BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Abandonment by Laclede)		
Gas Company, on behalf of its Missouri Natural)		
Gas Company Division, of General L.P. Gas)		
Service to Customers in the Spanish Manor, Crest)	Case No. GA-2009-00	
Manor, and White Oak Estates Mobile Home Parks)		
in Jefferson County, Missouri)		

VERIFIED APPLICATION TO ABANDON L.P. GAS SERVICE TO CUSTOMERS IN THE SPANISH MANOR, CREST MANOR, AND WHITE OAK ESTATES MOBILE HOME PARKS IN JEFFERSON COUNTY, MISSOURI

COMES NOW Laclede Gas Company ("Laclede" or "Company") on behalf of its Missouri Natural Gas Company Division, and makes application to the Missouri Public Service Commission ("Commission") to abandon General L.P. Gas Service to customers in the Spanish Manor, Crest Manor and White Oak Estates Mobile Home Parks in Jefferson County, Missouri. In support of its application, Laclede states as follows:

1. Laclede is a public utility incorporated under the laws of the State of Missouri, with its principal office located at 720 Olive Street, St. Louis, Missouri 63101. A Certificate of Good Standing evidencing Laclede's standing to do business in Missouri was submitted in Case No. GF-2007-0220 and is hereby incorporated by reference herein for all purposes. The information on such certificate is currently applicable and correct. Laclede is engaged in the business of distributing and transporting natural gas, and to a limited extent distributing propane gas, to customers in the City of St. Louis and the Counties of St. Louis, St. Charles, Crawford, Jefferson, Franklin, Iron, St. Genevieve, St. Francois, Madison, and Butler in Eastern Missouri, as a gas corporation subject to the jurisdiction of the Commission.

2. Communications in regard to this Application should be addressed to:

Rick Zucker Assistant General Counsel Laclede Gas Company 720 Olive Street, Room 1516 St. Louis, MO 63101 (314) 342-0533

- 3. Laclede has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates.
- 4. Laclede is current on its annual report and assessment fee obligations to the Commission, and no such report or assessment fee is overdue.
- 5. Under its approved rate schedules, Laclede has from time to time provided General L.P. Gas service through a centralized facility to customers in areas where it is not immediately possible to provide standard natural gas service. *See* Seventeenth Revised Sheet No. 8 of Laclede's tariff. Even though the distribution and sale of propane is not typically regulated by the Commission, Laclede has offered such service on a tariffed basis as a precursor to providing natural gas service.
- 6. Consistent with that practice, Laclede has since the early 1970s provided propane service through a centralized system to customers located in the Spanish Manor, Crest Manor, and White Oak Estates Mobile Home Parks (collectively, the "Parks"). Although it was originally contemplated that natural gas service would eventually be provided to the Parks, the anticipated growth in customers necessary to warrant a build-out of Laclede's natural gas distribution system to the Parks has never materialized. In fact, both the number of residents living in the Parks and the number of those residents

using propane gas has declined substantially in recent years. As a result, Laclede currently provides propane service to only 3 customers in Spanish Manor, 22 customers in Crest Manor, and 15 customers in White Oak. Given this significant decline in existing and potential customers, it is not economically feasible to even consider incurring the substantial costs in mains and new services that would be required to provide natural gas service within the Parks.

- 7. Continuing to provide propane service out of a centralized system has also become increasingly problematic. Most, if not all, of the pipelines through which the propane is distributed would need to be replaced within the next several years in the event the Company continued to provide propane service. Once again, the cost of replacing such lines compared to the small and ever-declining amount of customer revenue anticipated from the relatively small number of customers in the Parks makes it uneconomic to continue providing such service through a centralized system.
- 8. Laclede could, of course, continue to provide propane service on a decentralized, unregulated basis to such customers. However, Laclede believes it makes far more sense for both the Company and the remaining customers in the Parks to sell whatever assets can still be used to provide propane service to another entity that is already in the business of providing propane service on an unregulated basis and allow that entity to serve residents of the Parks.
- 9. To that end, Laclede has executed (subject to the Commission's approval of this application) a Sale Agreement with AmeriGas Partners, L.P. ("AmeriGas"), an unregulated provider of propane services. A copy of the Sale Agreement is attached hereto as Exhibit 1 and is incorporated by reference herein for all purposes. Under the

