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**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 4th
day of August, 1998.

In the Matter of the Application of Ozark)
Natural Gas Co., Inc. for a Certificate of)
Public Convenience and Necessity to)
Construct, Own, and Operate an Intrastate) Case No. GA-98-227
Natural Gas Pipeline and Gas Utility to)
Serve Portions of Stone, Taney and)
Christian Counties, and for the Establish-)
ment of Utility Rates.)

ORDER APPROVING STIPULATION AND AGREEMENT

On December 3, 1997, Ozark Natural Gas Company, Inc. filed an application for a certificate of convenience and necessity (CCN) to build and operate an intrastate natural gas pipeline in southwestern Missouri, and to serve customers in Christian, Stone and Taney counties. According to the application, the pipeline will originate in Greene County near Springfield, pass through Greene, Christian, Stone and Taney counties and end near Branson. Timely applications to intervene were filed by Williams Natural Gas Company¹ (Williams); Missouri Gas Energy, a division of Southern Union Company (MGE); The Empire District Electric Company (Empire); City Utilities of Springfield (CU); Conoco Inc. (Conoco); the

¹On June 4, 1998, Intervenor Williams Natural Gas Company filed a motion to substitute Williams Gas Pipelines Central, Inc. as the named intervenor, reflecting a corporate name change. That motion will be granted herein.

City of Hollister (Hollister); All Star Gas Corp.; Anderson Propane, Inc.; Town & Country Propane, Inc.; MFA Oil Company; National Propane, L.P. d/b/a Morris Propane; Cornerstone Propane, L.P.; and Cornerstone Propane, L.P. d/b/a Lake Country Propane (Propane Intervenors). On January 29, 1998, the Commission granted intervention to all of these entities. The parties filed testimony pursuant to a procedural schedule, and on May 12, certain of the parties filed stipulations. Ozark filed a Stipulation and Agreement and Joint Recommendation with Empire, one with CU, and one with MGE. These stipulations are attached to this order and incorporated by reference herein, as Attachments A, B, and C, respectively. A further Stipulation and Agreement, appended to this order as Attachment D, was filed by Ozark, Staff, Empire, Public Counsel, Conoco, Propane Intervenors, Hollister, and Williams on June 24. Upon the filing of this stipulation, the remainder of the procedural schedule was suspended by order issued June 26.

Although none of the four stipulations were signed by all parties, no party requested a hearing on them. Therefore, pursuant to 4 CSR 240-2.115, the Commission will treat all four stipulations as unanimous.

The Stipulation and Agreement between Ozark and Empire (Attachment A) provides that Ozark agrees to certain conditions designed to minimize construction risks, since its proposed construction will be in the same area in which Empire has facilities. These conditions are:

(A) Ozark shall define the route of its proposed pipeline in detail and meet with Empire prior to construction to determine where existing Empire facilities are located in order to address or eliminate conflicts.

(B) Ozark shall advise Empire in writing and in advance of the construction dates and hold pre-construction conferences to address or eliminate potential conflicts.

(C) Ozark shall use the Missouri One-Call system to locate all underground utilities at least three days prior to any excavation.

(D) Ozark shall personally contact Empire in advance when crossing or constructing under Empire facilities so Empire will have the opportunity to observe or inspect.

(E) Ozark shall communicate with Empire before and during the construction phase of the proposed pipeline to cooperate in providing safe operating conditions.

The Stipulation and Agreement between Ozark and CU (Attachment B) contains the same conditions as those in the stipulation with Empire, with the addition of the following:

Before transporting any natural gas over Williams' interstate pipeline facilities, Ozark shall make arrangements with Williams to make improvements to the Williams system so that CU's capacity and pressure on Williams are not adversely affected by Ozark's use of the pipeline.

The Stipulation and Agreement between Ozark and MGE (Attachment C) contains the same conditions as the one between Ozark and Empire (Attachment A), and adds certain other conditions. These other conditions are summarized as follows:

(A) that Ozark shall not apply to this Commission for a CCN for portions of Christian, Greene, and Taney Counties where MGE holds a CCN;

(B) that Ozark shall not apply for a CCN for certain defined periods of time in other areas of these counties;

(C) that Ozark agrees that in certain areas the certificate it is requesting in this case be a "line certificate" only (that is, in those areas Ozark shall be allowed to build and maintain a pipeline to transport gas, but shall not be allowed to serve end use customers other than MGE);

(D) that Ozark agrees to clear MGE buried pipelines by a minimum of 15 feet when paralleling, and by a minimum of 24 inches in crossing situations where there is a potential conflict or interference with cathodic protection; and

(E) that if Ozark installs an impressed current cathodic protection system, its details and any mitigation shall be discussed with MGE prior to installation.

The fourth Stipulation and Agreement is more global than the first three in that it addresses more issues and is entered into by more parties. In it, the signatories recommend that Ozark be granted a CCN subject to certain conditions. In general, Ozark agrees to serve a

smaller area than it originally applied to serve, it agrees on depreciation rates and rates for service, it agrees that its tariffs will be similar to those of Southern Missouri Gas Company, and it agrees to file a general rate case within four years.

On July 6, the Staff filed the testimony of Daniel Beck in support of the global stipulation. Although MGE filed a response (discussed below), no party objected to that testimony and it will be admitted. Mr. Beck states that Staff supports the approval of the application as amended by the stipulation. Mr. Beck testifies, however, that the Staff does not support the stipulation entered into by Ozark and MGE (MGE/Ozark Agreement). Staff apparently opposes the provisions of the MGE/Ozark Agreement in which Ozark agrees not to serve certain areas, either forever or for specified periods of time.

On July 9, MGE filed a response to Staff's testimony in support of the stipulation. MGE notes that Staff did not request a hearing on the MGE/Ozark Agreement pursuant to 4 CSR 240-2.115, and as a result, that agreement is considered unanimous. MGE also notes that in the Stipulation and Agreement filed on June 24, Staff took no position on the MGE/Ozark Agreement. MGE states that it has a legitimate interest in protecting its certificated service areas and areas immediately adjacent thereto, and claims that Staff and the Commission should not be concerned that Ozark has voluntarily placed limits on the extent of its initial service area.

The Commission recognizes Staff's concern over Ozark voluntarily waiving its right to serve certain areas of the state. It is possible that there will be a demand for natural gas service in those areas that can most efficiently be met by Ozark. However, simply because Ozark has

decided that it will not serve in certain areas does not detract from the fact that granting a certificate for the area defined by the stipulations in this case is in the public interest. Furthermore, the Commission cannot force Ozark to apply for a certificate for areas in which it does not wish to serve.

The Commission finds that there is a need for natural gas service in this area, and that the provision of such service by Ozark is necessary and convenient for the public interest. The Commission has reviewed all the Stipulations and Agreements and evidence of record in this matter and finds that substantial and competent evidence of record exists to find the Stipulations and Agreements to be reasonable and in the public interest and will, therefore, approve them.

IT IS THEREFORE ORDERED:

1. That the Stipulations and Agreements, Attachments A through D to this order, are hereby approved.

2. That Ozark Natural Gas Company, Inc. is hereby authorized to build and operate a natural gas pipeline and provide natural gas service pursuant to the terms and conditions of Attachments A through D hereto.

3. That Ozark Natural Gas Company, Inc. shall file tariff sheets substantially similar to those filed July 17, 1998.

4. That all of the prefiled testimony in this case shall be admitted into the record.

5. That the Motion to Change Name of Intervenor of Williams Natural Gas Company is granted.

6. That the procedural schedule established in this case is canceled.

7. That this order shall become effective on August 14, 1998.

BY THE COMMISSION

A handwritten signature in cursive script, reading "Dale Hardy Roberts".

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Murray, Schemenauer
and Drainer, CC., concur.
Crumpton, C., absent.

Mills, Deputy Chief Regulatory Law Judge

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

FILED
MAY 12 1998
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In the matter of the application of Ozark Natural)
Gas Co., Inc. for a certificate of public convenience)
and necessity to construct, own, and operate an)
intrastate natural gas pipeline and gas utility to)
serve portions of Stone, Taney and Christian)
Counties, and for the establishment of utility rates.)

Case No. GA-98-227

**STIPULATION AND AGREEMENT
AND JOINT RECOMMENDATION**

The Empire District Electric Company ("Empire") and Ozark Natural Gas Company Inc. ("Ozark") hereby stipulate and agree as follows:

1. Empire is an intervenor in the above-captioned proceeding in which Ozark seeks a certificate of public convenience and necessity from the Commission for certain areas in Stone, Taney and Christian Counties in Missouri.
2. Empire holds certificates of public convenience and necessity from the Commission for the provision of electric service in some of the areas which Ozark seeks to certificate in this proceeding. It is expected that any construction by Ozark of pipeline and other facilities may occur in the vicinity of existing Empire facilities. Empire also has electric generation facilities which utilize the same interstate natural gas transmission facilities that Ozark plans to use if it is granted a certificate by the Commission.
3. Based upon settlement discussions among the aforementioned parties, and in an attempt to avoid potential disputes and service outages, Empire and Ozark present the following

joint recommendation to the Commission and request the Commission to take this recommendation into account in any certificate it may grant to Ozark and place these recommendations as conditions in any such certificate to be granted to Ozark.

4. If the Commission determines it is in the public interest for Ozark to be granted a certificate of public convenience and necessity for the construction of an intrastate pipeline and to own and operate a gas utility in Greene, Stone, Taney and Christian Counties, Ozark agrees to the following conditions to be expressly imposed by order of the Commission on such a certificate:

A. Ozark shall define the route of its proposed pipeline in detail and meet with Empire prior to construction to determine where existing Empire facilities are located in order to address or eliminate conflicts.

B. Ozark shall advise Empire in writing and in advance of the construction dates and hold pre-construction conferences to address or eliminate potential conflicts.

C. Ozark shall use the Missouri One-Call system to locate all underground utilities at least three days prior to any excavation.

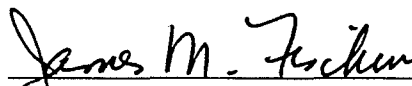
D. Ozark shall personally contact Empire in advance when crossing or constructing under Empire facilities so Empire will have the opportunity to observe or inspect.

E. Ozark shall communicate with Empire before and during the construction phase of the proposed pipeline to ^{cooperate in providing} ~~ensure~~ safe operating conditions. *done GWH*

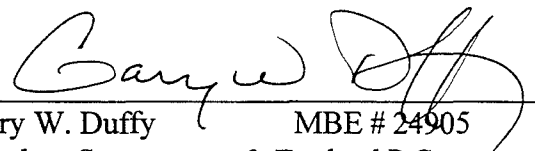
5. Entering into this Stipulation and Agreement and Joint Recommendation shall not preclude Empire from filing rebuttal testimony, presenting other evidence, and otherwise fully participating in this docket and any appeals therefrom. If the Commission adopts the provisions

of this Joint Recommendation without modification (or with such modifications which are not objectionable to Empire) in the grant of a certificate to Ozark, and the safety issues addressed as contemplated by this document, Empire will not seek to challenge the Commission's determination with regard to the subject matter of this Joint Recommendation in a writ of review pursuant to Chapter 386 RSMo.

6. If the Commission does not adopt the provisions of the Stipulation and Agreement and Joint Recommendation in total, the provisions of this Stipulation and Agreement and Joint Recommendation shall become void.


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Attorney for The Empire District Electric Company

Date: May 8, 1998

**BEFORE THE PUBLIC SERVICE COMMISSION
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**STIPULATION AND AGREEMENT
AND JOINT RECOMMENDATION**

City Utilities of Springfield, Missouri ("CU") and Ozark Natural Gas Company Inc.

("Ozark") hereby stipulate and agree as follows:

1. CU is an intervenor in the above-captioned proceeding in which Ozark seeks a certificate of public convenience and necessity from the Commission for certain areas in Stone, Taney and Christian Counties in Missouri.

2. CU provides electric and natural gas service in and around Springfield, Missouri. It is expected that any construction by Ozark of pipeline and other facilities may occur in the vicinity of existing CU facilities. CU also utilizes the same interstate natural gas transmission facilities that Ozark plans to use if it is granted a certificate by the Commission.

3. Based upon settlement discussions among the aforementioned parties, and in an attempt to avoid potential disputes and service outages, CU and Ozark present the following joint recommendation to the Commission and request the Commission to take this recommendation into account in any certificate it may grant to Ozark and place these recommendations as

conditions in any such certificate to be granted to Ozark.

4. If the Commission determines it is in the public interest for Ozark to be granted a certificate of public convenience and necessity for the construction of an intrastate pipeline and to own and operate a gas utility in Greene, Stone, Taney and Christian Counties, Ozark agrees to the following conditions to be expressly imposed by order of the Commission on such a certificate:

A. Before transporting any natural gas over Williams Gas Pipelines Central, Inc.'s ("Williams") interstate pipeline facilities, Ozark shall make arrangements with Williams to make improvements to the Williams system so that CU's capacity and pressure on Williams are not adversely affected by Ozark's use of the pipeline.

B. Ozark shall define the route of its proposed pipeline in detail and meet with CU prior to construction to determine where existing CU facilities are located in order to address or eliminate conflicts.

C. Ozark shall advise CU in writing and in advance of the construction dates and hold pre-construction conferences to address or eliminate potential conflicts.

D. Ozark shall use the Missouri One-Call system to locate all underground utilities at least three days prior to any excavation.

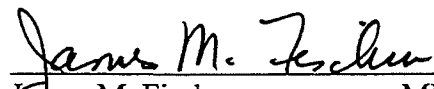
E. Ozark shall personally contact CU in advance when crossing or constructing under or over CU facilities so CU will have the opportunity to observe or inspect.

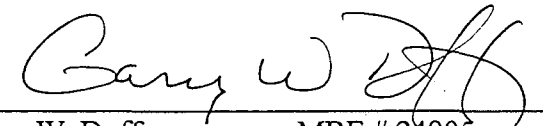
F. Ozark shall communicate with CU before and during the construction phase of the proposed pipeline to ^{cooperate in providing} ~~ensure~~ safe operating conditions. *gm=CWT*

5. Entering into this Stipulation and Agreement and Joint Recommendation shall not

preclude CU from filing rebuttal testimony, presenting other evidence, and otherwise fully participating in this docket and any appeals therefrom. If the Commission adopts the provisions of this Joint Recommendation without modification (or with such modifications which are not objectionable to CU) in the grant of a certificate to Ozark, and the safety issues addressed as contemplated by this document, CU will not seek to challenge the Commission's determination with regard to the subject matter of this Joint Recommendation in a writ of review pursuant to Chapter 386 RSMo.

6. If the Commission does not adopt the provisions of the Stipulation and Agreement and Joint Recommendation in total, the provisions of this Stipulation and Agreement and Joint Recommendation shall become void.


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Attorney for Ozark Natural Gas Company, Inc.

Attorney for City Utilities of Springfield,
Missouri

Date: May 8, 1998

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Case No. GA-98-227

**STIPULATION AND AGREEMENT
AND JOINT RECOMMENDATION**

Missouri Gas Energy ("MGE"), a division of Southern Union Company and Ozark
Natural Gas Company Inc. ("Ozark") hereby stipulate and agree as follows:

1. MGE is an intervenor in the above-captioned proceeding in which Ozark seeks a certificate of public convenience and necessity from the Commission for certain areas in Stone, Taney and Christian Counties in Missouri.
2. MGE, through its predecessors in interest, already holds certificates of public convenience and necessity for some of the areas which Ozark seeks to certificate in this proceeding.
3. Based upon settlement discussions among the aforementioned parties, to promote the orderly and efficient growth and use of existing natural gas facilities, and to avoid potential disputes, MGE and Ozark present the following joint recommendation to the Commission to modify the request of Ozark and request the Commission to take this recommendation into account in any certificate it may grant to Ozark and place these recommendations as conditions in

the certificate.

4. Except as expressly provided below in paragraph 6 and its subparagraphs, Ozark hereby voluntarily waives any right to seek a certificate of public convenience and necessity to provide natural gas service in the following sections which have already been certificated by the Commission to MGE:

Christian County:

In Township 27 North, Range 21 West: Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 33, 34, 35, 36.

In Township 27 North, Range 22 West: Sections 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, 24, 25, 26, 35, 36.

In Township 27 North, Range 23 West: Sections 7, 8, 9, 16, 17, 18, 19, 20, 21, 28, 29, 30.

In Township 27 North, Range 24 West: Sections 3, 4, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 28, 29, 32, 33.

In Township 28 North, Range 21 West: Sections 31, 32, 33, 34.

In Township 28 North, Range 22 West: Sections 33, 34, 35, 36.

Greene County:

In Township 28 North, Range 21 West: Section 30.

In Township 28 North, Range 22 West: Sections 13, 14, 23, 24, 25.

In Township 28 North, Range 23 West: Sections 2, 3, 10, 11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 29, 30.

In Township 28 North, Range 24 West: Section 24.

In Township 29 North, Range 23 West: Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 14, 15, 16,

17, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 34, 35.

In Township 29 North, Range 24 West: Sections 1, 2, 3, 4, 12, 13, 24, 25.

In Township 30 North, Range 23 West: Sections 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36.

In Township 30 North, Range 24 West: Sections 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 32, 33, 34, 35, 36.

In Township 31 North, Range 24 West: Sections 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 32, 33, 34, 35, 36.

Stone County:

In Township 25 North, Range 24 West: Sections 3, 4, 5, 8, 9.

In Township 26 North, Range 24 West: Sections 4, 5, 8, 9, 16, 17, 20, 21, 28, 29, 32, 33, 34.

5. Except as expressly provided below in paragraph 6 and its subparagraphs:

A. Ozark hereby voluntarily waives any right to seek, prior to January 1, 2010, a certificate of public convenience and necessity to provide natural gas service in the following areas:

Christian County:

In Township 27 North, Range 22 West: Sections 27 and 34.

In Township 27 North, Range 21 West: Sections 31 and 32.

Greene County:

In Township 28 North, Range 22 West: Section 26.

B. Ozark hereby voluntarily waives any right to seek, prior to January 1,

2003, a certificate of public convenience and necessity to provide natural gas service in the following areas:

Christian County:

In Township 26 North, Range 22 West: Sections 1, 2 and 3.

In Township 26 North, Range 21 West: Sections 4, 5 and 6.

