Company's distribution facilities are connected with the Customers facilities.

- Receipts - The quantity of gas received by the Company on the account of Customers.

- Receipt point – The location where the Company physically receives gas delivered to the Company for the account of Customers. The receipt point must be a location physically connected to the Company facilities which deliver gas to delivery points.

- Over- delivery – when Company's retainage-adjusted receipts (nomination) for the customer are less than deliveries.

- Under- nominated - when Company's retainage-adjusted receipts (nomination) for the customer are less than deliveries (usage)

- Over- nominated – when Company's retainage-adjusted receipts (nomination) for the customer are more than deliveries (usage)

- Under- delivery - when Company's retainage-adjusted receipts (nomination) for the customer are more than deliveries (usage)

WHITEMAN AIR FORCE BASE

APPLICABLE

This rate schedule is applicable to all natural gas sales and transportation requirements of Whiteman Air Force Base (customer) except customer's natural gas requirements for armed forces housing. Requirements for armed forces housing will continue to be provided under Company's tariff for such service or such replacement tariff as may be authorized by the Commission.

NET MONTHLY BILL

Rate

Fixed Monthly Charge:
$904.57 per month

Volumetric Delivery Charge:

$0.04361 per Ccf for the first 30,000 Ccf delivered, plus
$0.03261 per Ccf for all additional gas delivered.

This charge is applicable to all gas transported necessary to satisfy customer's annual sales and transportation requirement of up to 2,000,000 Ccf, plus

$0.02865 per Ccf during the period November through March for all gas delivered necessary to satisfy customer's annual delivery requirement of more than 2,000,000 Ccf but less than 3,000,000 Ccf, plus

WHITEMAN AIR FORCE BASE

$0.01392	per Ccf for all gas delivered necessary to satisfy customer's annual delivery requirement of more than 3,000,000 Ccf but less than 5,000,000 Ccf, plus
$0.02865	per Ccf for all additional gas delivered.

Minimum

The higher of the above rate for zero consumption plus applicable adjustments and surcharges, or the minimum as set forth by contract, but subject to the Company's proration rule contained in Section 7.02 of the Company's General Terms and Conditions.

Adjustments and Surcharges

The rates hereunder are subject to adjustments as provided in the following schedules:

1. Purchase Gas Cost Adjustment (PGA).
2. Tax Adjustment (TA).
3. Infrastructure Replacement Surcharge (ISRS)

Demand Charges

Customer shall be required to specify a level of maximum daily requirements (hereinafter referred to as the "Contract Demand level"). To the extent specified by the customer and in accordance with the provisions of this rate schedule, the Company will supply natural gas up to and including the Contract Demand level with purchases the Company makes from its suppliers.

INTRASTATE TRANSPORTATION SERVICE
ITS

AVAILABLE:

At points on the Company's existing gas distribution system. However, service under this schedule ITS shall be limited only to those customers who have executed a transportation contract prior to October 15, 1993.

APPLICABLE:

To natural gas transportation service supplied at one point of delivery for resale outside of the Company's certificated area to municipal gas systems.

Upon election by the customer and acceptance by the Company, customer will furnish Company all supply contracts verifying the adequacy of all customer peak day and annual Ccf volume requirements. The customer also agrees to utilize firm transportation service for delivery of gas quantities to the Company.

NET MONTHLY BILL:

Rate:

Fixed Monthly Charge:

$904.57 per month

Volumetric Delivery Charge:

The charges to be billed for this service shall be agreed to in advance by the Company and the customer and shall be set forth in a separate contract approved by this Commission.

INTERIM GAS SERVICE FOR COMPRESSION OF NATURAL GAS FOR USE AS A FUEL IN VEHICULAR COMBUSTION ENGINES CNG

NET MONTHLY BILL

Rate

Fixed Monthly Charge:

$41.20 per month

Volumetric Delivery Charge

The Company may from time to time, upon approval of the Commission, reduce the above transportation charges by any amount. Such reductions will only be permitted if they are necessary to retain or expand services to an existing customer, to re-establish service to a previous customer or to serve new customers.

Minimum

The higher of the above rate for zero consumption plus applicable adjustments and surcharges, or the minimum as set forth by contract, but subject to the Company's proration rule contained in Section 7.02 of the Company's General Terms and Conditions.