terms of the Sale Agreement, Laclede will transfer to AmeriGas certain propane tanks at the Parks and any remaining propane volumes in those tanks. AmeriGas has also agreed to continue providing propane service to any existing customer in the Parks who desires to receive such service upon terms that were specifically negotiated by Laclede to ease the transition to a new provider. Specifically, AmeriGas would, at no charge, provide and connect an individual propane tank for each customer that desires to receive propane service from AmeriGas. Additionally, AmeriGas has agreed to provide each of its customers in the Parks a discount on the first 400 gallons of propane purchased, offer a monthly budget billing plan and waive all initial set up fees. Amerigas' direct connection of individual propane tanks obviates the need for the service lines currently serving customers in the Parks. Laclede therefore intends to abandon such lines in place.

10. With the implementation of these terms, Laclede believes that the remaining propane customers in the Parks will continue to receive reasonably-priced propane service in a virtually seamless manner. At the same time, by discontinuing service and abandoning its service lines in place, Laclede will be able to avoid the incurrence of an uneconomic investment that would otherwise be borne by the Company and its remaining customers. For all of these reasons, Laclede respectfully requests that it be permitted to abandon, upon the terms and conditions proposed herein, General L.P. Gas Service to customers in the Parks.

WHEREFORE, Laclede Gas Company respectfully requests that the Commission issue its order granting Laclede's Application to Abandon the Provision of General L.P. Gas Service to customers in the Spanish Manor, Crest Manor and White

Oak Estates Mobile Home Parks in Jefferson County, Missouri upon the terms and conditions set forth in such Application.

Respectfully submitted,

/s/ Michael C. Pendergast_

Michael C. Pendergast #31763 Vice President & Associate General Counsel Rick E. Zucker #49211 Assistant General Counsel –Regulatory

Laclede Gas Company
720 Olive Street, Room 1520
St. Louis, MO 63101
(314) 342-0532 (telephone)
(314) 421-1979 (fax)
E-mail:mpendergast@lacledegas.com

ATTORNEYS FOR LACLEDE GAS COMPANY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing Application was served on the General Counsel of the Staff of the Missouri Public Service Commission and the Office of the Public Counsel on this 18th day of July, 2008 by hand-delivery, fax, electronic mail or by placing a copy of such Application, postage prepaid, in the United States mail.

/s/ Rick Zucker

Rick Zucker

VERIFICATION

STATE OF MISSOURI

CITY OF S	ST. LOUIS)	55.		
Assistant V applicant ir matters and	the foregoing Appl	keting & Cus lication; that h	tomer Service one has read said	oath states that he is f Laclede Gas Company, the Application, and that the best of his knowledge,
			Zugeum O Benjamin O. M	cReynolds/
	oscribed and sworn t i, this <u>\Y\fl</u> day of J		Notary Public i	n the City of St. Louis, State
Му	Commission expire	s: <u>2/10/</u> 2	01)	
[sea	al]		Notary Public,	State of Missouri
			NOTARY SEAL SE	BARBARA ANN MCCARTHY My Commission Expires February 16, 2011 Jefferson County Commission #07530723

SALE AGREEMENT

This Sale Agreement ("Agreement") is made and entered into as of the day of 2008 ("Effective Date"), between LACLEDE GAS COMPANY, a Missouri corporation ("Seller"), and AMERIGAS PARTNERS, L.P., a Missouri limited partnership ("Purchaser").