6. If the Commission determines it is in the public interest for Ozark to be granted a certificate of public convenience and necessity for the construction of an intrastate pipeline and to own and operate a gas utility in Greene, Stone, Taney and Christian Counties¹, Ozark agrees to the following conditions to be expressly imposed by order of the Commission on such a certificate:

A. Ozark's certificate for the intrastate pipeline, as it may be located in sections 23 and 26 of Township 28 North, Range 22 West in Greene County, Missouri; and in section 35 of Township 28 North, Range 22 West in Christian County, Missouri; and in sections 1, 2, 11, 12, 13, 14, 23, 24, 25, 26, 35 and 36 in Township 27 North, Range 22 West, Christian County, Missouri; and sections 1 and 2 of Township 26 North, Range 22 West, Christian County, Missouri, (or such other alternate source of supply or location as may be authorized by the Commission) is expressly restricted to only the placement of the pipeline itself as a means of transporting gas to other areas Ozark may serve in Christian, Stone or Taney Counties, except as more fully discussed below.

¹ MGE neither supports nor opposes the granting of such a certificate in the areas south of "the Line" described elsewhere in this document. MGE's interests in the area north of "the Line" are adequately addressed by the Commission's inclusion of the joint recommendation in any order it may issue regarding a certificate for Ozark.

B. Except in situations where (i) MGE requests a tap on Ozark's line in order for MGE to provide natural gas service to MGE's customers or potential customers, or (ii) MGE requests a tap for other MGE purposes such as for reliability reasons, and Ozark is authorized by Commission-approved tariff or order to provide such service, or pursuant to an agreement between MGE and Ozark which does not require the approval of the Commission, Ozark shall not be authorized to provide wholesale or retail sales service or transportation service, or any other type of service, or to construct or allow the construction of any laterals, taps or other connections off of such intrastate pipeline, or construct any other pipelines or facilities which are to be used, directly or indirectly, for the provision of transportation or sales service, or any other type of service, or the interconnection with any pipeline other than that of Williams Gas Pipelines Central, Inc., its successors or assigns, ("Williams"), (or such other alternate source of supply or location as may be authorized by the Commission) in the area north of an east-west line ("the Line") formed by the northern boundary of sections 10, 11 and 12, of Township 26 North, Range 22 West and sections 7, 8 and 9 of Township 26 North, Range 21 West in Christian County, Missouri. In accordance therewith, Ozark's certificate for the intrastate pipeline north of the Line shall be a "line certificate" only with no permission to serve any customers or end-users, directly or indirectly, who are located in whole or in part north of the Line, except MGE as provided herein. Except as provided above, the permitted connection with Williams in Greene County is solely for the purpose of Ozark obtaining connection to an interstate pipeline to allow the ultimate transfer of natural gas from that point of interconnection, through the areas of Greene and Christian Counties designated as a "line certificate" only, to the areas in Christian, Stone and Taney Counties where Ozark may be authorized by the Commission to provide

transportation and sales service to Ozark's customers or other end-users. Solely for the purposes of accomplishing the provision of service to MGE in the areas described in paragraphs 4 and 5 above, Ozark may seek permission from the Commission to provide service from its intrastate pipeline to MGE.

C. Ozark shall define the route of its proposed pipeline in detail and meet with MGE prior to construction to determine where the existing MGE gas facilities are located in order to address or eliminate conflicts.

D. Ozark shall advise MGE in writing and in advance of the construction dates and hold pre-construction conferences to address or eliminate potential conflicts.

E. Ozark shall use the Missouri One-Call system to locate all underground utilities at least three days prior to any excavation.

F. Ozark shall personally contact MGE in advance when crossing MGE facilities so MGE can provide on-site inspections.

G. Ozark shall clear MGE buried natural gas pipelines by a minimum of 15 feet when paralleling. In crossing situations where there is a potential conflict or interference with cathodic protection, the minimum distance shall be 24 inches.

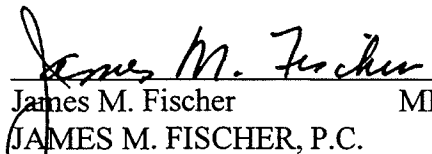
H. If Ozark installs an impressed current cathodic protection system, the ground bed site, size and proposed output shall be discussed with and mitigation, if any, agreed to by MGE prior to installation to avoid damage to or interference with MGE's system.

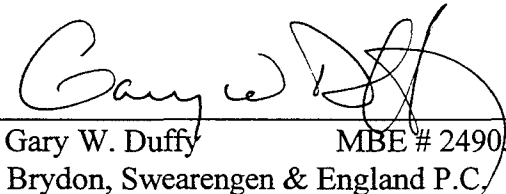
I. Ozark shall communicate with MGE before and during the construction phase and during the testing and start-up of the proposed pipeline to ~~ensure~~ ^{cooperate in providing} safe operating conditions.

gmf
GWD

7. Entering into this Stipulation and Agreement and Joint Recommendation shall not preclude MGE from filing rebuttal testimony, presenting other evidence, and otherwise fully participating in this docket and any appeals therefrom. If the Commission adopts the provisions of this Joint Recommendation without modification (or with such modifications which are not objectionable to MGE) in the grant of a certificate to Ozark, and the certificated area of Ozark is thereby restricted and safety issues addressed as contemplated by this document, MGE will not seek to challenge the Commission's determination with regard to the subject matter of this Joint Recommendation in a writ of review pursuant to Chapter 386 RSMo.

8. If the Commission does not adopt the provisions of the Stipulation and Agreement and Joint Recommendation in total, the provisions of this Stipulation and Agreement and Joint Recommendation shall become void.


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Attorney for Ozark Natural Gas Company, Inc. Attorney for Missouri Gas Energy

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STIPULATION AND AGREEMENT

On December 3, 1997, Ozark Natural Gas Co., Inc. ("Ozark" or "Applicant"), filed an Application seeking a Certificate of Convenience and Necessity authorizing it to construct, own and operate an intrastate natural gas pipeline and gas utility to serve portions of Stone, Taney and Christian Counties, and for the establishment of utility rates.

On January 29, 1998, the Missouri Public Service Commission ("Commission") granted Applications to Intervene, which had been filed by Williams Gas Pipelines Central, Inc. (formerly Williams Natural Gas Company) ("Williams"); Missouri Gas Energy, a division of Southern Union Company ("MGE"); The Empire District Electric Company ("Empire"); City Utilities of Springfield, Missouri ("CU"); Conoco, Inc. ("Conoco"); the City of Hollister ("Hollister"), All Star Gas Corp; Anderson Propane, Inc.; Town & Country Propane, Inc.; MFA Oil Company; National Propane, L.P. d/b/a Morris Propane; Cornerstone Propane, L.P.; and Cornerstone Propane, L.P., d/b/a Lake Country Propane ("Propane Intervenors").

An early prehearing conference was held on February 24, 1998, at 9:00 a.m. in the Missouri Public Service Commission's offices.

On March 6, 1998, Applicant filed its direct testimony and schedules. On March 25, 1998, Williams filed its direct testimony. The rebuttal testimony and schedules of the Commission Staff, Empire, MGE, CU and Conoco were filed on May 15, 1998.

On May 12, 1998, separate documents entitled "Stipulation and Agreement and Joint Recommendation" between the Applicant and Empire, MGE and CU, respectively, were filed with the Commission.

The prehearing conference commenced on June 4, 1998, with the following parties present: Charles J. Fain and James M. Fischer, appearing for Applicant; Thomas R. Schwarz, Jr. appearing for the Commission Staff; Douglas Micheel, appearing for the Office of the Public Counsel; Richard S. Brownlee III, appearing for Williams; Gary W. Duffy, appearing for Empire, MGE and CU; John Landwehr, appearing for Propane Intervenors; Bruce Connell, appearing for Conoco; and Paul Gardner appearing for the City of Hollister, Missouri.

As a result of the prehearing conference, the parties to this Stipulation and Agreement have reached the following agreements and recommendations:

1. The Application of Ozark Natural Gas Co., Inc. for a Certificate of Convenience and Necessity, as amended, conditioned, and further clarified herein in paragraphs numbered 1 through 17, authorizing it to construct, own and operate an intrastate natural gas pipeline and gas utility in the incorporated municipalities of Branson, Branson West, Bull Creek Village, Forsyth, and Reed Springs, and their environs and certain unincorporated areas in Stone, Taney and Christian Counties,

should be granted. The specific service area to be granted to the Applicant is more fully described in Schedule No. 2¹ which is attached hereto and incorporated herein by reference.

2. Applicant shall file tariffs substantially similar to those filed and approved in Case No. GA-94-127, and subsequently revised in Case No. GO-97-408, for Southern Missouri Gas Company. Illustrative tariffs are attached as Schedule No. 3 and incorporated herein by reference.

The Applicant shall also submit specimen tariffs as a late-filed exhibit to this Stipulation and Agreement not later than July 17, 1998. These tariffs shall explicitly state that the customer charge will be prorated and shall contain a refund provision for developers in the line extension policy. Additionally, these tariffs shall establish a commodity charge for each class and the appropriate PGA rate. Prior to initiation of gas service to any customers, Ozark shall file PGA tariffs, which shall be served on all signatory parties in this proceeding and approved by the Commission. In conjunction with the filing of these PGA tariffs, Ozark shall also file an initial PGA factor, the appropriate PGA rate for each customer class, and supporting information which accurately reflects its actual gas costs pursuant to Paragraph 7 of this Stipulation and Agreement.

3. The depreciation rates, attached hereto as Schedule No. 1 and incorporated herein by reference, shall be adopted, for purposes of this proceeding, as the depreciation rates of the Applicant. However, Applicant reserves the right to file an Application for changes in depreciation rates in its first rate case. In addition to the above-referenced depreciation rates, Applicant agrees to the following:

¹ The service area described in Schedule No. 2 does not include the municipality of Hollister, Missouri. For the purpose of this proceeding, Applicant agrees to withdraw its request to serve customers in Hollister, Missouri.

a. Applicant agrees to accrue and maintain its gas depreciation reserve by primary plant account.

b. Applicant shall create and maintain acceptable continuing property records ("CPR"), in a format suitable for reading by Staff's computerized depreciation system, and establish a property unit catalog pursuant to the requirements of 4 CSR 240-40.040.

c. Applicant will file with the Commission's Executive Director the information contained in subparagraphs a. and b. above, within two (2) years of the effective date of the order granting a certificate in this proceeding.

4. The order granting a Certificate of Convenience and Necessity to the Applicant shall be based on the conditions proposed by Staff witness Stephen J. Fischer, as follows:

a. Successful completion of the required pressure test(s) of the transmission line and the distribution system;

b. The Commission's Gas Safety Staff shall be notified in advance and given the opportunity to witness the construction and pressure tests of both the transmission line and distribution systems;

c. The completion of the necessary construction in a proper manner by qualified personnel and in conformance with sound engineering principles and applicable regulations;

d. Applicant will submit the final construction plans to the Commission Staff before actual construction;

e. Applicant will submit to the Commission Staff for review and comment, and make available to other parties of record upon request, the Operations and Maintenance Manual ("O&M") and the Anti-Drug and Alcohol Plans, prior to the actual operation of the transmission and distribution systems; and

f. Properly trained and qualified personnel will be positioned to operate the transmission and distribution system.

5. The order granting a Certificate of Convenience and Necessity to the Applicant should also expressly permit Applicant to commence providing Commission-approved service to customers as soon as possible, where facilities are completed and natural gas is otherwise available. The parties to this Stipulation and Agreement agree, however, that the accrual of depreciation expenses for each individual franchised community served will commence only after service is initiated for any customer in each individual franchised community.

6. Applicant agrees to file a general, cost-based rate case not later than four (4) years from the date of the commencement of service to the first customer, unless extended by the Commission. Applicant also agrees to provide all signatory parties with a copy of the tariffs initiating the rate case or any pleading requesting an extension of the date for filing of its first rate case. Applicant also agrees that a normalized sales and transportation volume level of at least 1,000,000 Dth per year shall be used in its first rate case and all subsequent rate cases for determining the appropriate rates. In the event the normalized test year volume level for the service area granted in this proceeding is less than 1,000,000 Dth per year, Applicant agrees that revenues associated with this volume level shall be imputed in the first rate case and all subsequent rate cases. In the event the normalized sales and transportation volume level for the service area granted in this proceeding exceeds 1,000,000 Dth per year, the Applicant and Commission Staff agree that the actual level of normalized test year sales and transportation volumes shall be utilized for establishing rates. If the stipulated one million Dth is used in a rate case, volumes for each customer class will be computed by dividing each class' actual test year volume by the total test year sales and transportation volume, and multiplying the quotient by one million Dth. Thirty days prior to the

expected date to serve its first customer, the Applicant will file its best estimate of the volumes, costs, and PGA factors to support its illustrative Tariff Sheet 28 revision. Such filing will take the place of the Company's normally scheduled Winter filing (the winter filing is scheduled to be effective November 1, 1998).

7. a. Applicant may defer in Account 186, Miscellaneous Deferred Debits, firm gas transportation reservation charges from the time the contract is effective until the time distribution service begins or four months from the commencement of construction of any part of the system, whichever first occurs. Such deferral to Account 186 shall not operate as a limitation upon any party's ability to contest recovery of said deferral in rates. The Staff will examine the prudence of the timing and amount of these costs, and the proposed recovery period, in Applicant's first general rate case.

b. As soon as distribution service begins, firm transportation reservation charges will be recovered through the ACA/PGA mechanism. Those costs that are in excess of necessary peak day volumes will be reviewed for prudence at the time of the ACA audit for the period in which incurred. If the Applicant wishes to defer firm transportation reservation charges for recovery in an ACA period other than the one in which such charges were incurred, it must file an application for a variance from Section IV, Deferred Purchased Gas Cost--Actual Cost Adjustment Accounts, of the Purchased Gas Adjustment Clause of its tariff sheets requesting authorization at the time of its ACA filing. Any party to Ozark's ACA/PGA docket may contest variances requested by the Applicant. Copies of any ACA/PGA filing and application for such a variance will be served on all signatory parties. Firm transportation reservation charges required to meet peak day demand shall not be deferred. Applicant also agrees not to defer firm transportation

charges following the first rate case. Any party to Applicant's ACA/PGA dockets may assert its position on recovery of the costs of the Williams transportation contract as it sees fit.

8. The parties to this Stipulation and Agreement agree that the following rates are reasonable initial rates for the Applicant and reflect the Applicant's non-gas costs:

Residential

Customer Charge - Residential	\$8.00 per month
For all therms used per month	\$0.43 per therm

Small General Service

Customer Charge	\$15.00 per month
For all therms used per month	\$ 0.33 per therm

Large General Service

Customer Charge	\$200.00 per month
Telemetry Charge	\$ 75.00 per month
Maximum Charge for all therms delivered per month	\$ 0.25 per therm
Minimum Charge for all therms delivered per month	\$ 0.01 per therm

Large General Interruptible Service

Customer Charge	\$200.00 per month
Telemetry Charge	\$ 75.00 per month
Maximum Charge for all therms delivered per month	\$ 0.20 per therm
Minimum Charge for all therms delivered per month	\$.01 per therm

Transportation Service

Facilities Charge	\$200.00 per month
Telemetry Charge	\$ 75.00 per month
Maximum Charge for all therms delivered per month	\$.25 per therm
Maximum Charge for all therms delivered per month	\$.01 per therm

9. Applicant also agrees to maintain the following information:

a. Applicant will be able to provide individual customer information, including monthly usage, actual meter reading dates, bill dates, and bill adjustments, on all Large General Service, Large General Interruptible Service, and Transportation Service customers. Applicant will maintain customer counts in two ways: (1) as prorated customers (*i.e.*, customer equivalents); and (2) as actual number of customers.

b. Applicant will maintain the information in Account 376 so as to be able to provide the following information:

Account 376 -- Distribution Mains:

Type
Diameter
Year of Installation
Length
Pipe Cost
Total Installed Cost

c. Applicant will maintain the information in Accounts 380, 381, 382, 383 and 384 so as to be able to provide the following information by rate class:

Account 380 -- Distribution Services:

Type
Diameter
Year of Installation
Number of Installations
Length
Pipe Cost
Total Installed Cost

Account 381 -- Distribution Meters:

Type
Capacity
Year of Installation
Quantity
Meter Cost
Total Installed Cost

Account 382 -- Meter Installations:

Type
Capacity
Year of Installation
Quantity
Meter Cost
Total Installed Cost

Account 383 -- Distribution Regulators:

Type
Capacity
Year of Installation
Quantity
Regulator Cost
Total Installed Cost

Account 384 -- Home Regulator Installations:

Type
Capacity
Year of Installation
Quantity
Meter Cost
Total Installed Cost

10. Applicant agrees to maintain records of all marketing and development fees paid pursuant to its contract with Harold Epps.

11. Applicant agrees that it is at risk for recovery of flex revenue and that it will specify in its tariff that treatment of flex revenues for Large General Service, Large General Interruptible Service, and Transportation Service for rate purposes will be determined in the appropriate rate case.

12. Applicant also agrees to include the following language in its tariff:

Btu Content

For the purposes hereof, the average heating value of natural gas received by the Company and applicable to the gas usage covered by any bill shall be determined by calculating the average heating value of gas delivered to Ozark during the preceding calendar month as documented by the invoice from Williams Gas Pipeline Central, Inc. (Williams) expressed in British Thermal Units (Btu) per cubic foot of gas to the nearest one (1) Btu. The average heating value of natural gas shall be determined by calculating the volume-

weighted average of tests made by Williams daily during such period at the Williams' testing equipment located nearest Ozark's take point.

The number of therms of gas used by the customer in each cycle billing month shall be determined by multiplying the metered consumption of that customer by the average heating value determined in accordance with the above paragraph hereof and dividing such product by 100,000.

Changes in the Btu Content

On or before the 25th day of each month, the Company shall submit to the Missouri Public Service Commission Staff verification of details and data explaining the Btu content applicable to billing in the following calendar month. Any change in the Btu content or pursuant to the provisions set forth above, shall not, unless otherwise ordered by the Commission, be made until the Company submits to the Staff of the Commission the above details and data in explanation thereof.

13. The Applicant's tariff shall contain the following:

"The service provided by Ozark is solely for the use of the customer, and shall not be remetered, redistributed or resold."
14. Applicant agrees to cooperate with the City of Hollister if the City decides to pursue the possibility of providing natural gas service to its citizens from a municipally-owned distribution company. The Commission Staff will review on its merits any proposal to provide wholesale service.
15. The Office of the Public Counsel does not support or oppose the Applicant's proposal to provide natural gas service in Applicant's proposed service area or this Stipulation and Agreement.
16. MGE, Empire and CU neither support nor oppose the Applicant's proposal to provide natural gas service in Applicant's proposed service area, but pursuant to the terms of the Stipulation and Joint Recommendations which were separately filed by MGE, Empire and CU in this proceeding on May 12, 1998, these parties request that any certificate which may be granted to the Applicant

be expressly conditioned on the terms agreed to by the Applicant in those respective Stipulations. The Staff has taken no position on the above-referenced Stipulations and Joint Recommendations in this Stipulation.