PROMOTIONAL PRACTICES

PP

NATURAL GAS CONSERVATION INITIATIVES

A. Energy Education Program

MGE will become an Energy Star® partner and expand information available to customers through MissouriGasEnergy.com, print and radio announcements and, where possible, work in cooperation with other Energy Star® partners and other energy conservation collaboratives to further public education programs. In addition MGE will implement and promote the use of an online energy analyzer through its web site.

B. High-Efficiency Natural Gas Water Heating and Space Heating Incentive Program

The High-Efficiency Natural Gas Water Heater and Space Heating Incentive Program is an incentive program designed to assist customers with natural gas conservation efforts through the choice of high efficiency natural gas water heaters and/or space heating systems. Incentives are being offered for a portion of the cost of such systems with an Energy Star® rating (where applicable). Company's participation in such financial incentives is limited to the funding included in rates for that purpose per the Commission's Report and Order in Case No. GR-2006-0422.

DEFINITIONS:

Administrator – MGE may administer the program exclusively in-house and/or in partnership with contracted vendors (as necessary).

Participant – An existing customer with an active account who is being served under either the Company's Residential or Small General Service rate class, which includes builders, developers and residential property owners who purchase and install a qualifying efficient natural gas water heating or space heating system, as described in the program, within MGE's service territory.

AVAILABILITY:

The program is available to any active MGE residential or Small General Service customer (no final bill or inactive accounts) which includes builders, developers and residential property owners who purchase and install a natural gas space heating or water heating system with an Energy Star® rating (where applicable) within MGE's service territory.

Customers will be eligible to receive the following rebates:

- $40 for a tank water heating system that meets current Energy Star® criteria.
- $200 for a tankless water heating system that meets current Energy Star® criteria.
- $200 for a natural gas furnace that meets current Energy Star® criteria.
- $450 for a combination furnace/water heater that meets current Energy Star® criteria.
- $200 for a natural gas boiler system that meets current Energy Star® criteria.
- $25 for a programmable thermostat if purchased in conjunction with a space heating system that meets current Energy Star® criteria.

PROMOTIONAL PRACTICES
PP

2. For the High Efficiency Natural Gas Water Heating and Space Heating Incentive Program, MGE will report:

a. The total number of incentive requests and the number of incentive requests approved;
   i. The type and/or size (storage capacity) and fuel source of the water heater that was replaced, if available;
   ii. The type and/or size and fuel source of heating equipment that was replaced, if available
b. The dollars spent on incentives, administrative expenses and promotion/advertising;
c. Number and type of any complaints received and the resolution of the complaints; and
d. Compilation of information as provided by participating customers, which will include:
   i. Type of residence or business;
   ii. Age and size of water heater and/or space heating system being replaced; and
   iii. Reason for purchase of the Energy Star® rated natural gas water heating and/or space heating system.

Depending on the results of the High Efficiency Natural Gas Water Heating and Space Heating Incentive program, MGE may in the future request permission from the Commission to expand the program to include more program options or other residential natural gas conservation measures.

MGE – working collaboratively with the MGE Energy Efficiency Collaborative (EEC) – will file an annual report with the Commission assessing the overall cost effectiveness and the effectiveness of the program along with recommendations for improving the program and any proposed tariff changes. Results of the most recent impact and process evaluation will be used for this analysis.

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GENERAL TERMS AND CONDITIONS FOR GAS SERVICE

14. OTHER CHARGES

14.0 SCHEDULE OF OTHER CHARGES:

Description of Charge	Section Ref.	Amount
Collection or disconnection	3.11	$20.00
New connection charge	3.03	$45.00
Transfer charge	3.03	$15.00
Reconnection charge:		
Failure to furnish deposit	2.05	$65.00
At customer's request	3.12	$65.00
Reselling or redistributing gas	4.09	$65.00
Fraudulent or unauthorized use of gas	4.10	$65.00
Meter removal and reinstallation at Customer's request	5.02	$65.00
Failure to provide access for meter reading	5.05	$65.00
Tampering with Company property	4.05 & 4.08	$65.00
Cut off at curb (unpaved) Disconnection & reconnection	4.10	$56.00
Cut off at main (paved) Disconnection & reconnection	4.10	$106.00