In consideration of the mutual covenants and agreements hereinafter contained, Seller and Purchaser do hereby agree and covenant as follows:

- 1. Sale and Purchase. Upon and subject to the terms and conditions herein, and for the consideration hereinafter specified, Seller agrees to sell, assign, transfer and deliver to Purchaser all rights, title and interest of Seller in and to: six (6) 1,000-gallon tanks located above-ground in Spanish Manor Mobile Home Park; three (3) 1,000-gallon tanks located above-ground in White Oak Estates Mobile Home Park; twenty-one (21) 1,000-gallon tanks located above-ground in Crest Manor Mobile Home Park; all in Jefferson County, Missouri (collectively, the "Propane Tanks"), together with the propane contained in said tanks on the Transfer Date (hereinafter defined), which propane shall be herein referred to as "Propane." The Propane Tanks and the Propane are sometimes herein collectively referred to as the "Assets." Spanish Manor, White Oak and Crest Manor shall be referred to herein collectively as the "Mobile Home Parks." All header piping, regulators, valves and appurtenances connected to the tanks shall be considered part of Seller's mains as discussed in Section 4 below, and shall not be part of the Assets. Purchaser shall purchase the Assets upon and subject to the terms and conditions of this Agreement in exchange for the Purchase Price (defined below).
- 2. <u>Purchase Price</u>. The purchase price to be paid by Purchaser to Seller ("Purchase Price") shall be calculated in accordance with the table set forth on <u>Exhibit A</u> attached hereto and incorporated herein based on the number of gallons (whole and fractional) of Propane in the tanks on the Tank Purge Date (defined below). The Purchase Price shall be payable by a credit to Seller's account with Purchaser, wire transfer or cashier's check within ten (10) days after the Transfer Date, as directed by Seller.
- 3. Regulatory Approval. Within thirty (30) days after the Effective Date, Seller shall request the approval of the Missouri Public Service Commission ("PSC") to cease providing propane service to Seller's existing customers in each of the Mobile Home Parks ("Existing Customers"), which are listed on Exhibit B attached hereto and incorporated herein, and to sell the Assets. If Seller does not obtain such approval on terms and conditions that are acceptable to Seller in its sole discretion within one hundred twenty (120) days after the Effective Date ("Approval Deadline"), this Agreement shall automatically terminate and neither party shall have any further liability to the other, unless Seller provides written notice to Purchaser that Seller is waiving this PSC approval contingency. Promptly upon receiving PSC approval or determining that PSC approval on terms and conditions acceptable to Seller cannot be obtained by the Approval Deadline, Seller shall provide written notice to Purchaser of the approval or a written termination notice, as applicable.

- 4. <u>Transition of Customers</u>. Provided this Agreement is not terminated pursuant to Section 3 above, within thirty (30) days after the earlier of (a) Purchaser's receipt from Seller of a written notice that PSC approval has been obtained, and (b) Purchaser's receipt from Seller of a written notice that Seller is waiving the PSC approval contingency, Purchaser shall install all of the facilities necessary for Purchaser to provide propane service to Existing Customers, except to the extent any Existing Customers decline such service from Purchaser. Within fifteen (15) days after such installations are complete, pursuant to a schedule that is acceptable to Purchaser and Seller, the parties shall work together to disconnect each Existing Customer from Seller's facilities and to connect each Existing Customer who has not declined service ("Continuing Customer") to Purchaser's facilities. Within thirty (30) days after the Purchaser connects each Continuing Customer to Purchaser's facilities and commences providing propane service to each of them, Seller shall purge and abandon all of its mains and service lines and remove all meters from the Mobile Home Parks that have not been previously abandoned or removed. Seller shall notify Purchaser when such work is complete ("Completion Notice"). Within twenty (20) days after Seller provides the Completion Notice to Purchaser, Purchaser shall notify Seller of the date(s) on which it shall remove the Propane inventory from the Propane Tanks (the "Tank Purge Date"). The Tank Purge Date shall occur no later than thirty (30) days after Seller provides the Completion Notice. On the Tank Purge Date, Purchaser shall utilize its trucks to remove all Propane inventory, and Purchaser's truck meters shall be used to determine the number of gallons (whole and fractional) of Propane in the tanks. Seller shall have the right, but not the obligation, to witness the removal and measurement on the Tank Purge Date.
- 5. Operating and Other Costs; Revenues; Customer Deposits. All operating and other costs, expenses and charges relating to the administration or operation of the Assets prior to the Transfer Date shall be the responsibility and obligation of Seller, and Seller shall be entitled to all of the revenues and/or proceeds arising from the operation of the Propane Tanks prior to the Transfer Date. All operating and other costs, expenses and charges relating to the administration or operation of the Assets on or after the Transfer Date shall be the responsibility and obligation of Purchaser, and Purchaser shall be entitled to all of the revenues and/or proceeds arising from the operation of the Assets on or after the Transfer Date. Any service deposits Seller may have from customers shall be returned to the Existing Customers by Seller. From and after the Transfer Date, Seller shall have no rights and/or obligations with regard to the Assets.
- 6. <u>Taxes</u>. Seller shall pay all real and personal property taxes on the Assets attributable to periods prior to the Transfer Date, and Purchaser shall pay all such taxes attributable to periods from and after the Transfer Date, including the Transfer Date itself. Purchaser shall receive a credit against the Purchase Price for the real and personal property taxes attributable to the period of January 1, 2008 up to, but excluding, the Transfer Date.
- 7. <u>Condition of the Assets</u>. Seller warrants that it owns the Assets, and that the Assets will be free and clear of liens on the Transfer Date. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, SELLER MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE ASSETS.