17. Conoco and the Propane Intervenors do not support or oppose the Applicant's proposal to provide natural gas service in Applicant's proposed service area or this Stipulation and Agreement.

18. That the prefiled testimony and schedules sponsored by Applicant's witnesses Robert Oxford, Steven Shute and William Rapp; Commission staff witnesses Anne M. Allee, Daniel I. Beck, David P. Broadwater, Stephen J. Fischer, Randy L. Flowers, Guy C. Gilbert and James D. Schwieterman; MGE witness Bill Dean; Empire witness William L. Gipson; CU witness Cathleen F. Meyer; Williams witness John L. Williams; Hollister witness John Lewis; Conoco witnesses Ee-Oon Bittner and Peter W. Frost shall be offered into evidence without the necessity of those witnesses taking the witness stand, unless requested to do so by a nonsignatory party.

19. That in the event the Commission accepts the specific terms of this Stipulation and Agreement, the parties waive their respective rights to cross-examine the witnesses named in paragraph 18 with respect to their prefiled testimonies and schedules.

20. That in the event the Commission accepts the specific terms of this Stipulation and Agreement, the parties waive their respective rights pertaining to the presentation of oral argument or filing of written briefs, pursuant to Section 536.080(1), RSMo 1994,² as amended. However, in the event a nonsignatory party requests a hearing, the parties to the Stipulation and Agreement

² All statutory references are to Revised Statutes of Missouri 1994, unless otherwise noted.

reserve their rights to present evidence, oral argument or written briefs and seek judicial review with regard to issues raised by the nonsignatory parties.

21. If requested by the Commission, the Staff shall have the right to submit to the Commission a memorandum explaining its rationale for entering into this Stipulation and Agreement. Each Party of record shall be served with a copy of any memorandum and shall be entitled to submit to the Commission, within five (5) days of receipt of Staff's memorandum, a responsive memorandum which shall also be served on all Parties. All memoranda submitted by the Parties shall be considered privileged in the same manner as are settlement discussions under the Commission's rules; shall be maintained on a confidential basis by all Parties; and shall not become a part of the record of this proceeding or bind or prejudice the Party submitting such memorandum in any future proceeding or in this proceeding, whether or not the Commission approves this Stipulation and Agreement. The contents of any memorandum provided by any Party are its own and are not acquiesced in or otherwise adopted by the other signatories to this Stipulation and Agreement, whether or not the Commission approves and adopts this Stipulation and Agreement.

The Staff shall also have the right to provide, at any agenda meetings at which this Stipulation and Agreement is noticed to be considered by the Commission, whatever oral explanation the Commission requests; provided that the Staff shall, to the extent reasonably practicable, promptly provide other Parties with advance notice of when Staff shall respond to the Commission's request from Staff (and afford all such Parties, to the maximum extent practicable, the right to be present at such oral explanation). Staff's oral explanation shall be subject to public disclosure, except to the extent it refers to matters that are privileged or protected from disclosure pursuant to any Protective Order issued in this case.

22. This Stipulation and Agreement represents a negotiated settlement for the sole purpose of disposing of all issues in this case. Signatories to this Stipulation and Agreement shall not be prejudiced or bound in any manner by the terms of this Stipulation and Agreement in this case or any other proceeding for any purpose, except as otherwise specified herein. Except as specifically agreed to herein, none of the parties to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any ratemaking principle or any method of cost determination, cost allocation, or establishing of depreciation rates underlying this Stipulation and Agreement.

23. The approval of this Stipulation and Agreement in its entirety and approval of tariffs by the Commission shall constitute the regulatory approval required by Chapter 393 for Applicant to construct, own, operate and initially finance the intrastate natural gas pipeline and gas service in and to residents of the incorporated municipalities of Branson, Branson West, Bull Creek Village, Forsyth and Reed Springs, Missouri, and their environs and certain unincorporated areas in Stone, Taney and Christian Counties, as proposed in the Application, Applicant's supporting testimony, and as conditioned herein.

24. That the agreements in this Stipulation and Agreement have resulted from extensive negotiations among the signatory parties and are interdependent. In the event the Commission does not approve or adopt this Stipulation and Agreement in total, or in the event the revised tariffs agreed to herein do not become effective in accordance with the provisions contained herein, this Stipulation and Agreement shall be void and no party shall be bound by any of the agreements or provisions hereof.

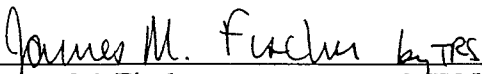
WHEREFORE, the parties to this Stipulation and Agreement respectfully request from the Commission the following:

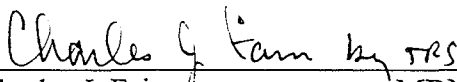
- (a) that the Commission approve this Stipulation and Agreement in its entirety;

(b) that the Commission grant Applicant's Application for a Certificate of Convenience and Necessity, as amended, conditioned, and clarified herein in paragraphs numbered 1 through 17, conditioned upon the safety requirements contained in paragraph 4 of this Stipulation and Agreement; and

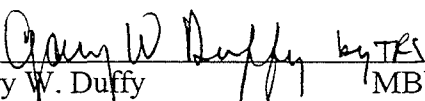
(c) that the Commission approve the depreciation rates reflected in Schedule No. 1 and require Applicant to file tariffs for Commission approval prior to the commencement of construction.

Respectfully submitted,

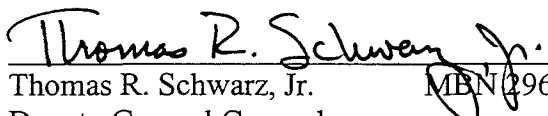

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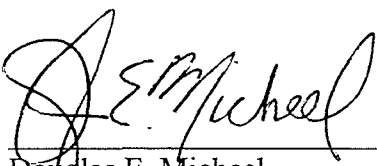
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**Attorney for Williams Gas Pipelines
Central, Inc.**

SERVICE LIST

I do hereby certify that a true and correct copy of the foregoing documents has been hand-delivered or mailed, postage prepaid or Federal Express, this 24th day of June, 1998, to:

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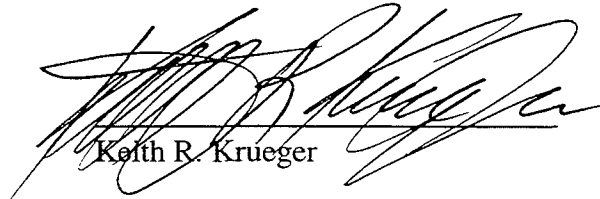
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Keith R. Krueger

GAS PLANT SCHEDULE OF ACCOUNTS

OZARK NATURAL GAS CO., INC.

Case No. GA-98-227

ACCOUNT NUMBER	CATAGORY ACCOUNT DESCRIPTION	AVERAGE SERVICE LIFE YEARS	NET SALVAGE	DEPRECIATION RATE
STORAGE PLANT				
360	Land and land rights.	N/A	N/A	N/A
361	Structures and improvements.	50	0.0%	2.0%
363.2	Vaporizing equipment.	50	0.0%	2.0%
363.3	Compressor equipment.	50	0.0%	2.0%
363.4	Measuring and regulating equipment.	50	0.0%	2.0%
363.5	Other equipment.	50	0.0%	2.0%
TRANSMISSION PLANT				
365	Land and land rights.	N/A	N/A	N/A
366	Structures and improvements.	50	0.0%	2.0%
367	Mains.	50	0.0%	2.0%
368	Compressor station equipment.	50	0.0%	2.0%
369	Measuring and regulating station equipment.	50	0.0%	2.0%
370	Communication equipment.	50	0.0%	2.0%
371	Other equipment.	50	0.0%	2.0%
DISTRIBUTION PLANT				
374	Land and land rights.	N/A	N/A	N/A
375	Structures and improvements.	50	0.0%	2.0%
376	Mains.	50	0.0%	2.0%
377	Compressor station equipment.	50	0.0%	2.0%
378	Measuring and regulating station equipment- - General.	50	0.0%	2.0%
379	Measuring and regulating station equipment- - City gate check stations.	50	0.0%	2.0%
380	Services.	35	0.0%	2.9%
381	Meters.	35	0.0%	2.9%
382	Meter installations.	35	0.0%	2.9%
383	House regulators.	41	0.0%	2.4%
384	Home regulator installations.	41	0.0%	2.4%
385	Industrial measuring and regulating station equipment.	35	0.0%	2.9%
387	Other equipment.	50	0.0%	2.0%
GENERAL PLANT				
389	Land and land rights.	N/A	N/A	N/A
390	Structures and improvements.	50	0.0%	2.0%
391	Office furniture and equipment.	20	0.0%	5.0%
391.1	Computer equipment.	7	10.0%	12.9%
392	Transportation equipment.	7	10.0%	12.9%
393	Stores equipment.	25	0.0%	4.0%
394	Tools, shop and garage equipment.	20	0.0%	5.0%
395	Laboratory equipment.	20	0.0%	5.0%
396	Power operated equipment.	12	20.0%	6.7%
397	Communications equipment.	15	0.0%	6.7%
398	Miscellaneous equipment.	20	0.0%	5.0%

SCHEDULE NO. 2

OZARK NATURAL GAS SERVICE TERRITORY

Ozark Natural Gas would receive a Line Certificate for the following aea, as more specifically set out and conditioned in the May 12, 1998, Stipulation and Joint Recommendation between Ozark and MGE:

<u>County</u>	<u>Tnshp Range</u>	<u>Certificated Utility Area</u>	<u>#</u>
<u>Greene County</u>	T28N R22W	Sec. 14, 23, 26	3
<u>Christian County</u>	T28N R22W	Sec. 35	1
	T27N R22W	Sec. 2, 11, 14, 23, 26, 35, 36	7
	T26N R22W	Sec. 1	<u>1</u>
Sections in Line Cert. Area			12

Ozark Natural Gas would receive an Area Certificate for the following Service Area:

<u>Christian County</u>	T26N R22W	Sec. 10-15, 22-27, 34-36 (W Hindvill)	15
	T26N R21W	Sec. 7-9, 16-21, 28-33 (Highlandville)	15
	T25N R22W	East ½ (Spokane)	18
	T25N R21W	West ½ (E. Spokane)	18
<u>Stone County</u>	T26N R22W	West ½ (Highlandville)	18
	T25N R22W	West ½ (W. Spokane)	18
	T24N R23W	East ½ (Reeds Spring)	18
	T24N R22W	West ½ (Reeds Spring Jct)	18
	T23N R23W	East ½ (Branson West)	18
	T23N R22W	West ½ (Branson West-Stone Bridge)	18
	T22N R22W	Sec. 4-9, 16, 21, 28 (Indian Point)	9
<u>Taney County</u>	T24N R22W	East ½ (US 160)	18
	T24N R21W	Sec. 4-9, 16-21, 25-36 (Bull Creek V)	24
	T24N R20W	Sec. 15-22, 27-34 (Forsyth)	16
	T23N R22W	East ½ (Branson northwest)	18
	T23N R21W	All (N. Branson, N. Hollister)	36
	T23N R20W	West 2/3 (Powersite - Forsyth)	24
	T22N R22W	East ½ (Table Rock Village)	18
	T22N R21W	All (Branson & Hollister)	<u>36</u>
Sections in Service Area			<u>373</u>

ILLUSTRATIVE TARIFF

OZARK NATURAL GAS CO., INC.

SCHEDULE NO. 3

OZARK NATURAL GAS CO., INC.

SCHEDULE OF RATES
FOR
NATURAL GAS SERVICE

APPLYING TO THE FOLLOWING TERRITORY

Issued _____ Effective _____
month day year month day year

By: Robert J. Oxford President 118 S. Commercial St. Branson, Missouri 65616
name of officer title Address

FORM NO. 13 P.S.C. No. _____

(original)

Sheet No. i.

(revised)

Cancelling P.S.C. MO. No. _____

(original)

Sheet No. _____

(revised)

Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas
receiving Natural Gas Service
Community, Town or City

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DATE OF ISSUE _____
 month day year

DATE EFFECTIVE _____
 month day year

ISSUED BY Robert J. Oxford President 118 S. Commercial St. Branson, Missouri 65616
 name of officer title address

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Cancelling P.S.C. MO. No. _____

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Sheet No. _____

(revised)

Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas

For receiving Natural Gas Service

Community, Town or City

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Ozark Natural Gas Co., Inc.

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Ozark Natural Gas Co., Inc.

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Ozark Natural Gas Co., Inc.

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For receiving Natural Gas Service

Community, Town or City

OZARK NATURAL GAS CO., INC.

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(revised)

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(revised)

Sheet No. _____

Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas

For receiving Natural Gas Service

Community, Town or City

OZARK NATURAL GAS CO., INC.
SERVICE AREA BY COUNTY, TOWNSHIP, RANGE AND SECTION

Ozark Natural Gas Co., Inc. has a Line Certificate for the following area:

<u>GREENE COUNTY</u>	T28N	R22W	Sec. 14, 23, 26
<u>CHRISTIAN COUNTY</u>	T28N	R22W	Sec. 35
	T27N	R22W	Sec. 2, 11, 14, 23, 26, 35, 36
	T26N	R22W	Sec. 1

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas

For receiving Natural Gas Service

Community, Town or City

OZARK NATURAL GAS CO., INC.
SERVICE AREA BY COUNTY, TOWNSHIP, RANGE AND SECTION
(Continued)

Ozark Natural Gas has an Area Certificate for the following Service Area:

<u>Christian County</u>	T26N	R22W	Sec. 10-15, 22-27, 34-36 (W. Highlandville)
	T26N	R21W	Sec. 7-9, 16-21, 28-33 (Highlandville)
	T25N	R22W	East ½ (Spokane)
	T25N	R21W	West ½ (E. Spokane)
<u>Stone County</u>	T26N	R22W	West ½ (Highlandville)
	T25N	R22W	West ½ (W. Spokane)
	T24N	R23W	East ½ (Reeds Spring)
	T24N	R22W	West ½ (Reeds Spring Jct)
	T23N	R23W	East ½ (Branson West)
	T23N	R22W	West ½ (Branson West - Stone Bridge)
	T22N	R22W	Sec. 4-9, 16, 21, 28 (Indian Point)
<u>Taney County</u>	T24N	R22W	East ½ (US 160)
	T24N	R21W	Sec. 4-9, 16-21, 25-36 (Bull Creek V)
	T24N	R20W	Sec. 15-22, 27-34 (Forsyth)
	T23N	R22W	East ½ (Branson Northwest)
	T23N	R21W	All (N. Branson, N. Hollister)
	T23N	R20W	West 2/3 (Powersite - Forsyth)
	T22N	R22W	East ½ (Table Rock Village)
	T22N	R21W	All (Branson & Hollister)

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas
For Receiving Natural Gas Service
Community, Town or City

GENERAL SERVICE (GS)

Availability - This rate schedule is available for all firm gas service rendered by the Company, including space heating service.

Rate - The monthly charge shall consist of a customer charge plus a charge for gas used as set forth below:

Residential Service

Customer Charge	\$ 8.00	per month
Commodity Charge	\$.43	per therm

Small General Service

Customer Charge	\$ 15.00	per month
Commodity Charge	\$.33	per therm

Minimum Monthly Charge - The Customer Charge.

Late Payment Charge - Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

Billing of License, Occupation, Franchise or Other Similar Charges or Taxes - See Original Sheet No. 18.

Purchased Gas Adjustment - The rates and charges contained herein are subject to adjustments pursuant to the Purchased Gas Adjustment Clause contained on Sheet Nos. 19 through 28.

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(original)

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas
 For Receiving Natural Gas Service
 Community, Town or City

LARGE GENERAL SERVICE (LGS)

Availability - Service under this rate schedule is available for qualifying firm gas users. Service under this rate schedule is available to customers contracting for a minimum term of one year with an annual usage equal to, or greater than 500 therms per day, who can be expected to maintain an average load factor (as defined on Sheet No. 33) of at least 35% in the months of November-April.

Rates - The monthly charge shall consist of a customer charge, and a commodity charge as set forth below:

Customer Charge - per month	\$ 200.00
Telemetering Charge-per month	75.00
Maximum Commodity Charge - for all therm's used per month - per therm	\$.25
Minimum Commodity Charge - for all therm's used per month - per therm	\$ 0.01

Minimum Monthly Charge - The Customer Charge.

The Company may from time to time at its sole discretion reduce its maximum commodity charge for service by any amount down to the minimum commodity charge for customers who have alternative energy sources, which on an equivalent Btu basis, can be shown to be less than the sum of the Company's maximum rate and the cost of gas reflected in the Purchased Gas Adjustment factor. Such reductions will only be permitted if, in the Company's sole discretion, they are necessary to retain or expand services to an existing customer, to reestablish service to a previous customer or to acquire new customers.

Purchased Gas Adjustment - The rates and charges contained herein are subject to adjustments pursuant to the Purchased Gas Adjustment Clause contained on Sheets Nos. 19 through 28.

Billing of License, Occupation, or Other Similar Charges or Taxes - See Original Sheet No. 18.

Late Payment Charge - Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas
For Receiving Natural Gas Service
Community, Town or City

LARGE GENERAL INTERRUPTIBLE SERVICE (LIS)

Availability - This service is available to large commercial and industrial Customers using in excess of 500 therms per day of natural gas on an annual basis adjusted for curtailment, subject to an adequate supply of natural gas and delivery capability at the location of the Customers' facilities, who have operable standby facilities with sufficient storage for 5 days' requirements to burn an alternate fuel. All gas purchased under this rate schedule shall be separately measured from any gas purchased under any other rate schedule. Separate meters, separate accounts, and separate locations may not be combined for billing under this Schedule. A Customer shall not be permitted to switch between this schedule and Large General Service more often than once in any 12-month period.

Rates - The monthly charge shall consist of a customer charge, and a commodity charge as set forth below:

Facilities Charge - per month	\$ 200.00
Telemetry Charge-per month	\$ 75.00
Maximum Commodity Charge - for all therms used per month - per therm	\$.20
Minimum Commodity Charge - for all therms used per month - per therm	\$ 0.01

Minimum Monthly Charge - The Customer Charge.

The Company may from time to time at its sole discretion reduce its maximum commodity charge for service by any amount down to the minimum commodity charge for customers who have alternative energy sources, which on an equivalent Btu basis, can be shown to be less than the sum of the Company's maximum rate and the cost of gas reflected in the Purchased Gas Adjustment factor. Such reductions will only be permitted if, in the Company's sole discretion, they are necessary to retain or expand services to an existing customer, to reestablish service to a previous customer or to acquire new customers.

Purchased Gas Adjustments - The rates and charges contained herein are subject to adjustments pursuant to the Purchased Gas Adjustment Clause contained on Sheet Nos. 19 through 28.