- 8. <u>Representations, Warranties and Covenants of Seller</u>. Seller represents, warrants and covenants to Purchaser that as of the date of this Agreement and as of the Transfer Date each of the following is true:
 - a. <u>Corporate Existence</u>. Seller is a duly organized, validly existing corporation in good standing under the laws of the State of Missouri, with the corporate power and authority to enter into and perform this Agreement.
 - b. <u>Power; Authorization; Enforceable Obligations</u>. Seller has the corporate power, authority and legal right to execute, deliver and perform this Agreement and all covenants and agreements referred to in this Agreement, subject to the approval of the PSC referenced above in Section 3 of this Agreement. The execution, delivery and performance of this Agreement, and all agreements referred to herein, by Seller have been duly authorized by all necessary corporate action. This Agreement, when executed and delivered, will constitute, the legal, valid and binding obligations of Seller and shall be enforceable against Seller.
 - c. <u>Taxes</u>. To the best of Seller's knowledge, except for general taxes payable in the current year and thereafter, and special taxes assessed or becoming a lien after the date hereof and any liens relating to obligations that were not yet due and payable as of the date hereof, there is presently no lien, security interest or similar encumbrance against, upon or with respect to the Assets.
 - d. No Conflicting Agreements or Orders. The execution, delivery and performance of this Agreement by Seller does not, and will not, violate, conflict with or result in the breach of any term, condition or provision of: (i) any existing law, ordinance, or governmental rule or regulation of which Seller is subject, subject to the approval of the PSC referenced above in Section 3 of this Agreement; (ii) any judgment, order, writ, injunction, decree or award of any court, arbitrator or governmental or regulatory official, body or authority applicable to Seller; (iii) the articles of incorporation and bylaws of Seller, or any securities issued by Seller; or (iv) any mortgage, indenture, agreement, contract, commitment, lease, plan, authorization or other instrument, document or understanding, oral or written, to which Seller is a party, by which Seller may have rights, or by which any of the Assets may be bound or affected, or which give any party with rights thereunder the right to terminate, modify, accelerate or otherwise change the existing rights or obligations of Seller thereunder.
- 9. <u>Representations, Warranties and Covenants of Purchaser</u>. Purchaser represents, warrants and covenants to Seller that as of the date of this Agreement and as of the Transfer Date each of the following is true:
 - a. <u>Corporate Existence</u>. Purchaser is a duly organized, validly existing limited partnership under the laws of the State of Missouri, with the power and authority to enter into and perform this Agreement.