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas
For Receiving Natural Gas Service
Community, Town or City

LARGE GENERAL INTERRUPTIBLE SERVICE (LIS) (cont.)

Curtailment - The Customer must be capable of being 100% curtailed, other than for allowance of 10 therms per day for pilot usage, on two hours notice. In case of non-compliance, the Company shall have the right to shut off service when necessary, in the Company's sole opinion, to protect service to higher margin Customers.

Unauthorized Gas Use - In the event a Customer fails to discontinue the use of gas after two hours notice that gas under this schedule is curtailed, all gas so used shall be paid for by the Customer at a rate of \$2.50 per therm in addition to the regular energy charge for such gas.

The Customer shall be liable for any penalties incurred by the Company resulting from any imbalance created from Customer's failure to take scheduled quantities of gas or Customer's delivery of gas exceeding scheduled quantities.

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas
For Receiving Natural Gas Service
Community, Town or City

TRANSPORTATION SERVICE

Availability

Transportation Service is available under Transportation Contract with Company to customers having requirements in excess of 500 therms per day in any one month of a twelve month period. Such transportation service is subject to interruption or curtailment as further explained in the Character of Service section below. Volumes transported pursuant to this tariff shall be included in the requirements provided for in Company's natural gas sales contract with the customer ("transporter").

Net Monthly BillIndustrialCustomer Charge per month (Exclusive
of any consumption)

\$ 200.00

Telemetry Charge per month

\$ 75.00

All Gas Delivered to Transporter
per therm:MaximumMinimum

Transportation Charge

\$ 0.250

\$.01

Other Charges

\$ 0.000\$.00

Total Cost per therm

\$ 0.293

\$.01

Billing shall also include any other charges incurred, and any transmission and distribution losses incurred by Company from other parties for the transportation of the gas to the transporter including, but not limited to, supplier transportation and gathering charges, overrun penalties, take or pay costs, balancing charges, and any governmental fees or taxes incurred by Company on behalf of the transporter.

In addition, any customers electing to transport natural gas under this rate schedule shall be responsible for payment of an allocated pro rata share, as specified in the Purchased Gas Adjustment Clause (Sheet Nos. 19-28), of any demand, reservation, take or pay, or gas inventory charge, or any similar charge levied by Company's supplier(s) that are a direct result of Company maintaining its regular sales contract with its supplier(s). Said charges shall be

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas
Receiving Natural Gas Service
Community, Town or City

TRANSPORTATION SERVICE (cont.)

calculated in accordance with the terms set forth in Company's Purchased Gas Adjustment Clause and shall include all costs other than the then current pipeline commodity rate and system loss factor. All revenues received through this provision of the transportation tariff, except the take or pay charges, shall be labeled as backup charges, documented and included in the calculation of the Deferred Purchased Gas Cost Accounts, as specified in Section II and III of the Purchased Gas Adjustment Clause, as a cost recovery used in the determination of the Actual Cost Adjustment factor. Take or pay related revenues, collected as a result of this provision, shall be included when revising the take or pay factor provided for the Purchased Gas Adjustment clause.

Nothing contained herein shall be construed as affecting in any way the right of the Company to unilaterally make application for a change in its rates to the Missouri Public Service Commission.

Minimum Monthly Bill

The higher of the above rate for zero consumption plus applicable customer charge, demand charges and adjustments as herein described, or the minimum as set forth by contract. If both sales service and transportation service are provided in a given billing period, the Company shall assess only one customer charge.

Rules and Regulations

Service furnished under this schedule shall be subject to the Company's Rules and Regulations, and Orders of the Missouri Public Service Commission, the Federal Energy Regulatory Commission, or any other governmental body having jurisdiction.

The above rate does not include any franchise, occupational or other similar tax or license fee. These items will be applied to revenue related to the Company's charges where applicable, as provided for in Sheet No. 18.

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas
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Community, Town or City

TRANSPORTATION SERVICE (cont.)

Character of Service

Service provided under this schedule shall be subject to interruption or curtailment due to system capacity or supply constraints, to be determined in the Company's sole discretion reasonably exercised in accordance with the Company's Gas Rules and Regulations and with the terms and, if applicable, conditions of the Company's transportation tariff.

Transportation service shall also be subject to the following additional provisions:

Billing

The Company will render bills monthly for transportation service furnished the previous monthly period, which may include billings from third party transporters delivering gas to the Company on the customer's ("transporter's") behalf. Such billing shall become due and payable 15 days after receipt of the invoice. Should transporter fail to pay part or all of the amount of any such billing and, if such failure shall continue for fifteen (15) days after payment is due, then the Company, in addition to any other remedy it may have, may suspend further receipt and/or delivery of gas until such amount is paid.

Transporter agrees to reimburse the Company for all taxes and other fees levied in connection with transportation service that the Company is obligated to pay to any governmental authority. The term "taxes" as used herein, shall mean any tax (other than ad valorem, income or excess profits taxes), fee or charge now or hereafter levied, assessed or made by any governmental authority on the gas itself or on the act, right or privilege of producing, severing, gathering, transporting, handling, selling, or delivering gas, however such taxes are measured.

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Ozark Natural Gas Co., Inc.

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For All Communities and Rural Areas

Receiving Natural Gas Service

Community, Town or City

TRANSPORTATION SERVICE (cont.)

Terms and Conditions

Service hereunder is subject to the Company's applicable rate schedule, and the contract thereunder. The term of service hereunder shall be the same as the remaining term of transporter's sales and transportation contract with Company, provided that the Company reserves the right to discontinue transportation service as set forth herein, and provided further that service shall terminate at such earlier date as transportation service ceases to be available from the interstate or intrastate pipeline company.

Conditions of Receipt and Delivery

(1) Transporter will provide for the delivery of volumes of natural gas to be transported to a mutually agreeable location on the Company's system which serves transporter's premises, and the Company shall deliver said volumes of gas to the outlet side of the Company's meters at transporter's premises. The Company agrees to deliver to transporter at the point of delivery a quantity of gas equal to the quantity received at the point of receipt, less fuel usage and/or unaccounted-for line losses as estimated by the Company for the most recent twelve month period ending August. Gas transported hereunder shall be delivered to Company in the State of Missouri and shall ultimately be consumed by transporter in the state of Missouri. Gas delivered hereunder shall not be resold by transporter.

(2) The transporter and Company shall, by mutual agreement, establish the date of commencement of receipt and delivery of gas hereunder.

(3) Any gas introduced into the system by a transporter, must have the same Btu value as that of the Company average.

(4) Monthly Balancing. Monthly balancing of transportation receipts and deliveries shall be maintained by transporter to the maximum extent practicable. Despite the best efforts of transporter to keep receipts and deliveries in balance, any imbalance which does occur, however, shall be subject to the terms and conditions of this Section.

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Ozark Natural Gas Co., Inc.

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TRANSPORTATION SERVICE (cont.)

(a) Positive Imbalance. Where the imbalance is the result of transporter delivering or causing delivery to the Company at the Receipt Point(s) a quantity of gas which, after appropriate reductions, exceeds the quantity of gas taken by the transporter during the same billing period ("positive imbalance"), the Company shall notify transporter of the existence and extent of the imbalance and transporter shall take all appropriate actions to eliminate this positive imbalance within the two (2) billing periods next following the billing period in which the transporter is notified of the imbalance.

(b) Excess Positive Imbalance

(1) To the extent that transporter's deliveries to the Company plus any previous positive imbalance, if any, exceed the quantities taken that month by transporter from the Company by more than 5% of the monthly average consumption of customer during the most recent three-month period, not including the most recent billing period ("excess positive imbalance"), the transporter and the Company shall promptly confer to establish a mutually agreeable schedule to eliminate the excess positive imbalance and transporter shall take appropriate action to eliminate the excess positive imbalance in accordance with the agreed upon schedule.

(2) If the parties are unable to agree to a reduction schedule, and the transporter fails to eliminate the excess positive imbalance by the end of the second billing period following the period in which the imbalance occurs, the Company shall be authorized to take any action necessary to reduce or eliminate the excess positive imbalance including, but not limited to, retention by the Company of the volumes of gas constituting the excess positive imbalance at no cost to the Company and free and clear of any adverse claim, or restricting or refusing to accept additional deliveries. The dollar effect of gas so acquired by the Company shall be credited to the Company's sales customers through the operation of the Purchased Gas Adjustment Clause.

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Ozark Natural Gas Co., Inc.

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Receiving Natural Gas Service
Community, Town or City

TRANSPORTATION SERVICE (cont.)

(c) Negative imbalance

(1) Where the imbalance is the result of transporter delivering or causing delivery to the Company of a quantity of gas during any billing period which, after appropriate reductions, is less than the quantity taken from the Company during the same billing period ("negative imbalance"), and such negative imbalance is not intended to eliminate a prior positive imbalance, the quantity of gas constituting the negative imbalance shall be deemed purchased from the Company and the Company shall charge the transporter an amount equal to the product of the negative imbalance and the Company's resale rate in effect at the time that the negative imbalance is incurred. Payment of such charge shall eliminate the imbalance and no further corrective action shall be required.

(2) In the event a negative imbalance occurs which, in the sole and reasonable opinion of the Company, is not caused by the transporter, the transporter's agents, or other transporters on the Company system or their agents, transporter may correct the negative imbalance during the two billing periods after the billing period in which transporter was notified of the negative imbalance, by delivering gas to the Company, which after appropriate reductions is in excess of gas taken by the transporter from the Company during said billing periods, and if the Company is able to receive such volumes, such excess volumes may, at the request of the transporter, be used to offset the negative imbalance and transporter shall receive a credit equal to the product of the excess volumes delivered and the tariff rate charged at the time the imbalance was incurred.

(d) Emergency Corrective Actions. Without regard to the foregoing, and except as limited by Paragraph 8(d) on Sheet No. 13 of this tariff, the Company shall have the right to take, or require transporter to take, such actions of whatever nature as may be required to correct imbalances which threaten the integrity of the system, including maintenance of service to other customers.

(e) Sequence of Deliveries. Unless otherwise agreed between the Company and transporter, gas taken by transporter from the Company shall be deemed to be delivered to the transporter in the following sequence:

(1) All currently nominated transportation volumes, if any;

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Ozark Natural Gas Co., Inc.

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TRANSPORTATION SERVICE (cont.)

(2) Any gas which is used to eliminate or reduce any imbalance incurred by the transporter;

(3) Gas deemed purchased from the Company in the current billing period pursuant to the Company's applicable sales rate schedule.

(f) The Company shall not be obligated to perform post contract termination balancing to the extent that, in the sole discretion of the transporting interstate or intrastate pipeline company and/or the Company reasonably exercised, such is deemed to be "transportation" as defined by either the Federal Energy Regulatory Commission or the Missouri Public Service Commission.

(1) Should transporter be unable to accept the volume tendered at the point of delivery by the Company on any day(s), then the Company may refuse to receive gas at the point of receipt to the Company on such day(s).

(2) Deliveries of gas at the point of receipt shall be at a pressure sufficient to enter the Company's pipeline system at such point. Deliveries of gas at the point of delivery shall be at such pressure as may exist in the Company's pipeline at such point from time to time.

(3) The Company shall have the unqualified right to commingle gas transported hereunder with gas from other sources, and to treat and handle all such gas as its own even though title to the transported gas is vested in transporter. It is recognized that gas delivered will not necessarily be the same molecules as those received at the point of receipt.

(4) Before commencing delivery of any natural gas to the Company for transport to the transporter, transporter shall furnish the Company with written certification demonstrating to the Company's satisfaction that the supplies to be purchased, and the third party transportation to be provided thereunder, will conform to the delivery specifications of this tariff and the transporting interstate pipeline's tariff, and that such supplies are reasonably reliable for the purpose of meeting transporter's daily transport volume requirements.

(5) The Company's obligation to transport gas of transporter shall be as follows:

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Ozark Natural Gas Co., Inc.

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TRANSPORTATION SERVICE (cont.)

(a) If the Company's system capacity is inadequate to meet transporter's demands for sales and transportation service, the service supplied under this tariff will be curtailed in accordance with the Company's Gas Rules and Regulations.

(b) If a supply deficiency occurs in the volumes being delivered to the Company on behalf of transporter, and sales gas of the same priority is available without penalty to the Company, transporter may continue to be served sales volumes in lieu of transportation volumes at the applicable sales rate.

(c) If a supply deficiency occurs in the volume of gas available to the Company for resale, and the transporter's supply delivered to the Company for transportation continues to be available, then transporter may continue to receive full transportation service even though sales gas of the same priority is being curtailed.

(d) In the event that the Company has inadequate supplies of natural gas resulting from any of the circumstances identified in the Company Gas Rules and Regulations and because of such inadequate supplies the Company in its sole judgement believes it will be required within the next twenty-four (24) hours to interrupt service to any customer where the interruption received ("Deferred Gas") for a period not to exceed the duration of the circumstance causing the inadequate supply or as soon as the Company is reasonably able to obtain a supply of gas to alleviate such circumstances. Deferred Gas may be used by the Company to avoid interruption of service to the aforementioned customers. The Company shall reimburse transporter for the amount per MMBtu by which the applicable price of number 6 fuel oil published by the Federal Energy Regulatory Commission pursuant to 18 CFR Sec. 282.404, or the published price for such other alternate fuel ordinarily used by transporter to replace natural gas for the deferment period exceed the delivered cost to transporter of the Deferred Gas (inclusive of all transportation and other charges), provided that such Deferred Gas would not otherwise have been interrupted. Such reimbursement shall be accounted for by the Company as a purchased gas expense.

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118 S. Commercial St. Branson, Missouri 65616
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(original)

Sheet No. 13

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Cancelling P.S.C. MO No. _____

(original)

Sheet No. _____

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas
Receiving Natural Gas Service
Community, Town or City

TRANSPORTATION SERVICE (cont.)

The Company shall use its best efforts to notify transporter twenty-four (24) hours in advance of any such deferral, but shall not be liable for failure to give such advance notice. The Company shall not impose any storage charge upon transporter for deferral of gas pursuant to this paragraph.

(6) The determination of system capacity limitation shall be in the sole discretion, reasonably exercised, of the Company. If capacity limitations restrict the volume of gas which transporter desires to be transported, transporter 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 transporter pursuant to a contract entered into by the Company and transporter. Title to such expanded facilities shall be and remain in the Company free and clear of any lien or equity by transporter. Nothing herein contained shall be construed as obligating the Company to construct any extensions of its facilities.

(7) In the event that transportation hereunder 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 customer in addition to amounts for service rendered hereunder. Any disputes regarding customer responsibility for such charges shall be referred to the agency having jurisdiction herein for resolution.

Scheduling

Schedules of receipts must be received by the Company by the times provided herein, and may be changed pursuant to this tariff only as necessitated by operating difficulties not reasonably foreseeable at the time such schedules were tendered. All schedules and changes thereto shall specify volumes by point of receipt and point of delivery. The Company may refuse to receive or deliver any gas not timely and properly scheduled, and transporter shall indemnify and hold the Company harmless from any liability to the Company or any other person for such refusal.

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Ozark Natural Gas Co., Inc.

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TRANSPORTATION SERVICE (cont.)

At least ten (10) days prior to the first day of each billing period transporter or its designee shall furnish to the Company a schedule, commonly referred to as a "nomination letter", showing the estimated daily quantity of gas it desires the Company to transport during such billing period.

Transporter shall give the Company at least twenty-four (24) hours notice prior to any proposed change in its schedule. Such changes shall be kept to a minimum, as permitted by operating conditions, and the dispatchers for the transporter and Company shall diligently cooperate to this end. The Company and transporter shall inform each other of any other changes of deliveries immediately. Telephone notice is acceptable for said scheduling changes.

Upon receiving written permission from customer, the Company shall provide customer consumption information and/or receive transportation nominations from those individuals or firms so indicated by customer.

Nominations

Upon mutual written agreement, and at no additional charge to customer, the Company will act as customer's agent with regard to nominating transportation volumes. In no event will the Company, in its role as agent, purchase transportation volumes on behalf of a customer.

Responsibility During Transportation

The Company shall be deemed to be in control and possession of the transporter owned gas transported hereunder only after the gas is received at the point of receipt by the Company, and before it is delivered at the point of delivery to transporter. Transporter shall be deemed to be in control and possession of the gas transported at the point of delivery and thereafter.

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Ozark Natural Gas Co., Inc.

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All Communities and Rural Areas
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TRANSPORTATION SERVICE (cont.)

The party deemed to be in control and possession of the gas shall indemnify and hold harmless the other party with respect to any losses, injuries, claims, liabilities or damages caused by the gas transported and occurring while the gas is in its possession. Title to the gas shall remain vested in transporter at all times during transportation.

Warranty

Transporter shall warrant that it will, at the time of delivery of gas to the Company, have good title to all such gas, and that such gas will be free from all liens, encumbrances and claims whatsoever. Transporter shall, as to the gas which is delivered to the Company and the transporting interstate pipeline company, indemnify and save the Company harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses arising from or out of any adverse claims of any and all persons to said gas and/or to royalties, taxes, fees or charges thereon.

Installation of Meters and Regulators

The Company shall install, maintain and operate at no additional expense, at or near the point of delivery, a meter or meters and other necessary measuring equipment by which the volume of gas delivered to transporter shall be measured. The Company shall also install, maintain and operate at its own expense, at or near the point of delivery, such pressure regulating equipment as may be necessary. No charge shall be made by the transporter for the use of the premises occupied by the Company's metering and regulating equipment.

Transporter's Installation

Transporter shall, at his own risk and expense, install all suitable apparatus on his side of the Company's meter, such as shut-off valves, regulators, relief valves, safety pilots and all other devices necessary to adequately protect his facilities. Such installations shall be of such character that they will not introduce injurious disturbances in the Company's line, and the apparatus shall be selected and used so as to secure the highest practicable point of efficiency and safety. Transporter shall install and maintain his gas apparatus so as to conform to good practice applying to such installation. The Company assumes no responsibility for the design or condition of the transporter's installation.

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas

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TRANSPORTATION SERVICE (cont.)

Company's Facilities

Transporter agrees to protect at all times the property of the Company on the premises of the transporter and shall permit no one but the agents of the Company, and other persons authorized by law, to inspect or handle the piping, meters or other apparatus of the Company. Transporter shall not make, or permit to be made, any changes on his premises which will endanger the Company's facilities or cause an unsafe condition to exist relating to persons or property on or adjacent to transporter's premises.

Access

The Company shall have the right to enter the premises of transporter at all reasonable times for the purpose of installing, inspecting, testing, repairing or changing its apparatus or facilities, or for the removal of its property from the transportation under this tariff.

Quality

It shall be the responsibility of the transporter to assure that the quality of the gas delivered to the interstate pipeline(s) for ultimate delivery hereunder meets all specifications of the transporting interstate pipeline(s). 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 customer's obligations under this tariff or any contract pursuant thereto.

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas
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TRANSPORTATION SERVICE (cont.)

Force Majeure

Neither the Company nor transporter shall be liable in damages to the other for any act, omission or circumstances occasioned by, or in consequence of, any acts of God, any acts of third parties selling, delivering or transporting gas to or for transporter, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, temporary failure of gas supply, the binding order of any court of governmental authority, and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the one claiming suspension and which, by the exercise of due diligence, it is unable to prevent or overcome.

Requesting Transportation

A transporter shall request transportation by transmitting to the Company an executed Transportation Agreement. Nothing in this tariff shall preclude the Company and transporter from negotiating additional terms and conditions ("additional terms") which are for their mutual benefit, so long as the additional terms do not conflict with the other terms and conditions of these tariffs. Any additional terms negotiated which are general in nature shall be offered by the Company to any other transporters similarly situated.

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Ozark Natural Gas Co., Inc.

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**BILLING OF LICENSE, OCCUPATION, OR
OTHER SIMILAR CHARGES OR TAXES**

There shall be added to the customer's bill, as a separate item, an amount equal to any license, occupation, or other similar charge or tax now or hereafter imposed upon the Company, whether imposed by ordinance or franchise or otherwise, applicable to gas service by the Company to the customer.

Where such charge or tax is imposed as a percentage of gross or net receipts or revenues from sales of gas, the amount of such charge or tax applicable to gas service to a customer shall be determined by applying the rate imposed by the taxing authority.

Where such charge or tax is not imposed as a percentage of gross or net receipts of revenues from sales of gas, the amount of such charge or tax applicable to gas service to a customer shall be determined by applying the rate imposed by the taxing authority billed during the previous billing month.

Where more than one such charge is imposed by a taxing authority, the total of such charges or taxes applicable to a customer may be billed to the customer as a single amount.

Charges or taxes referred to in this schedule shall in all instances be billed to customers on the basis of Company rates effective at the time of billing. There shall be returned or credited to customers, in accordance with the Purchased Gas Adjustment Clause, that part of such charges or taxes which is collected from customers but is not paid by the Company to taxing authorities because of refunds which the Company may receive and subsequently does receive from the Company's suppliers and which refunds are returned or credited to the Company's customers.

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Ozark Natural Gas Co., Inc.
Name of Issuing Corporation

For All Communities and Rural Areas
Receiving Natural Gas Service
Community, Town or City

PURCHASED GAS ADJUSTMENT CLAUSE

I. PGA Filing Requirements and Applicability

The Purchased Gas Adjustment (PGA) Clause applies to all sales and transportation services provided under all natural gas rate schedules and contracts. For purposes of this clause the term "cost of gas" shall include the cost paid to suppliers for the purchase, transportation and storage of gas.

All PGA factors are subject to review and approval by the Commission. All PGA factors are interim and subject to adjustment as part of the ACA review. Any PGA filing shall not be approved unless it has first been on file with the Commission for a period ten (10) business days. The PGA factors approved by the Commission shall remain in effect until the next PGA becomes effective hereunder, or until otherwise changed by law or order of the Commission. Each PGA factor filed hereunder shall cancel and supersede the previously effective PGA factors and shall reflect the current purchased gas cost to be effective thenceforth. The Company will begin billing the new rate when all service being billed to the customer is after the effective date of the new rate.

All necessary supporting documentation must be provided with the PGA filings, including worksheets showing the calculation of the estimate of the Company's gas costs, volumes purchased for resale, the projected monthly demand levels, supply options, transportation demand levels, supply options, transportation options, storage options, and other miscellaneous charges and revenues that affect the PGA rate calculation.

The Company shall file a "Total PGA" factor which shall consist of four parts:

- a) The Purchased Gas Adjustment "RPGA" factor as defined in Section II;
- b) The Take-or-Pay Cost Recovery factor as defined later in Section III;
- c) The Actual Cost Adjustment "ACA" which results from the corrections made through the Deferred Purchased Gas Cost-Actual Cost Adjustment Accounts, described later in Section IV of this clause, and;
- d) The "Refund" factor which is described later in Section V of this clause.

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Ozark Natural Gas Co., Inc.

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PURCHASED GAS ADJUSTMENT CLAUSE (cont.)

At least ten (10) business days before applying November and April effective filed rates, the Company shall file with the Commission an Adjustment Statement and related information showing:

- a) The computation of the revised purchased gas costs factors as described herein; and,
- b) A revised Sheet No. 20 setting forth the service classifications of the Company to which the cost changes are to be applied, the net amount per therm, expressed to the nearest \$0.0001 to be used in computing customers' bills, and the effective date of such revised change.

The Company shall also file with the Commission copies of any orders, contracts, or other pertinent information applicable to the wholesale rates charged the Company by its natural gas suppliers. The Company shall adequately and completely document purchasing and delivery activities for purposes of its annual gas cost audit.

A. Scheduled PGA Filings:

The Company shall have the opportunity to make two Scheduled PGA Filings each year: A Winter PGA and a Summer PGA. The Winter PGA shall be filed to be effective November 1 and the Summer PGA shall be filed to be effective April 1. The Company must file a Winter PGA each year, but is not required to file a Summer PGA.

If the Company chooses to make only one Scheduled PGA Filing, it shall file a Winter PGA that shall contain rates reflecting: (1) all of the Company's ACA adjustments, TOP adjustments and Refund factor adjustments relating to or arising during the immediately preceding 12 month ACA period; (2) the Company's then current estimate of gas cost revenue requirements for the period between the effective date of filing and the next Winter PGA Filing; and (3) any DCCB adjustments.

If the Company chooses to make both Scheduled PGA Filings, the Winter PGA filing shall contain the rates reflecting: (1) all of the LDC's ACA adjustments, TOP adjustments and Refund adjustments relating to or arising during the immediately preceding 12 month ACA period; (2) the Company's estimate of annualized gas cost revenue requirements for the period between the effective date of the Winter PGA and effective date of the Summer PGA; and (3) any DCCB adjustments. The Summer PGA shall contain rates maintaining (1) all of the LDC's ACA adjustments, TOP adjustments and Refund adjustments relating to or arising during the prior ACA period; and adjusting rates for (2) the Company's estimate of annualized gas cost revenue requirements for the period between the effective date of the Summer PGA and the effective date of its next Winter PGA; and (3) any DCCB adjustments.

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Ozark Natural Gas Co., Inc.

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PURCHASED GAS ADJUSTMENT CLAUSE (cont.)

B. Unscheduled Winter PGA Filing:

In addition to the two Scheduled PGA Filings mentioned above, the Company may file one Unscheduled Winter PGA to be effective during the Winter PGA effective period, provided that at the time of such Unscheduled Winter PGA filing, there is: (a) a projected under recovery in Ozark's Deferred Carrying Cost Balance (DCCB), as defined below, equal to or greater than fifteen percent (15%) of Ozark's Annual Gas Cost Level, as defined below; or (b) a projected over recovery in the DCCB equal to or greater than 10% of Ozark's Annual Gas Cost Level. The projected under or over recovery shall be determined by adding: (1) the actual net over or under recovery amount in the DCCB at the time the Unscheduled Winter PGA Filing is made, and (2) the estimated over or under recovery amount which, base on Ozark's actual gas commodity costs at the time of the Winter PGA Filing, would otherwise occur in the ensuing monthly period, absent the filing.

The Deferred Carrying Cost Balance (DCCB) shall include the cumulative under or over recoveries of gas costs at the end of each month for each month for each annual ACA period. The under or over recoveries of gas costs at the end of each month to include in the DCCB will be defined and computed as the product of: (a) the difference between Ozark's actual annualized unit cost of gas (blended with storage and the estimated annualized unit cost of gas factor included in Ozark's then most recent PGA filing, times (b) the total volumes of gas sold during such month.

Annual Gas Cost Level is defined as the annual gas cost level as determined in Ozark's latest effective PGA rate calculation. Under no circumstances will the Company make more than one Unscheduled PGA Filing per year.

If the Company qualifies for, and chooses to make, an Unscheduled Winter PGA filing, that filing: (1) shall contain a factor adjustment not to exceed five cents (\$0.05) per therm; (2) must contain rates reflecting the Company's then current estimate of the annualized gas cost revenue requirements for the period from the effective date of such filing to the next scheduled filing; and (3) may contain a further adjustment factor to such rates, which is designed to return to, or receive from, ratepayers any under or over recoveries of gas costs revenue requirements that have been deferred by the Ozark since its last PGA filing. The Unscheduled Winter PGA Factor made effective through action of the Commission shall remain in effect only until the next scheduled PGA filing. With its Unscheduled Winter PGA, the Company shall file a current estimate of annualized gas costs revenue requirements between the date of such filing and the effective date of the next Scheduled PGA.

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PURCHASED GAS ADJUSTMENT CLAUSE (cont.)

All necessary supporting documentation must be provided with the Unscheduled PGA Filing, including a worksheet of the actual monthly ACA balances along with all entries that have been used to record changes in the monthly balances. In addition all workpapers supporting the newly proposed PGA rate shall be provided with the filing. This newly proposed PGA rate will be calculated using the same methodology approved for the Scheduled PGA rates and will only reflect changes to the elements that have changed significantly from the currently effective factor.

II. REGULAR PURCHASED GAS ADJUSTMENTS:

Charges for gas service contained in the Company's then effective retail rate schedules on file with the Missouri Public Service Commission shall be adjusted by a Regular Purchased Gas Adjustment (RPGA), determined in the following manner.

I. Computation of RPGA Factors:

The Company's RPGA factors shall be calculated based on the best estimate of the Company's gas costs and volumes purchased for resale, as calculated by the Company and approved by the Commission. Calculation of the best estimate of the Company's gas costs and volumes purchased for resale shall consider the Company's projected monthly demand levels, supply options, transportation options, storage options, and other miscellaneous charges and revenues that affect the RPGA rate calculation. The costs to be included in the RPGA rate calculation shall be limited to the projected costs necessary to deliver the volumes purchased for resale to the Company's city gate. The actual gas costs shall include the commodity cost of storage withdrawals and exclude the commodity cost of storage injections.

The gas cost revenue requirement component of the RPGA factor, relating to fixed pipeline transportation and storage charges, fixed gas supply charges, and other fixed FERC authorized charges, will be determined in a manner similar to the way they have historically been determined in the Company's PGA Clause.

For the gas commodity component of the RPGA factor, including variable transportation costs, gas supply commodity costs, and other FERC authorized commodity charges, the Company will utilize any technique or method it deems reasonable for purposes of estimating the gas cost revenue requirement to be reflective for this component in each RPGA filing, provided that:

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Ozark Natural Gas Co., Inc.

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PURCHASED GAS ADJUSTMENT CLAUSE (cont.)

(a) for any Scheduled PGA Filing, such estimate shall not exceed a per therm cost equal to the higher of:

(1) the Company's actual commodity gas cost per therm for currently purchased gas supplies in the month in which the PGA filing is made; or

(2) the average of (i) the single highest average commodity gas cost per therm and (ii) the overall weighted average commodity gas cost per therm actually incurred by Ozark for the currently purchased gas supplies in the applicable winter or summer period during the then three most recent ACA periods.

(b) for any Unscheduled Winter PGA Filing, such estimate shall not exceed the per therm cost equal to Ozark's actual per therm commodity cost of gas for currently purchased gas supplies in the month in which such Unscheduled Winter PGA Filing is made; and,

(c) Ozark must justify the gas costs included in its filings.

For transportation customers that purchases gas from the Company, Ozark shall bill transportation customers the highest price gas taken during the billing month instead of the average rates contained in the RPGA computation. The Company shall use the revenues of such billings as gas cost recovery for the development of the ACA factor herein provided.

III. TAKE-OR-PAY COST RECOVERY FACTOR:

Federal Energy Regulatory Commission (FERC) authorized fixed Take-or-Pay (TOP) costs shall be recovered from all classes of customers on a volumetric basis by the application of TOP Cost Recovery factors applicable to all therms billed for both natural gas sales and transportation volumes under rate schedules and under contracts on file with the Missouri Public Service Commission.

The TOP account balance will be the net balance of all revenue recovered from the application of the TOP Cost Recovery factor using the monthly actual billed sales by cycle for sales customers and each unit transported for transportation service customers and all fixed FERC-authorized TOP charges paid to its suppliers for service in the TOP period.

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Ozark Natural Gas Co., Inc.

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Receiving Natural Gas Service
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TOP Cost Recovery factors will be computed by dividing the estimated annualized TOP costs by the estimated volumes of the total sales and transportation therms for the twelve-month period beginning with the effective date of the TOP Cost Recovery factor. Annualized TOP costs shall be the fixed TOP charges, including supplier paid interest, the Company has been billed and/or reasonably expects to be billed, for service in a twelve-month period as a result of the application of FERC approved tariffs relating to the recovery of TOP by the Company's natural gas suppliers, plus any over or under recovery of such costs from the previous period as discussed below. This adjustment shall be rounded to the nearest \$0.0001 per therm and applied to billings beginning with the first billing cycle of the billing month of November and ending with the last billing cycle of the billing month of October in the following year.

The TOP account balance will be the net balance of all revenue recovered from the application of the TOP Cost Recovery factor using the monthly actual billed sales by cycle for sales customers and each unit transported for transportation service customers and all fixed FERC-authorized TOP charges billed for service by its suppliers for the above twelve month period.

TOP Review. The TOP accounts will be audited simultaneously with the Company's Deferred Purchased Gas Cost Accounts (Section III of this PGA Clause). The Company will keep such records so as to allow for an accurate accounting of such costs actually paid to suppliers and recovery actually received from customers. Any over or under-recovery of such costs shall be refunded or recovered by inclusion in the subsequent TOP Cost Recovery factor determination. Notwithstanding the foregoing, the lump sum direct billed take-or-pay refunds made to the Company by its suppliers pursuant to FERC action will be refunded by the Company to customers in a manner consistent with the recovery of such TOP costs from customers.

TOP Termination. After termination of the TOP Cost Recovery factor, any remaining over or under-recovery TOP account balance shall be carried forward and included in the calculation of the next Actual Cost Adjustment (ACA) factor.

TOP Factor Procedures. The TOP Cost Recovery factor shall remain in effect until superseded by a subsequent TOP Cost Recovery factor calculated according to this provision. The Company shall file any revised TOP Cost Recovery factor on Sheet No. 27 in the same manner as all other Purchased Gas Adjustments. The TOP Accounts shall be reviewed concurrently with the Refund and ACA factor audits.

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Ozark Natural Gas Co., Inc.
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PURCHASED GAS ADJUSTMENT CLAUSE (cont.)

IV. DEFERRED PURCHASED GAS COST - ACTUAL COST ADJUSTMENT ACCOUNTS:

The Company shall establish and maintain a Deferred Purchased Gas Cost - Actual Cost Adjustment (ACA) Account which shall be credited with any over-recovery resulting from the operation of the Company's PGA procedure or debited for any under-recovery resulting from the same.

Such over- or under-recovery shall be determined by a monthly comparison of the actual (as billed) cost of gas as shown on the books and records of the Company for each cost month, exclusive of refunds, TOP costs and penalties, to the cost recovery by the Company for the revenue month corresponding to the cost month.

The cost recovery shall be calculated by multiplying the PGA class therm sales by the applicable effective revenue components [the RPGA factor and the ACA factor] related to the cost of gas purchased.

For each twelve month billing period ended with the August revenue month, differences of the comparisons described above, including the balance or credit for the previous year, shall be accumulated to produce a cumulative balance of over-recovered or under-recovered costs. "Actual Cost Adjustment" (ACA) factors shall be computed by dividing the cumulative balance of the over-recoveries or under-recoveries by the estimated volumes of sales, by PGA class during the subsequent twelve month period. These ACA factors shall be rounded to the nearest \$0.0001 per therm and applied to billings, beginning with the November revenue month. These ACA factors shall remain in effect until superseded by subsequent ACA factors calculated according to this provision. The Company shall file any revised ACA factors in the same manner as all other adjustments performed in the PGA clause.

Carrying costs shall be determined in the following manner:

(a) No carrying costs shall be applied in connection with any PGA-related item, until such time as the net "Deferred Carrying Cost Balance" exceeds an amount equal to ten percent (10%) of the Ozark's average annual level of gas costs for the then most three recent ACA periods (hereinafter "Annual Gas Cost Level"), beginning with the three ACA periods immediately preceding the 1997/98 winter period, which shall initially (until the 1998 Winter PGA Filing) be based on the three ACA periods immediately preceding the 1997/98 winter period.

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ISSUE BY Robert J. Oxford President 118 S. Commercial St. Branson, Missouri 65616
name of officer title address

FORM NO. 13 P.S.C. MO No. _____

(original)

Sheet No. 26

(revised)

Cancelling P.S.C. MO No. _____

(original)

Sheet No. _____

(revised)

Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas
Receiving Natural Gas Service
Community, Town or City**PURCHASED GAS ADJUSTMENT CLAUSE (cont.)**

The Deferred Carrying Cost Balance shall include the cumulative under or over recoveries of gas costs at the end of each month for each annual ACA period. The under or over recoveries of gas costs at the end of each month to include in the DCCB will be defined and computed as the product of : (a) the difference between Ozark's actual annualized unit cost of gas (blended with storage and the estimated annualized unit cost of gas factor included in Ozark's then most recent PGA filing, times (b) the total volumes of gas sold during such month.

(b) In the event the DCCB exceeds ten percent of the LDC's Annual Gas Cost Level, a carrying cost equal to simple interest at the prime rate minus one percentage point shall be applied to such portion of the balance amounts as exceeds five percent for the period such excess balance amounts exist. The prime lending rate, (prime), is that rate reported in The Wall Street Journal on the first business day of the following month.

V. REFUNDS:

For the purpose hereof, unless the Missouri Public Service Commission shall otherwise order, refunds or a balance in the refund account received by the Company from charges paid for natural gas resold to its customers, shall be refunded to such customers as a reduction in their PGA.

The Company shall file with the Commission and propose to make effective, the appropriate PGA Statement reflecting the decrease and an associated statement showing the computation of the refund adjustment in the same manner as all other adjustments performed in the PGA clause. The length of the refund period shall generally be twelve months. The Refund accounts shall be reviewed concurrently with the TOP and ACA factor audits.

The Company will add interest to the refunds received from its suppliers applicable to (1) the amount of the refund from the date of its receipt by the Company to the beginning date of the refund adjustment period, and (2) the average amount of the total refund estimated to be outstanding during the refund adjustment period.