- b. <u>Power; Authorization; Enforceable Obligations</u>. Purchaser has the power, authority and legal right to execute, deliver and perform this Agreement and all covenants and agreements referred to in this Agreement. The execution, delivery and performance of this Agreement and all agreements referred to herein by Purchaser have been duly authorized by all necessary action. This Agreement, when executed and delivered, will constitute, the legal, valid and binding obligations of Purchaser and shall be enforceable against Purchaser.
- c. No Conflicting Agreements or Orders; Required Consents or Filings. The execution, delivery and performance of this Agreement by Purchaser does not, and will not, violate, conflict with, or result in the breach of any term, condition or provision of, or require the consent of any other person or entity under: (i) any existing law, ordinance, or governmental rule or regulation of which Purchaser is subject; (ii) any judgment, order, writ, injunction, decree or award of any court, arbitrator or governmental or regulatory official, body or authority which is applicable to Purchaser; or (iii) the partnership agreement of Purchaser. Purchaser shall obtain, at its sole cost and expense, prior to the Transfer Date, any governmental permits required for Purchaser to take title to or operate the Assets.
- 10. <u>Due Diligence</u>. Prior to the date hereof, Purchaser has had the right from time to time, at its own expense, to make or perform, at Purchaser's risk, such inspections of the Assets as Purchaser has deemed appropriate, for purposes of satisfying itself as to their condition and apparent compliance with applicable law. Purchaser and/or its agents have had a reasonable opportunity (of which Purchaser has fully availed itself) to ask questions of and receive answers from Seller concerning the Assets. Purchaser acknowledges that it is knowledgeable in the retail propane business and the purchase and operation of retail propane storage and distribution facilities. PURCHASER IS A KNOWLEDGEABLE AND SOPHISTICATED PURCHASER AND OPERATOR OF RETAIL PROPANE DISTRIBUTION SYSTEMS, AND IS NOT RELYING IN ANY MANNER ON ANY REPRESENTATION, WARRANTY OR COVENANT OF SELLER NOT SPECIFICALLY SET FORTH IN THIS AGREEMENT, BUT PURCHASER'S DECISION TO CONSUMMATE THE PURCHASE OF THE ASSETS IS INSTEAD BASED SOLELY UPON ITS INDEPENDENT INVESTIGATION AND EVALUATION THEREOF AND THE SELLER'S REPRESENTATIONS, WARRANTIES AND COVENANTS EXPRESSLY SET FORTH IN THIS AGREEMENT.
- 11. <u>Indemnification</u>. Seller shall indemnify and hold harmless Purchaser, its officers, directors, agents, servants, and employees from any loss, damage, cost, expense and all claims and suits for damage to property and injuries, including death to persons, and from all judgments recovered therefore, and from all expense in defending said claims and suits, including court costs, attorney's fees and other expenses arising out of the ownership and/or operation of the Assets prior to, but excluding, the Transfer Date, except to the extent the same arises out of the negligence or willful misconduct of Purchaser. Purchaser shall indemnify and hold harmless Seller, its officers, directors, agents, servants, and employees from any loss, damage, cost, expense and all claims and suits for damage to property and injuries, including death to persons, and from all judgments recovered therefore, and from all expense in defending said claims and suits, including court costs, attorney's fees and other expenses arising out of the ownership

and/or operation of the Assets from and after the Transfer Date, including the Transfer Date itself, except to the extent the same arises out of the negligence or willful misconduct of Seller. No party shall be liable to any other party for any consequential, incidental or punitive damages, for lost profits.

- 12. <u>Transfer Date</u>. The sale and purchase of the Assets pursuant to this Agreement ("Transfer") shall occur on the Tank Purge Date as described in Section 4 above; or such earlier or later date as agreed upon in writing by the parties ("Transfer Date"). The parties shall mutually agree upon the format (i.e., by mail, by courier in person) and location of the Transfer.
- 13. <u>Bill of Sale</u>; <u>Payment of Purchase Price</u>. On the Transfer Date, Seller shall execute and deliver a "Bill of Sale" in substantially the form set forth in <u>Exhibit C</u> hereto. Within ten (10) days after the Transfer Date, Purchaser shall pay to Seller the Purchase Price. Payment shall be by bank or wire transfer to Seller's account or accounts as specified by Seller in writing.
- 14. <u>Customer Notification</u>: Within ten (10) days after the earlier of (a) the PSC approving the sale of the Assets, and (b) Seller waiving the PSC-approval contingency, Seller and Purchaser shall jointly notify all customers of the sale by letter. The form and content of the letter shall be in substantially the form set forth in <u>Exhibit D</u>.
- 15. <u>Commitment to Service</u>. Purchaser covenants to continue to provide retail propane distribution service to the Continuing Customers and to keep the cost of service to such Continuing Customers reasonable, subject to fluctuations in market conditions, for sixty (60) months from the Transfer Date.
- 16. <u>Cooperation</u>. Seller and Purchaser shall work together in good faith to carry out the purpose and intent of this Agreement in a timely manner.
- 17. Confidentiality. Purchaser and its Representatives shall not disclose any of the terms of this Agreement or any details of the underlying transaction to any third parties without the prior written consent of Seller. For purposes of this Agreement, the term "Representatives" shall include Purchaser's directors, officers, employees, agents, affiliates, financing sources and advisors. Purchaser shall be responsible for ensuring that its Representatives adhere to the undertakings contained in this Section 17 as if such persons were original parties hereto. In the event that Purchaser or its Representatives are requested pursuant to applicable law, regulation or legal or regulatory process to disclose any of the terms of this Agreement or the underlying transaction, Purchaser shall (unless prohibited by law) provide Seller with prompt notice of such requirement in order to enable Seller to seek an appropriate protective order or other remedy, to consult with Purchaser with respect to Seller taking steps to resist or to narrow the scope of such request or legal or regulatory process, or to waive compliance, in whole or in part, with the terms of this Section 17. Purchaser shall cooperate with Seller in limiting such disclosures and obtaining protection thereof to the extent practicable. In any such event, Purchaser will use reasonable effort to ensure that all information that is so disclosed will be accorded confidential treatment.