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name of officer title address

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(original)

Sheet No. 27

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Cancelling P.S.C. MO No. _____

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Ozark Natural Gas Co., Inc.
Name of Issuing Corporation

All Communities and Rural Areas
For Receiving Natural Gas Service
Community, Town or City

PURCHASED GAS ADJUSTMENT CLAUSE (cont.)

The refund interest rate shall be equal to the prime bank lending rate as published in The Wall Street Journal less two percentage points. The refund interest rate to be applied to the refund balance at the end of each month shall be equal to the arithmetic average of the refund interest rates in effect on each day during each month. The refund interest rate shall be used to make the initial estimate of the interest that will be included in each refund distribution shall be equal to the refund interest rate in effect on the day of receipt of the supplier refund.

After the refunding period is completed, the difference between the refunds received from the Company's suppliers (including the Company's own additional interest) and the amounts refunded to the respective customer groups shall be determined and the difference retained in the refund accounts until such time as a subsequent refund

The Company shall file refund factors in the same manner as all other adjustments made to this clause.

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ISSUE BY Robert J. Oxford President
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118 S. Commercial St. Branson, Missouri 65616
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Sheet No. _____

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas
Receiving Natural Gas Service
Community, Town or City

PURCHASED GAS ADJUSTMENT (PGA) STATEMENT

As provided in this Purchased Gas Adjustment Clause, the following adjustments per therm by customer classification will be made to the Company's natural gas rate schedules:

<u>Schedules/ Factors</u>	<u>PGA</u>	<u>Take-or-Pay</u>	<u>ACA</u>	<u>Refund</u>	<u>Total PGA</u>
General Service	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
Large General Service	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
Large General Interruptible Service	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
Interruptible Transportation Service	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

The TOP Factor shall also apply to all therms delivered to transportation customers.

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(original)

Sheet No. 29

Cancelling P.S.C. MO No. _____

(revised)

(original)

Sheet No. _____

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas
Receiving Natural Gas Service
Community, Town or City

GENERAL CHARGES

Effective with the effective date of this tariff sheet, charges for disconnect/reconnection of service as described in Rule No. 18, Page 58, of this tariff, shall be as follows:

(1) Residential customer - \$30.00

(2) Commercial or industrial customer, the greater of:

(a) The applicable charge set out in (1) above; or

(b) A charge that is equal to the actual labor and material costs that are incurred to complete the disconnection and the reconnection of service. Upon request, a breakdown of these estimated costs will be provided to the customer.

(3) Residential, commercial or industrial customer whose service pipe was disconnected and/or whose meter was removed by reason of fraudulent use or tampering, the greater of:

(a) The applicable charge set out in (1) or (2) above; or

(b) A charge that is equal to the actual labor and material costs that are incurred in the removal of the meter or disconnection of the service pipe and the reinstallation of the meter or service pipe.

(4) Residential, commercial, or industrial customers who experience natural catastrophes as the result of flood, earthquake or tornado will be exempt from charges for disconnect/ reconnection of service described in (1) above. It is the responsibility of the customer to notify the company to ensure the exemption is applied.

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ISSUE BY Robert J. Oxford President 118 S. Commercial St. Branson, Missouri 65616
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Sheet No. 30

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Cancelling P.S.C. MO No. _____

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Sheet No. _____

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas
Receiving Natural Gas Service
Community, Town or City

GENERAL CHARGES

SPECIAL METER READING CHARGE

Effective with the effective date of this tariff sheet, charges for a customer-requested special meter reading by appointment as described in Rule No. 33, Page 66, of this tariff shall be as follows:

Special Meter Reading Charge - \$8.00

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ISSUE BY Robert J. Oxford President 118 S. Commercial St. Branson, Missouri 65616
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Cancelling P.S.C. MO No. _____

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

All Communities and Rural Areas
For Receiving Natural Gas Service
Community, Town or City

GENERAL CHARGES (cont.)

COLLECTION TRIP CHARGE

Effective with the effective date of this tariff sheet, the collection trip charge as described in Rule No. 34, Page 66, of this tariff shall be as follows:

Collection Trip Charge - \$8.00

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ISSUE BY Robert J. Oxford President 118 S. Commercial St. Branson, Missouri 65616
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Cancelling P.S.C. MO No. _____

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Sheet No. _____

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Ozark Natural Gas Co., Inc.
Name of Issuing Corporation

All Communities and Rural Areas
For Receiving Natural Gas Service
Community, Town or City

RULES AND REGULATIONS

(I) Definitions

Company. The word "Company" as used herein means the Ozark Natural Gas Co., Inc. acting through its duly authorized officers, employees or other agents within the scope of their regular duties.

Customer. Any individual, firm, partnership, association, corporation, municipality, governmental agency or similar organization supplied with gas service by the Company at any single specified location.

Gas Service. The availability of gas at delivery characteristics, irrespective of whether any gas is actually used.

Gas Main. The term "Main" shall mean a gas pipe, owned, operated and maintained by the Company but does not include "gas service pipes."

Gas Service Facilities. The facilities joining the gas main to the point of delivery. These facilities include:

- (a) Gas Service Pipe
- (b) Gas Meter
- (c) Gas Regulator

Gas Service Pipe. The piping, including valves and fittings, joining the gas main to the inlet of the gas meter, but exclusive of gas regulators.

Gas Meter. The meter, or meters, together with any required auxiliary devices installed to measure the quantity of gas delivered to any individual customer at a single point of delivery.

Gas Regulator. The regulator, or regulators, if required, together with any auxiliary devices, installed to reduce or regulate the pressure of gas.

Load. The amount of gas delivered or required at any specific point or points on a system; load originates primarily at the gas consuming equipment of the customer.

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ISSUE BY Robert J. Oxford
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President
title

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Cancelling P.S.C. MO No. _____

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas
Receiving Natural Gas Service
Community, Town or City

RULES AND REGULATIONS (cont.)

(1) Definitions (continued)

Point of Delivery. The point at which the Company's piping extending from the outlet of the gas meter is joined to the piping forming part of the customer's installation. The point of delivery shall be located within three feet of the meter outlet.

Customer's Installation. All piping, fixtures, valves, appliances and apparatus of any kind or nature on the customer's side of the point of delivery, useful in connection with the customer's ability to take gas service.

Customer Extension. Any branch form, or continuation of, existing facilities to the point of delivery to the customer, including increases of capacity of any of the Company's facilities, or the changing of any facilities to meet customer's requirements and including all mains, service pipe, pressure regulators and meters.

Load Factor. The ratio of the average requirement to the maximum requirements for the same time period.

(2) General

The Company shall furnish service under its Rate Schedules and these Rules and Regulations as authorized by Public Service Commission of the State of Missouri. Copies of these as filed are available at the offices of the Company.

These Rules and Regulations shall govern except as modified by special terms and conditions of the individual rates or written contracts.

Certain classes of customers may qualify for service under more than one rate schedule. The availability of rates and the conditions under which they are applicable are set forth in the rate schedules of the Company.

Unless otherwise specifically provided in any rate applicable or in a contract between the customer and the utility, the term of any agreement shall commence on the day the customers' installation is connected to the Company's service for the purpose of taking gas and shall continue thereafter until cancelled by either party.

In the event the Customer does not receive a full month of service, the Customer Charge shall be pro rated accordingly.

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas

Receiving Natural Gas Service

Community, Town or City

RULES AND REGULATIONS (cont.)

(3) Applications

An application for service will be required of each customer. Such application shall contain the information necessary to determine the type of service required by the customer, the condition under which service will be rendered, and such credit information as the Company may require. The customer will elect which of the applicable rates is best suited to his requirements. Upon request, the Company will assist the customer in making such election. The Company does not guarantee that customer will be served under the most favorable rate at all times, and will not be held responsible to notify customers of the most advantageous rate. No refund will be made representing the difference in charge under different rates applicable to the same class of service. The Company may require that the application or contract for service be in writing.

(4) Rate Changes

The customer shall agree to notify the Company promptly in writing of any material changes in his installation or load condition. Upon such notification, the Company will assist in determining if a change in rate schedules is appropriate or required. Not more than one optional change in rate schedules will be made within any twelve-month period unless the customer experienced a substantial change in the equipment in which the gas is used.

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas
Receiving Natural Gas Service
Community, Town or City

RULES AND REGULATIONS (cont.)

(5) Deposits

Residential Customers

The Company may require a security deposit or other guarantee from residential customers as a condition of new service due to any of the following:

(a) The customer has outstanding with a utility providing the same type of service, an unpaid service account which accrued within the last five (5) years and at a time of request for service, remains unpaid and not in dispute.

(b) The customer has in an unauthorized manner interfered with or diverted the service of a utility providing the same service situated on or about or delivered to the customer's premises within the last five (5) years.

(c) The customer is unable to establish credit rating under standards contained in tariffs filed with and approved by the Commission. Pending approval of such tariffs, the customer shall be deemed to have established an acceptable credit rating if the customer meets any of the following criteria: owns or is purchasing a home; is and has been regularly employed on a full time basis for at least one (1) year; has an adequate regular source of income; or can provide adequate credit references from a commercial credit source.

(d) The company may require a security deposit or other guarantee as a condition or continued service due to any of the following:

(1) The service of the customer has been discontinued by the Company for nonpayment of a delinquent account not in dispute.

(2) In a unauthorized manner, the customer interfered with or diverted the service of the Company on or about or delivered to the customer's premises.

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Ozark Natural Gas Co., Inc.

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RULES AND REGULATIONS (cont.)

(3) The customer has failed to pay an undisputed bill on or before the delinquency date for five (5) billing periods out of twelve (12) consecutive billing periods; provided, however, that deposits for gas service assessed under the provisions of subsections (d)(1) or (d)(3) of this Section 5 during the months of November, December and January may, if the customer is unable to pay the entire deposit, be paid by installments over a six (6) month period, unless the Company can show a likelihood that the customer does not intend to pay for continued service.

(e) No deposit shall be required by the Company because of a customer's race, sex, creed, national origin, marital status, age, number of dependents, source of income, disability or geographical area of residence.

(f) A security deposit required pursuant to these rules is subject to the following terms and conditions:

(1) A deposit shall not exceed the Company charges applicable to one-sixth (1/6) of the estimated annual bill at requested service location, unless the security deposit is required under the terms of Section 5(a), (b) and (d), in which case the deposit shall not exceed two (2) times the highest bill actually incurred or estimated to be incurred by the customer during the most immediate twelve (12) month period at the service location.

(2) Interest at the rate of three percent (3%) per annum compounded annually shall be payable on all deposits. Interest shall be either credited to the service account of the customer on an annual basis, or paid upon the return of the deposit. Interest shall not accrue on any cash deposit after the date the Company has made a reasonable effort to return such deposit to the customer. The Company shall keep in its records evidence of its efforts to return such deposit. This rule shall not preclude the Company from crediting interest upon each service account during one (1) complete billing cycle annually.

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ISSUE BY Robert J. Oxford President 118 S. Commercial St. Branson, Missouri 65616
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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

For All Communities and Rural Areas
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RULES AND REGULATIONS (cont.)

(3) Upon termination of service, excluding a change of service address, the deposit, with accrued interest, shall be credited to the final bill and the balance, if any, shall be returned to the customer within twenty-one (21) days of the rendition of the final bill.

(4) The credit of a customer shall be established and the deposit and accrued interest shall be refunded promptly by the Company upon satisfactory payment by the customer of all proper charges for utility service for a period not to exceed twelve (12) successive months. For purposes of this rule, payment is satisfactory if made prior to the date upon which the bill becomes delinquent. The Company may withhold refund of the deposit funds pending the resolution of a matter in dispute involving discontinuance for nonpayment or unauthorized interference by the customer.

(5) The Company shall maintain a record of all deposits received from customers, showing the name of each customer, the current address of the customer, the date and amount of the deposit, the amount of interest paid and information to determine the earliest possible refund date.

(6) Each customer posting a security deposit shall receive in writing at the time of tender of deposit or with the first bill a receipt as evidence thereof, unless the Company shows the existence or non-existence of a deposit on the customer's bill in which event the receipt shall not be required unless requested by the customer. The receipt shall contain the following minimum information: name of the customer; date of payment; amount of payment; identifiable name, signature and title of the Company employee receiving payment; and statement of the terms and conditions governing the payment, retention and return of deposits.

(7) The Company shall provide means whereby a person entitled to return of a deposit is not deprived of the deposit even though he may be unable to produce the original receipt for the deposit, provided he can produce adequate identification to insure that he is the customer entitled to refund to the deposit.

(8) The Company shall apply deposit standards uniformly as a condition of gas service to all residential customers.

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Ozark Natural Gas Co., Inc.
Name of Issuing Corporation

All Communities and Rural Areas
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Community, Town or City

RULES AND REGULATIONS (cont.)

(9) The Company shall provide means whereby a customer, required to make a deposit, may pay such deposit by installments unless the Company can show a likelihood that the customer does not intend to pay for such service.

(g) In lieu of a security deposit required by these rules, the Company may accept the written guarantee of a responsible party as surety for a customer service account.

(h) A guarantee accepted by the Company is subject to the following terms and conditions:

(1) It shall be in writing and shall state the terms of guarantee and the maximum amount guaranteed. The Company shall not hold the guarantor liable for sums in excess of the maximum amount of required cash deposit.

(2) Credit shall be established for the customer and guarantor shall be released upon satisfactory payment by the customer of all proper charges for gas service for a period of twelve (12) successive months. For purposes of this rule, payment is satisfactory if, as to undisputed bills, it is made prior to the date upon which the bill becomes delinquent. Payment of a disputed bill shall be satisfactory if made within ten (10) days of resolution or withdrawal of the dispute. The Company may withhold the release of the guarantor pending the resolution of a matter in dispute involving discontinuance for nonpayment or unauthorized interference by the customer.

(i) The Company may apply all deposits subject to refund against existing undisputed utility charges, provided the amount of the refund is identified and disclosed on the bill. Deposits otherwise subject to refund may be withheld pending the outcome of any dispute.

Nonresidential Customers

A cash security deposit, surety bond, irrevocable letter of credit, expedited billing agreement or other guarantees acceptable to the Company as may be required on all nonresidential customers. A new nonresidential customer is a customer that is not currently receiving nonresidential service from the Company at another location.

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ISSUE BY Robert J. Oxford
name of officer

President
title

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Ozark Natural Gas Co., Inc.

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RULES AND REGULATIONS (cont.)

The Company may require an existing nonresidential customer to make a cash security deposit or other suitable guarantee acceptable to the Company if the Company can show likelihood that the customer will be unable to pay for continued service.

The cash security deposit or other suitable guarantee shall not exceed an estimated bill covering one (1) billing period plus thirty (30) days. A cash security deposit shall bear interest at a rate specified in Tariff Sheet No. 36 as approved by the Commission. The accrued interest shall be credited annually upon the account of the customer or paid upon the return of the deposit, whichever occurs first, provided the cash deposit has remained with the Company for a period of at least six (6) months. The rate of interest of the cash security deposit shall be only three percent (3%) per annum if the Company keeps the cash security deposit in a separate and distinct trust fund and deposited as such in a bank or trust company and not used by the Company in the conduct of its business. These provisions shall not apply to any deposits or guarantees made by the customer for the purpose of securing an extension of, or additions to, mains or service lines in accordance with the Company's rules as specified in Tariff Sheet Nos. 59-63. Interest shall not accrue on any cash deposit after the date the Company has made a bona fide effort to return that deposit to the depositor. The Company, in its record, will maintain evidence of its efforts to return the deposit.

(6) Rendering and Payment of Bills

Bills based on meter readings will be determined by the Company on a monthly basis and rendered to the customer monthly in accordance with the terms of the applicable rate schedule. Bills are payable on or before the due date stated thereon. Failure to receive a bill will not entitle the customer to any discount or to the omission of any charge for nonpayment within the time specified. The word "month" as used herein and in the rates is hereby defined to be the elapsed time of approximately thirty days.

(a) The Company shall attempt to secure an actual reading from customers reporting their own usage at least annually. Such attempt shall include personal contact with the customer to advise the customer of the regular meter reading date, or the Company will offer appointments for meter readings on Saturday or prior to 9:00 p.m. on weekdays.

(b) The Company may render a bill based on estimated usage under the following conditions:

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Ozark Natural Gas Co., Inc.

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RULES AND REGULATIONS (cont.)

(1) When extreme weather conditions, emergencies, labor agreements or work stoppages prevent actual meter reading.

(2) When the Company is unable to obtain access to the customer's premises for the purpose of reading the meter, or in situations where the customer makes reading the meter unnecessarily difficult. If the Company is unable to obtain an actual meter reading for these reasons, where practicable it shall undertake reasonable alternatives to obtain a customer's reading of the meter, such as mailing or leaving postpaid, preaddressed postcards upon which the customer may note the reading unless the customer requests otherwise.

(c) Estimated bills shall be computed on the basis of the customer's previous use, weather conditions, season of the year, and other information available bearing the customer's use.

(d) Estimated bills shall not be rendered as a customer's initial or final bill for service unless conditions beyond the control of the Company prevent an actual reading.

(e) If the Company underestimates a customer's usage, the customer shall be given the opportunity, if requested, to make payments in installments.

(f) Estimated bills should not be rendered for more than three consecutive billing periods except under conditions described in Section 6 (b)(1) and (b)(2) above, but if for some reason actual readings cannot be obtained, the Company shall advise the customer of the following: The bills being rendered are estimated; such estimation may or may not reflect actual usage; and the customer may read and report his usage to the Company.

(g) A monthly-billed residential and/or nonresidential customer shall have at least twenty-one (21) days from the rendition of the bill to pay the utility charges, unless a customer has selected a preferred payment date in accordance with the Company's preferred payment date plan. If the due date or delinquent date falls upon a Sunday, legal holiday, or any other day when the offices of the Company regularly used for the payment of customers' bills are not open to the general public, the due date or delinquent date will be extended through the next business day. The date of payment for remittance by mail is the date on which the Company receives the remittance.

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ISSUE BY Robert J. Oxford
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Ozark Natural Gas Co., Inc.

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RULES AND REGULATIONS (cont.)

(7) Metering for Billing

If the Company owns and installs more than one metered supply, except for the convenience of Company, on the customer premises, the rate for service furnished through each metered supply shall be determined as if such service were rendered to a separate customer.

(8) Resale

The service provided by Ozark is solely for the use of the customer and shall not be remetered, redistributed or resold.

(9) Billing Adjustments

(a) For all billing errors, the Company will determine from all related and available information the probable period during which this condition existed and shall make billing adjustments for the estimated period involved as follows:

(1) In the event of an overcharge, an adjustment shall be made for the entire period that the overcharge can be shown to have existed not to exceed sixty (60) consecutive monthly billing periods, or twenty (20) consecutive quarterly billing periods calculated from the date of discovery, inquiry or actual notification of the Company, whichever comes first.