- 17. Further Assurance. Each of the parties hereto shall execute, acknowledge and deliver or cause to be executed, acknowledged and delivered, such further instruments as may be reasonably necessary to convey to Purchaser, Seller's full right, title and interest to the Assets and take such further reasonable action as may be necessary or reasonably advisable to carry out the duty of both parties to correct any inadvertent computational errors in carrying out the express intention of this Agreement.
- 18. Waivers. No waiver by either party of any breach, covenant or condition of this Agreement shall be effective or binding on the party against which the waiver is asserted unless the waiver is in writing signed by an authorized representative of the party against which the waiver is asserted. Failure fully to enforce any provision of this Agreement by either party shall not constitute a waiver of the right to enforce that provision at any subsequent time.
- 19. Assignment; Successors and Assigns. Neither party shall have the right to assign this Agreement without the prior written consent of the other party. This Agreement shall be binding on, and inure to the benefit of, the respective parties and their successors and expressly permitted assigns.
- 20. Governing Law. This Agreement, and the validity and construction of all provisions of this Agreement, shall be governed by and determined in accordance with Missouri law. The parties shall comply with all applicable federal, state and local laws, ordinances, rules and regulations.
- 21. Remedies. Without prejudice to any other rights or remedies Seller may have, Purchaser acknowledges and agrees that money damages would not be an adequate remedy for any breach of this Agreement by Purchaser and that Seller shall be entitled to the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of this Agreement.
- 22. Notices. Any notice given by either party to the other party shall be effective only if in writing and delivered by: (a) United States mail, registered or certified, return receipt requested; (b) overnight commercial package courier or local delivery service; (c) personal delivery; or (d) facsimile; in all events prepaid, to the party to receive such notice at the respective addresses set forth hereinbelow:

If to Seller: Laclede Gas Company

> 3950 Forest Park Blvd. St. Louis, MO 63108 Attn: Robert A. Glosier

Fax No. (314) 531-4013

With a copy to:	Laclede Gas Company 720 Olive Street St. Louis, MO 63101 Attn: Ellen L. Theroff Fax No. (314) 421-1979
If to Purchaser:	AmeriGas Partners, L.P. 2475 N. Truman Blud. Crystal City MO 63017 Ken Westphalen Fax No. (28) 737-6938
With a copy to:	

23. <u>Survival</u>. The representations, warranties and covenants made by Seller and Purchaser in this Agreement shall survive the Transfer Date for a period of twelve (12) months at which time they shall expire; provided that Purchaser's covenant set forth in Section 15 of this Agreement shall survive the Transfer Date for sixty (60) months.