(2) In the event of an undercharge, an adjustment shall be made for the entire period that the undercharge can be shown to have existed not to exceed twelve (12) monthly billing periods or four (4) quarterly billing periods, calculated from the date of discovery, inquiry or actual notification of the Company, whichever was first.

(3) No billing adjustment will be made where the full amount of the adjustment is less than one dollar (\$1.00).

(4) Where, upon test, an error in measurement is found to be within the limits prescribed by Commission rules, no billing adjustment will be made.

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Ozark Natural Gas Co., Inc.
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RULES AND REGULATIONS (cont.)

(5) When evidence of tampering is found, or there are misrepresentations of the use of service by the customer, the Company will calculate the billing adjustment period in accordance with the applicable statute of limitations for the prosecution of such claim after determining the probable period during which such condition existed from all related and available information.

(10) Disputes

(a) A customer shall advise the Company that all or part of a charge is in dispute by written notice, in person or by a telephone message directed to the Company during normal business hours. A dispute must be registered with the Company at least twenty-four (24) hours prior to the date of proposed discontinuance for a customer to avoid discontinuance of service as provided by these rules.

(b) When a customer advises the Company that all or part of a charge is in dispute, the Company shall record the date, time and place the contact is made; investigate the contact promptly and thoroughly; and attempt to resolve the dispute in a manner satisfactory to both parties.

(c) Failure of a customer to participate with the Company in efforts to resolve an inquiry which has the effect of placing charges in dispute shall constitute a waiver of the customer's right to continuance of service and the Company, not less than five (5) days after provision of the notification required by section (9), may proceed to discontinue service unless the customer files an informal complaint with the Commission within the five (5) day period.

(d) Customers presenting frivolous disputes shall have no right to continued service. The Company, before proceeding to discontinue the service of a customer presenting a dispute it deems frivolous, shall advise the consumer services department of the Commission of the circumstances. The consumer services department shall attempt to contact the customer by telephone and ascertain the basis of the dispute. If telephone contact cannot be made, the consumer services department shall send the customer a notice by first class mail stating that service may be discontinued by the Company unless the customer contacts the consumer services department within twenty-four (24) hours. If it appears to the consumer services department that the dispute is frivolous or if contact with the customer cannot be made within seventy-two (72) hours following the Company's report, the Company shall be advised that it may proceed to discontinue service. If it appears that the dispute is

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ISSUE BY Robert J. Oxford
name of officer

President
title

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(original)

Sheet No. 43

(revised)

Cancelling P.S.C. MO No. _____

(original)

Sheet No. _____

(revised)

Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

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RULES AND REGULATIONS (cont.)

not frivolous, service shall not be discontinued until ten (10) days after the notice required has been sent to the customer by the Company. The customer shall retain the right to make an informal complaint to the Commission.

(e) If a customer disputes a charge, (s)he shall pay to the Company an amount equal to that part of the charge not in dispute. The amount not in dispute shall be mutually determined by the parties. The parties shall consider the customer's prior consumption history, weather variations, the nature of the dispute, and any other pertinent factors in determining the amount not in dispute.

(f) Failure of the customer to pay to the Company the amount not in dispute within four (4) working days from the date that the dispute is registered or by the delinquent date of the disputed bill, whichever is later, shall constitute a waiver of the customer's right to continuance of service and the Company may then proceed to discontinue service.

(g) If the dispute is ultimately resolved in favor of the customer in whole or in part, any excess moneys paid by the customer shall be refunded promptly.

(h) If the Company does not resolve the dispute to the satisfaction of the customer, the Company representative shall notify the customer, the Company representative shall notify the customer that each party has a right to make an informal complaint to the Commission, and of the address and telephone number where the customer may file an informal complaint with the Commission. If a customer files an informal complaint with the Commission prior to advising the Company that all or a portion of a bill is in dispute, the Commission shall notify the customer of the payment required.

(i) The Company may treat a customer complaint or dispute involving the same question or issue based upon the same facts as already determined and is not required to comply with these rules more than once prior to discontinuance of service.

(11) Discontinuance of Service

(a) Service may be discontinued for any of the following reasons:

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RULES AND REGULATIONS (cont.)

- (1) Nonpayment of an undisputed delinquent charge.
 - (2) Failure to post a required deposit or guarantee.
 - (3) Unauthorized interference, diversion or use of the Company service situated or delivered on or about the customer's premises.
 - (4) Failure to comply with terms of a settlement agreement.
 - (5) Refusal after reasonable notice to permit inspection, maintenance, replacement or meter reading of Company equipment. If the Company has a reasonable belief that health or safety is at risk, notice at the time inspection is attempted is reasonable.
 - (6) Misrepresentation of identity in obtaining Company service.
 - (7) Violation of any other rules of the Company approved by the Commission which adversely affects the safety of the customer or other persons or the integrity of the Company's system.
 - (8) As provided by state or federal law.
- (b) None of the following shall constitute sufficient cause for the Company to discontinue service:
- (1) The failure of a customer to pay for merchandise, appliances or services not subject to Commission jurisdiction as an integral part of the Company service provided by the Company.
 - (2) The failure of the customer to pay for service received at a separate metering point, residence or location. In the event of discontinuance or termination of service at a separate residential metering point, residence or location, the Company may transfer and bill any unpaid balance to any other residential service account of the customer and may discontinue service after twenty-one (21) days after rendition of the combined bill, for nonpayment.

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RULES AND REGULATIONS (cont.)

(3) The failure of the customer to pay for a different class of service received at the same or different location. The placing of more than one (1) meter at the same location for the purpose of billing the usage of specific devices under optional rate schedules or provisions is not construed as a different class of service.

(4) The failure to pay the bill of another customer, unless the customer whose service is sought to be discontinued received substantial benefit and use of the service.

(5) The failure of a previous owner or occupant of the premises to pay an unpaid or delinquent bill except where the previous occupant remains an occupant or user.

(6) The failure to pay a bill correcting a previous underbilling, whenever the customer claims an inability to pay the corrected amount, unless the Company has offered the customer a payment arrangement equal to the period of underbilling.

(c) On the date specified on the notice of discontinuance or within eleven (11) business days after that, the Company may discontinue service to a residential customer between the hours of 8:00 a.m. and 4:00 p.m. Service shall not be discontinued on a day when Company personnel are not available to reconnect the customer's service, or on a day immediately preceding such a day. After the eleven (11) business day effective period of the notice, all notice procedures required shall again be followed before the Company may discontinue service.

(d) The notice of discontinuance shall contain the following information:

(1) The name and address of the customer and the address, if different, where service is rendered.

(2) A statement of the reason for the proposed discontinuance of service and the cost for reconnection.

(3) The date on or after which service will be discontinued unless appropriate action is taken.

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RULES AND REGULATIONS (cont.)

(4) How a customer may avoid the discontinuance.

(5) The possibility of a settlement agreement if the claim is for a charge not in dispute and the customer is unable to pay the charge in full at one (1) time.

(6) A telephone number the customer may call from the service location without incurring toll charges and the address of the Company displayed where the customer may make an inquiry.

(e) The Company shall not discontinue residential service pursuant to section (1) unless written notice by first class mail is sent to the customer at least ten (10) days prior to the date of the proposed discontinuance. Service of notice by mail is complete upon mailing. As an alternative, the Company may deliver a written notice in hand to the customer at least ninety-six (96) hours prior to discontinuance. The Company shall maintain an accurate record of the date of mailing or delivery. A notice of discontinuance of service shall not be issued as to that portion of a bill which is determined to be an amount that is currently the subject of a dispute pending with the Company or complaint before the Commission, nor shall such a notice be issued as to any bill or portion of a bill which is the subject of a settlement agreement except after breach of a settlement agreement, unless the Company inadvertently issues the notice, in which case the Company shall take necessary steps to withdraw or cancel this notice.

(f) Notice shall be provided as follows:

(1) At least ten (10) days prior to discontinuance of service for nonpayment of a bill or deposit at a multidwelling unit residential building at which usage is measured by a single meter, notices of the Company's intent to discontinue shall be conspicuously posted in public areas of the building; provided, however, that these notices shall not be required if the Company is not aware that the structure is not a single-metered multidwelling unit residential building. The notices shall include the date on or after which discontinuance may occur and advise of tenant rights pursuant to Section 441.650, RSMo. The Company shall not be required to provide notice in individual situations where safety of employees is a consideration.

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RULES AND REGULATIONS (cont.)

(2) At least ten (10) days prior to discontinuance of service for nonpayment of a bill or deposit at a multidwelling unit residential building where each unit is individually metered and for which a single customer is responsible for payment for service to all units in the building or at a residence in which the occupant using utility service is not the Company's customer, the Company shall give the occupant(s) written notice of the Company's intent to discontinue service; provided, however, that this notice shall not be required unless one (1) occupant has advised the Company or the Company is otherwise aware that he/she is not the customer.

(3) In the case of a multidwelling unit residential building where each unit is individually metered or in the case of a single family residence, the notice provided to the occupant of the unit about to be discontinued shall outline the procedure by which the occupant may apply in his/her name for service of the same character presently received through that meter.

(g) At least twenty-four (24) hours preceding a discontinuance, the Company shall make reasonable efforts to contact the customer to advise him/her of the proposed discontinuance and what steps must be taken to avoid it. Reasonable efforts shall include either a written notice, a doorhanger or at least two (2) telephone call attempt reasonably calculated to reach the customer.

(h) Immediately preceding the discontinuance of service, the employee of the Company designated to perform this function, except where the safety of the employee is endangered, shall make a reasonable effort to contact and identify him/herself to the customer or a responsible person then upon the premises and shall announce the purpose of his/her presence. When service is discontinued, the employee shall leave a notice upon the premises in a manner conspicuous to the customer that service has been discontinued and the address and telephone number of the Company where the customer may arrange to have service restored.

(i) The Company shall postpone a discontinuance for a time not in excess of twenty-one (21) days if the discontinuance will aggravate an existing medical emergency of the customer, a member of his/her family or other permanent resident of the premises where service is rendered. Any person who alleges a medical emergency, if requested, shall provide the Company with reasonable evidence of the necessity.

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RULES AND REGULATIONS (cont.)

(j) The Company may discontinue residential service temporarily for reasons of maintenance, health, safety or a state of emergency.

(k) Upon the customer's request, the Company shall restore service when the cause for discontinuance has been eliminated, applicable restoration charges have been paid and, if required, satisfactory credit arrangements have been made. At all times, a reasonable effort shall be made to restore service upon the day restoration is requested, and in any event, restoration shall be made not later than the next working day following the day requested by the customer. The Company may charge the customer a reasonable fee for restoration of service, if provided in the Company's approved tariffs.

(12) Cold Weather Maintenance of Service: Provision of Residential Heat-Related Utility Service During Cold Weather

(a) The following definitions shall apply:

(1) Energy Crisis Intervention Program (ECIP) means the federal ECIP administered by the Missouri Division of Family Services under Section 660.100, RSMo.

(2) Heat-related utility service means any gas or electric service that is necessary to the proper function and operation of a customer's heating equipment.

(3) Low Income Home Energy Assistance Program (LIHEAP) means the federal LIHEAP administered by the Missouri Division of Family Services under Section 660.110, RSMo.

(4) Registered elderly or handicapped customer means one who is sixty (60) years old and above, or is handicapped to the extent that he/she is unable to leave the premises without assistance and who files with the Company a form approved by the Commission attesting to the fact that he/she meets these qualifications and which also lists an agency or person the Company shall contact.

(5) Utilicare means the state program of energy assistance established by Section 660.122, RSMo.

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RULES AND REGULATIONS (cont.)

(b) This rule takes precedence over other rules on provision of heat-related utility service from November 1 through March 31 annually.

(c) Notice Requirements. From November 1 through March 31 prior to discontinuance of service due to nonpayment, the Company shall:

(1) Notify the customer, at least ten (10) days prior to the date of the proposed discontinuance, by first-class mail, and in the case of a registered elderly or handicapped customer the additional party listed on the customer's registration form of the Company's intent to discontinue service. The contact with the registered individual shall include initially two (2) or more telephone call attempts with the mailing of the notice.

(2) Make further attempts to contact the customer within ninety-six (96) hours preceding discontinuance of service either by a second written notice as in subsection (c) (1), sent by first class mail; or a door hanger; or at least two (2) telephone call attempts to the customer.

(3) Attempt to contact the customer at the time of discontinuance of service in the manner specified in section (11)(h) on Sheet No. 47.

(4) Make a personal contact on the premises with a registered elderly or handicapped customer or some member of the family above the age of fifteen (15) years, at the time of the discontinuance of service.

(5) Ensure that all of the notices and contacts required in this section shall describe the terms for provisions of service including the method of calculating the required payments, the availability of financial assistance from the Division of Family Services and social service or charitable organizations that have notified the Company that they provide that assistance and the identity of those organizations.

(d) Weather Provisions. Discontinuance of gas service to all residential users, including all residential tenants of apartment buildings, for nonpayment of bills where gas is used as the source of space heating or to control or operate the only space heating equipment at the residence is prohibited.

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RULES AND REGULATIONS (cont.)

(1) On any day when the National Weather Service local forecast between 6:00 a.m. to 9:00 a.m., for the following twenty-four (24) hours predicts that this temperature will drop below thirty degrees Fahrenheit (30°).

(2) On any day when utility personnel will not be available to reconnect utility service during the immediately succeeding day(s) (Period of Unavailability) and the National Weather Service local forecast between 6:00 a.m. to 9:00 a.m. predicts that the temperature during the Period of Unavailability will drop below thirty degrees Fahrenheit (30°).

(3) Nothing in this section shall prohibit the Company from establishing a higher temperature threshold below which it will not discontinue utility service.

(e) Discontinuance of Service. From November 1 through March 31, the Company may not discontinue heat-related residential utility service to nonpayment of a delinquent bill or account provided:

(1) The customer contacts the Company and states his/her inability to pay in full.

(2) The customer applies for financial assistance in paying his/her heat-related utility bill from any federal, state, local or other heating payment fund program for which he/she may be eligible.

(3) The Company receives an initial payment and the customer enters into a payment agreement, both of which are in compliance with section (12)(h) of this tariff.

(4) The customer complies with the Company's utility's requests for information regarding the customer's monthly or annual income.

(5) There is no other lawful reason for discontinuance of utility service.

(f) Deposit Provisions. The Company shall not assess a new deposit or bill deposits that were previously assessed during or after the period of this tariff to those customers who enter into a payment agreement and make timely payments in accordance with this tariff.

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(g) Reconnection Provisions. If the Company has discontinued heat-related utility service to a residential customer due to nonpayment of a delinquent account, the Company, from November 1 through March 31, shall reconnect service to that customer without requiring a deposit; provided:

(1) The customer contacts the Company, requests the Company to reconnect service, and states an inability to pay in full.

(2) The customer applies for financial assistance in paying his/her heat-related utility bill from any federal, state, local or other heating payment fund program for which he/she may be eligible.

(3) The Company receives an initial payment and the customer enters into a payment agreement both of which are in compliance with section (12)(h).

(4) The customer complies with the requests of the Company for information regarding the customer's monthly or annual income.

(5) None of the amount owed is an amount due as a result of unauthorized interference, diversion or use of the Company's service, and the customer has not engaged in such activity since last receiving service.

(6) There is no other lawful reason for continued refusal to provide utility service.

(h) Payment Agreements. The payment agreement for service shall comply with the following:

(1) A pledge of an amount equal to any payment required by this section by the agency which administers LIHEAP, Utilicare or ECIP, or a combination of these, shall be deemed to be the payment required. The Company shall confirm in writing the terms of any payment agreement under this rule, unless the extension granted the customer does not exceed two (2) weeks.

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(2) Payment Calculations.

(i) The Company shall first offer a twelve (12) month budget plan which is designed to cover the total of all preexisting arrears, current bills and the Company's estimate of the ensuing bills.

(ii) If the customer states an inability to pay the budget plan amount, the Company and the Customer may upon mutual agreement enter into a payment agreement which allows payment of preexisting arrears over a reasonable period in excess of twelve (12) months. In determining a reasonable period of time, the Company and the customer shall consider the amount of the arrears, the time over which it developed, the reasons why it developed, the customer's payment history and the customer's ability to pay.

(iii) The Company shall permit a customer to enter into a payment agreement to cover the current bill plus arrearages in fewer than twelve (12) months if requested by the customer.

(iv) The Company may revise the required payment in accordance with its budget or levelized payment plan.

(3) Initial Payments.

(i) For a customer who has not defaulted on a payment plan under the cold weather rule, the initial payment shall be the amount of the monthly payment calculated in subsection (12)(h)(2) of this tariff

(ii) For a customer who has defaulted on a payment plan under the cold weather rule, the initial payment shall be the amount equal to the total of the delinquent installments, unless the Company and customer agree to a lesser amount.

(i) If the Company refuses to provide service pursuant to this rule and the reason for refusal of service involves unauthorized interference, diversion or use of the Company's service situated or delivered on or about the customer's premises, the Company shall maintain records concerning the refusal

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of service which, at a minimum, shall include: the name and address of the person denied reconnection, the names of all Company personnel involved in any part of the determination that refusal of service was appropriate, the facts surrounding the reason for the refusal and any other relevant information.

(j) The Commission shall recognize and permit recovery of reasonable operating expenses incurred by the Company because of this tariff.

(13) Meter Tests

Meters are the property of the Company and shall be tested at regular intervals.

The Company at any time, upon the written or verbal request of a customer, will test the meter of such customer, provided only one such test shall be made free of charge within a twelve-month period, and the customer shall pay the cost of any additional tests within this period unless meter is shown to be inaccurate in excess of 2%. The customer may, if he notifies the Company, be present at such tests. No part of a minimum charge will be refunded.

In the event of the stoppage or the failure of any meter to register, the customer shall be billed for such period not to begin prior to a point in time six months prior to the date customer was notified of a malfunction, on an estimated consumption based upon his use of gas in a similar period of like use.

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RULES AND REGULATIONS (cont.)

(14) Piping and Equipment

All pipe and equipment beyond the Company's meter and accessories necessary to utilize service furnished by the Company, shall be maintained at all times in safe operating conditions and at the customer's expense. The customer, or owner, shall bring his piping to a point for connection to Company's meter or meters at a location satisfactory to the Company which provides easy access to the meter or meters. Any change of location of service line or meter requested by the customer shall be done by the Company at the expense of the customer, or owner. Upon written request of the customer, or owner, the Company will at its convenience make repairs to, replacements of, or clear obstructions in lines of the customer, or owner, and may charge the customer, or owner, for such labor and material as is necessary to place his lines in good operating condition.

(15) Customer's Liability

The customer will be held responsible for broken seals, tampering or interfering with the Company's meter or meters or other equipment of the Company installed on the customer's premises, and no one except employees of the Company shall be allowed to make any repairs or adjustments to any meter or regulator belonging to the Company.

Properly authorized employees of the Company shall have the right to enter the premises of the customer, or owner, at all reasonable hours and at any time in the case of an emergency, for the purpose of making such inspection of the customer's installation as may be necessary for the proper application of the Company's rates, rules and regulations; for installing, removing, testing or replacing its apparatus or property; for reading meters and for the removal of the Company's property in event of termination for any reason of service to the customer.

Notwithstanding the foregoing, the Company shall not discontinue service to a customer, pursuant to paragraph (a)(4) of Rule 17, solely by reason of a refusal of that customer to grant access to the Company when the sole purpose of such access is to discontinue service to another customer. In addition, the Company shall not discontinue or threaten to discontinue service to a non-delinquent customer due solely to the delinquency of another customer.

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ISSUE BY Robert J. Oxford
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title

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RULES AND REGULATIONS (cont.)

When, during normal working hours, the Company is unable to regularly secure access to the customer's premises for the purpose of obtaining meter readings, the Company may, when practical to do so, install on the meter a remote reading attachment. The attachment shall be installed upon agreement of the customer to pay 100% of the initial installation costs. The remote reading attachment and all parts and portions thereof, shall remain the property of the Company and shall be maintained by the Company. Any customer, whether or not access to his premises is a problem, may request the installation of such remote reading attachment and the Company shall install same subject to the charge and conditions set out above. When the Company is unable for twelve successive regular meter reading times to secure access to a customer's premises for the purpose of obtaining a meter reading, the Company may discontinue service to the customer, upon giving the notice required by paragraph (a) of Rule 17, unless and until the customer shall contract for and permit the installation of a remote reading attachment subject to the charge and conditions set out above or until the customer has made provisions for future access acceptable to the Company.

(16) Tampering Prohibited

No person shall willfully destroy, injure, molest, tamper with, cover or introduce foreign substances into any of Company's mains, services, meters, valves, regulators, or any other equipment of the Company, either directly or indirectly through a customer's installation, or otherwise. Neither shall any person willfully create any unsafe condition in or about any of the Company's said facilities and equipment, or willfully create any false indicia of any unsafe condition in any thereof.

(17) Discontinuance of Service

The Company may discontinue its service to the customer for any one of the following reasons subject to the Missouri Public Service Commission's rules in 240-13.055 "Cold Weather Maintenance of Service":

(a) Upon written notice, delivered in hand to the customer at least 96 hours prior to discontinuance, or sent by first-class mail at least ten (10) days prior to discontinuance for:

- (1) Nonpayment of a delinquent account.
- (2) Failure to post a security deposit or guarantee acceptable to the Company.

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RULES AND REGULATIONS (cont.)

(3) Failure to comply with the terms and conditions of a settlement agreement.

(4) Refusal to grant access to the Company at reasonable times to equipment installed upon the premises of the customer for purposes of inspection, meter reading, maintenance or replacement.

(5) Misrepresentation of identity for the purpose of obtaining service.

(6) Violation of any other rules of the Company on file with and approved by the Commission which adversely affects the safety of the customer or other persons, or the integrity of the Company's delivery service.

(7) Unauthorized interference, diversion or use of the Company's service.

(8) As provided by State or Federal law.

(b) Subject to the requirements of these rules, the Company may discontinue service to a residential customer between the hours of 8:00 a.m. and 4:00 p.m. on the date specified on the notice of discontinuance or within eleven (11) business days thereafter. Service shall not be discontinued on a day when utility personnel are not readily available to reconnect the customer's service or on a day immediately preceding such day.

(c) The Company shall not discontinue residential service pursuant to Section (a) of Rule 17 unless written notice by first class mail is sent to the customer at least ten (10) days prior to the date of the proposed discontinuance. If written notice is delivered to the customer, it shall be done in hand to the customer at least ninety-six (96) hours prior to discontinuance. Service of notice by mail is complete upon mailing. The Company

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(original)

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Ozark Natural Gas Co., Inc.

Name of Issuing Corporation

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RULES AND REGULATIONS (cont.)

shall maintain an accurate record of the date of the mailing. A notice of discontinuance of service shall not be issued as to a bill or portion of a bill currently the subject of a dispute pending the Company or the commission or shall such a notice be issued as to any bill or portion of a bill which is the subject of a settlement agreement except after breach of a settlement agreement, unless the Company inadvertently issues such notice in which case the Company shall take necessary steps to withdraw or cancel such notice.

(d) The notice of discontinuance shall contain the following information:

(1) The name and address of the customer and the address, if different, where service is rendered.

(2) A clear and concise statement of the reason for the proposed discontinuance of service and the cost of reconnection.

(3) The date on or after which service will be disconnected unless the customer takes appropriate action.

(4) Terms under which customer may avoid discontinuance.

(5) A statement that if the customer is unable to pay the amount due the Company in full he may contact the Company and request the opportunity to make deferred payment.

(6) The telephone number and address of the Company where the customer may make inquiry of file complaint.

(e) At least twenty-four (24) hours preceding discontinuance of service, the Company shall make reasonable effort to contact the customer to advise of the pending action and what steps must be taken to avoid discontinuance.

(f) The Company may discontinue service without notice under the following conditions:

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RULES AND REGULATIONS (cont.)

(1) Because of a dangerous condition on the customer's premises in piping or gas consuming devices or for violation of any rules of the Company on file with and approved by the Commission which adversely affects the safety of the customer or other persons, or the integrity of the Company's delivery systems.

(2) On the request of the customer, subject to any existing agreement between the customer and the Company as to unexpired term of service.

(18) Reconnection of Service

Upon the customer's request, the Company shall restore service promptly when the cause for discontinuance of service has been eliminated, applicable restoration charges paid and, if required, satisfactory credit arrangements have been made. At all times, a reasonable effort shall be made to restore service upon the day restoration is requested, and, in any event, restoration shall be made no later than the next working day following the day requested by the customer.

(19) Company Inspection of Customer Premises

(a) When gas is being supplied to any customer, and the Company receives notice that such customer intends to vacate the premises occupied, the Company shall promptly, but in no event later than four (4) days (excluding Sundays and holidays) following such vacation, or if said notice of vacation is received by the Company after date of vacation, the Company shall promptly, but in no event later than four days (excluding Sundays and holidays) following date of said notice, shut off the gas supply to the premises unless owner or other person in charge thereof requests the Company to continue the gas supply. If continuance of gas supply is requested, the Company shall inspect the premises to determine that they are in a gas safe condition. Such owner or other person in charge of such premises shall make access to the premises available to the Company at all hours between 8:00 a.m. and 5:00 p.m. or at any time in case of emergency, so that such cut-off or inspection may be made.

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RULES AND REGULATIONS (cont.)

(b) Where service has been discontinued by shutting off the gas supply and service is requested by a new customer, before such service is reestablished, the Company shall make an inspection of the premises to determine that they are in a gas safe condition. Such new customer shall make access to the premises available to the Company at all hours between 8:00 a.m. and 5:00 p.m. so that such inspection may be made.

(20) Temporary Service

Temporary service will be supplied under the applicable rate provided the customer pays all installation and removal costs for the required customer extension.

(21) Auxiliary Service

The Company reserves the right to refuse auxiliary or breakdown service.

(22) Extensions of Distribution Facilities

(a) General. The Company will install gas distribution main extensions in permanently established public streets, roads and highways along the shortest practical route, as determined by the Company. Extensions of mains into or across private property will be made by the Company at its option, provided, that the right-of-way agreement and other conditions are satisfactory to the Company.

The Company will install service pipe along the shortest and most practical route that will avoid future construction on applicant's property and permit a safe and satisfactory service pipe installation. Installation of service pipe across private property other than the property of the customer will be made only in those cases where the customer has secured and furnished the Company a right-of-way, for such service pipe, satisfactory to the Company.

The customer shall provide a meter location on his property that is satisfactory to the Company.

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Ozark Natural Gas Co., Inc.
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RULES AND REGULATIONS (cont.)

The customer shall protect the portions of the customer extension installed within his premises and shall, unless otherwise authorized by the Company, permit no one but the Company's employees or its authorized agents to handle same. In the event of loss or damage to such property of the Company arising out of carelessness, negligence or misuse by the customer or his authorized agent the cost of making good such loss or repairing such damages shall be borne by the customer. Customer shall permit access to the Company's employees, or other authorized agents, for the purpose of inspecting, modifying, maintaining or operating the Company's facilities at all times.

(b) Sizing of Customer Extension. The Company will install only certain standard sizes of mains, service pipes, meters and regulators in conjunction with the extension of its distribution facilities. The Company reserves the right, as economic or other conditions warrant, to change or modify its standards in this regard. Estimates of the cost of customer extensions will be based on the minimum size facilities which will adequately distribute the gas load to be served.

(c) Estimated Cost of Customer Extension. Upon receipt of application from a prospective customer, the Company will estimate the cost of installing the customer extension necessary to provide the requested service. This estimate will control the amount of deposit which may be required of the prospective customer.

The estimate will include all direct, indirect and overhead costs. Overhead construction costs include administrative and general salaries and expenses, charges for injuries and damages, pensions and other fringe benefits. Overheads transferred to construction are determined based on the percentage that construction payroll bears to total payroll and are distributed to construction work orders on a percentage allocation basis.

(23) Extensions of Mains

(a) General Terms

(1) The Company will install distribution main extensions (pipe) in established public streets, roads and highways along the shortest practical route. Extensions into or across private property will be made at the Company's option, provided that the right-of-way agreement(s) and other conditions are appropriate.

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RULES AND REGULATIONS (cont.)

(2) The Company will install service lines (pipe) on the applicant's property along the shortest and most practical route to permit a safe and satisfactory service line installation. Service lines installed across private property other than the property of the applicant will be made in those cases where the applicant has secured and furnished the Company a satisfactory right-of-way agreement.

(24) Service Line Extensions

(a) The Company will furnish meters, regulators and accessories at no cost to measure the consumption of gas by the customer. The Company also will furnish at no cost a portion of the service extending from the main distribution tap to the service meter.

(b) For residential or commercial applicants, the Company will furnish, at its own expense, an average of 125 feet of service line per meter from right-of-way line to owner's access point. Applicants requiring the installation of pipe over 125 feet will be required to pay in advance non-refundable aid-to-construction charges equal to \$3.00 per foot.

(c) Service lines placed for the industrial applicants (as defined by the tariff) will be installed and billed on an individual case basis depending on the economic feasibility of the extension.

(d) All parts and portions of service line and main distribution line extensions shall remain the property of the Company.

(25) Main Distribution Line Extensions

(a) When at the request of residential or commercial applicant(s), it is necessary to extend a main distribution line, the Company will furnish, at its own expense, an average of 120 feet of main distribution pipe per service meter.

(b) For extensions in excess of the 120 feet per meter, the Company will require an advance deposit from the applicant(s) an amount equal to \$12.50 per foot. The Company will refund with interest a prorated share of the extension deposit to the participating customer(s) for each additional customer connected to the extension within a five (5) year period. After five (5) years, the Company will refund any unrefunded deposits above the actual cost of the extension installation.

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RULES AND REGULATIONS (cont.)

(c) Where an applicant along the extension refuses to participate in the extension, and within three (3) years after completion of the extension, the applicant will be considered in redetermining the cost of the original extension. The applicant then will be required to make a deposit on the prorated share of the extension as specified in (b) above.

(d) Customers with aid-to-construction deposits held by the Company and discontinuing service within the five (5) year period will not be eligible for deposit refunds.

(e) Distribution line extensions placed for industrial customers (as defined by the tariff) will be installed and billed on an individual case basis depending on the economic feasibility of the extension.

(26) Main Distribution Line Extensions to Undeveloped Subdivisions,
Trailer Parks and Industrial Parks

(a) Before the Company will consider extending a main distribution line to undeveloped areas, i.e., subdivisions, trailer parks, industrial parks, the developer(s) must present to the Company a subdivided plat specifying the size and number of building lots and all planned streets, roads, alleys and available easements. Furthermore, the Company will require the developer(s) to provide a copy of the property deed(s) and evidence that they meet all local and/or county zoning requirements. The Company reserves the right to develop a forecast and make a decision regarding construction of the main based on the feasibility of the project.

(b) The Company will install distribution main lines in planned streets, roads, alleys and rights-of-way along the shortest practical route provided that the applicable right-of-way agreement(s) and other conditions are satisfactory.

(c) For extensions of main distribution lines into undeveloped subdivisions and trailer parks, the Company will require an advance deposit from the developer(s) an amount equal to the estimated cost of constructing such facilities.

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RULES AND REGULATIONS (cont.)

(1) For the purpose of determining the amount of advance payment, cost will include labor, materials and indirect costs, i.e., supervision, engineering, freight and transportation, material handling, administrative costs and payroll costs that actually support construction.

(2) The estimated cost of construction will be divided by the number of planned building lots specified on the plat for the purpose of determining the amount of refund per customer or building served.

(d) The Company will refund with interest a prorated share of the advance deposit to the participating developer(s) for each customer connected to the extension within a five (5) year period. After five years, the Company will retain any unrefunded deposits for partial compensation of maintenance and operation of the extension, not to exceed 100% of the deposit.

(e) Service lines will be extended to customers within the subdivision, trailer park or industrial park according to the guidelines specified under the General Terms and Service Line Extension sections of this policy.

(27) Main and Service Pipe Extensions Beyond the Free Allowance

Investment in the extension of mains and service pipes, in excess of that provided by the free allowance as determined under Section (d) or (e), whichever is applicable, will be made by the Company, provided the applicant requiring such extension deposits, as a contribution in aid-of-construction, the Company's estimated cost of such excess.

(28) Title to the Customer Extension

All parts and portions thereof, regardless of any contribution made by the customer, shall be and remain in the Company.

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RULES AND REGULATIONS (cont.)

(29) Limitations Upon Company's Obligation to Supply Gas Service

(a) Whenever there is insufficient gas available to serve an applicant for gas service, the Company shall keep all such applications on file in chronological order by date of application within each priority and daily requirement group set out above. When the gas supply available permits applicants to become eligible for gas service in accordance with the system of priorities set out herein, the Company shall notify said applicants in writing of their eligibility. Such notice shall state the date upon which gas service will be available.

(b) The Company shall, at its sole judgment and based upon all pertinent information available, make determinations of the quantity of gas service which can be provided from time to time. Whenever there are unfulfilled applications for gas service, such determinations shall be made with sufficient frequency to recognize any substantial change in the Company's gas supply and demand balance.

(30) Notice of Acceptance

(a) Any applicant who receives a notice of eligibility for gas service shall notify the Company in writing, within thirty (30) days after the notice of eligibility, of his intention to accept gas service. In the event such notice of acceptance is not so received by the Company then applicant's eligibility shall be void and transferred to another applicant in accordance with the priorities set out herein.

(b) Any applicant who becomes eligible for gas service shall present to the Company, within ninety (90) days of the notice of eligibility sufficient evidence that the necessary equipment has or is being installed or that applicant has otherwise committed to the purchase and installation of such equipment. In the event such evidence is not so presented to the Company, then applicant's eligibility shall be void and transferred to another applicant in accordance with the priorities set out herein.

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RULES AND REGULATIONS (cont.)

(31) Existing Commitments

(a) Notwithstanding the provisions hereinabove set out, gas service will be supplied to any customer who has received specific approval for such service from the Company prior to the effective date hereof provided that the customer submits satisfactory evidence that prior to the effective date hereof: (a) an expense has been incurred specifically for the design, purchase or installation of gas equipment, or (b) that gas equipment has been ordered prior to said date, or (c) that detailed engineering plans for the use of gas equipment has been prepared prior to said date.

(32) Emergency Curtailment Plan

In the event curtailment is warranted, commercial and industrial customers having facilities wherein the interruption thereof will not imperil human life or health will be interrupted first in a sequence of largest to smallest. Service will be restored in the reverse order.

(32.1) Relief from Liability

The Company shall be relieved of all liabilities, penalties, charges, payments and claims of whatever kind, contractual or otherwise, resulting from or arising out of the Company's failure to deliver all or any portion of the volumes of gas desired by any particular customer or group of customers to the extent that such failure results from the implementation of the Emergency Curtailment Plan herein prescribed or from any other orders or directives of duly constituted authorities, including, but not limited to, all regulatory agencies having jurisdiction in the premises.

(32.2) Precedence

To the extent that this rule, or any provision(s) hereof, conflict with any other provision(s) of the Company's filed tariff, Rules and Regulations, or contracts, this rule shall take precedence.

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RULES AND REGULATIONS (cont.)

(33) Special Meter Readings

At the customer's request, the Company will read a customer's meter at a special time by appointment when the meter cannot be read or is not being read by the regular meter reader. When such a meter reading is made, a special meter reading charge shall be made.

(34) Collection Trip Charge

When the Company makes a service trip for the purpose of disconnection of service because of non-payment, and customer pays Company's personnel, at customer's premises, to prevent said disconnect, an additional charge (a trip charge) will be billed to the customer for the recovery of the expense of Company personnel traveling to customer's premises.

(35) Average Payment Plan

By mutual agreement between the customer and the Company, any residential customer may be billed on the Average Payment Plan (the Plan), providing the customer satisfies the Company's credit requirements. Although customers may enter the Plan program any month of the year by contacting the business office, the Company will encourage customers to enter the program during the month of July each year. During July, residential customers will be notified of the Plan by the Company issuing a bill containing two amounts, the actual amount and the payment due under the Plan. If the customer elects to go with the Plan, he pays the average amount. If the customer pays the actual amount, the next month's bill will also contain the two amounts, giving the customer another opportunity to sign up.

The Company will calculate the customer's total annual bill based on twelve months of historical usage as adjusted for any significant rate change, abnormal weather conditions or other factors. The first average amount due will be that total divided by twelve. If the customer is new and historical data is not available, the customer will be billed on the most accurate information that is available at the time of the request. Ozark Natural Gas will use one of two methods to estimate the annual usage, either the average therm usage stated in the Feasibility Study or on the average actual annual usage of all residential customers in service.

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The Company will adjust the average billing during the fourth and eighth months of each twelve month period under the Plan, if the recalculated average payment amount reflects an increase of \$5.00 or more. Settlement of accounts will occur when participation in the Plan is terminated. No interest shall be due from or payable to the customer on the difference between actual and average usage.

(36) Promotional Practices

In compliance with rules prescribed by 4 CSR 240-14.010(1), a schedule is herein set forth prescribing all promotional practices being engaged in by the utility as of the effective date which are not in violation of 4 CSR 240-14. At this time, the Company has no promotional practices to include in this schedule.

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