Fax No. ()

24. Miscellaneous. This Agreement may be executed by the parties hereto in any number of counterparts, each of which shall be deemed an original instrument for all purposes and all of which together shall constitute one agreement. This Agreement may not be amended nor any rights hereunder be waived except by an instrument in writing signed by the party to be charged with such amendment or waiver. The headings of the sections of this Agreement are for convenience and shall not limit or otherwise affect any of the provisions of this Agreement. This Agreement (including the exhibits hereto) constitutes the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions and prior agreements and understandings relating to such subject matter. Except as specifically stated in this Agreement, nothing contained in this Agreement shall be deemed to benefit, or be enforceable by, any third person. The parties acknowledge that they and their respective counsel have negotiated and drafted this Agreement jointly and agree that the rule of construction that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation or construction of this Agreement.

25. Time of the Essence. Time is of the essence of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Sale Agreement as of the day and year first above written.

SELLER

LACLEDE GAS COMPANY

PURCHASER

AMERIGAS PARTNERS, L.P.

By: Kenwestphalen
Name: Kenwestphalen
Title: Sales Service Mgr.

EXHIBIT A

Purchase Price Calculations

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EXHIBIT B

Existing Customers

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CREST MANOR	

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EXHIBIT C

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS THAT:

LACLEDE GAS COMPANY ("Seller"), for good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, does hereby quitclaim, sell, set over, assign, transfer and deliver to AMERIGAS PARTNERS, L.P. ("Purchaser") all of Sellers' right, title and interests in and to: six (6) 1,000-gallon tanks located above-ground in Spanish Manor Mobile Home Park; three (3) 1,000-gallon tanks located above-ground in White Oak Estates Mobile Home Park; twenty-one (21) 1,000-gallon tanks located above-ground in Crest Manor Mobile Home Park; all in Jefferson County, Missouri, together with the propane contained in such tanks (the "Assets"):

TO HAVE AND TO HOLD the Assets forever unto Purchaser, and its successors and assigns, free and clear of all liens, encumbrances, security interests, liabilities, pledges and charges of any kind and description created by Seller.

Seller is conveying the Assets to Purchaser "As Is - Where Is."

			WHEREOF, Seller has caused this instrument to be executed on this	
day of	b	12	, 2008.	

LACLEDE GAS COMPANY

AMERIGAS PARTNERS, L.P.

Name: DOM KEYNOLDS

Title:<u>ASST_V_P. - MARKETING 4</u> C_USTOMER_SERVICE Name: Ken Westphalen

Title: Sales Service Mgr.

EXHIBIT D

CUSTOMER LETTER

Missouri Natural Gas Company Division of Laclede Gas Company 410 West Main Street Festus, MO 63028 (877) 664-2726

, 2008
Mr. Jim Smith 123 S. Main St. Anywhere, MO 55555
Re: Transfer of Propane Service
Dear Mr. Smith:
Missouri Natural Gas Company has decided to cease providing propane service within the [name of mobile home park]. In connection with this decision, we have reached an agreement with AmeriGas Propane whereby they have agreed to serve all of our existing propane customers in [name of mobile home park]. In doing so, AmeriGas will, at no charge, provide and connect individual tanks for each customer that desires to receive propane service from them. Additionally, AmeriGas has agreed to provide each of its customers in [name of mobile home park] a discount on the first 400 gallons of propane purchased, offer a monthly budget billing plan and waive all initial set up fees.
If you elect to accept service from AmeriGas, they plan to install a propane tank at your property and to commence providing service to you on Missouri Natural Gas will cease providing propane service to you on that date, and we will shortly thereafter cut, cap and abandon our facilities and send you a final bill. While we are confident that AmeriGas can ably serve your future propane needs, you are not obligated to obtain service from AmeriGas. You may instead select any propane service provider you desire. Please be aware, however, that if you elect to obtain service from a vendor other than AmeriGas, your selected vendor must be able to provide service to you no later than in order to avoid interruption of propane service to your property. Also, you will b responsible for any charges assessed by your selected propane provider.
If you have any questions regarding this matter, or if you would like additional information pertaining to the services that AmeriGas provides or if you intend to select a vendor other than AmeriGas to provide propane service to you, please call me at your convenience at the number set forth above. We apologize for any inconvenience this transition may cause. We appreciate your past patronage and look forward to possibly serving you as a natural gas customer in the future.
Sincerely,

David Diagnall

David Picarella Area Manager