

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

In the Matter of the Joint Application of )  
Union Electric Company d/b/a AmerenUE, )  
Aquila, Inc., d/b/a Aquila Networks - MPS, )  
and Aquila Networks - L & P, for an Order )  
Authorizing the Sale and Transfer of )  
Certain Assets of Aquila, Inc., Located in )  
Missouri to AmerenUE, and Either )  
Authorizing the Transfer of Existing )  
Certificates of Public Convenience and )  
Necessity, or Granting a New Certificate of )  
Public Convenience and Necessity to )  
AmerenUE in Conjunction with Same. )

Case No. GM-2004-0244

**AFFIDAVIT OF WILBON L. COOPER**

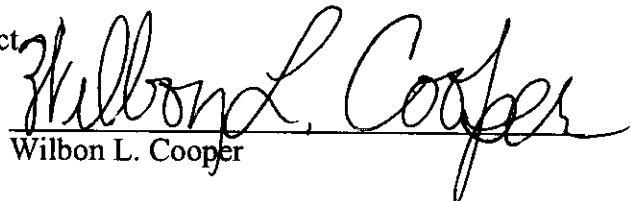
**STATE OF MISSOURI**     )  
                                      ) ss  
**CITY OF ST. LOUIS**     )

Wilbon L. Cooper, being first duly sworn on his oath, states:

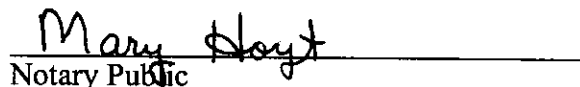
1. My name is Wilbon L. Cooper. I work in St. Louis, Missouri, and I am employed by Ameren Services Company as Manager, Rate Engineering and Analyses.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Union Electric Company d/b/a AmerenUE consisting of 10 pages, Appendix A, and Schedules WLC-1, WLC-2, and WLC-3, all of which have been prepared in written form for introduction into evidence in the above-referenced docket.

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct.

  
Wilbon L. Cooper

Subscribed and sworn to before me this 3<sup>rd</sup> day of December, 2003.

  
Notary Public

My Commission Expires: 4-1-2006

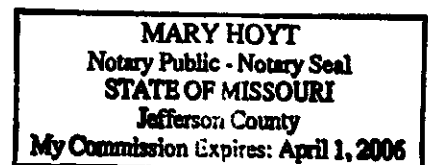


Exhibit No.:  
Issue: Tariff Application  
Witness: Wilbon L. Cooper  
Type of Exhibit: Direct Testimony  
Sponsoring Party: Union Electric Company  
Case No.: GM-2004-0244  
Date Testimony Prepared: December 3, 2003

**MISSOURI PUBLIC SERVICE COMMISSION**

**CASE NO. GM-2004-0244**

**DIRECT TESTIMONY**

**OF**

**WILBON L. COOPER**

**ON BEHALF OF**

**UNION ELECTRIC COMPANY,  
d/b/a AmerenUE**

**St. Louis, Missouri  
December 2003**

**DIRECT TESTIMONY**

**OF**

**WILBON L. COOPER**

**CASE NO. GM-2004-0244**

**Q. Please state your name and business address.**

A. My name is Wilbon L. Cooper. My business address is One Ameren Plaza,  
1901 Chouteau Avenue, St. Louis, Missouri 63103.

**Q. By whom and in what capacity are you employed?**

A. I am employed by Ameren Services Company as Manager of the Rate  
Engineering & Analysis Department of Regulatory Policy and Planning. In this capacity I  
provide rate engineering services to Union Electric Company, d/b/a AmerenUE (referred to  
herein as “Company” or “AmerenUE”) and to Ameren’s Illinois-based operating utilities  
d/b/a AmerenCIPS and AmerenCILCO.

**Q. What is your educational background, work experience and duties of  
your position?**

A. This information is summarized in Appendix A, which is attached to this  
testimony.

**Q. What was your responsibility in the preparation of this case, and what is  
the purpose of this testimony?**

A. My responsibility was to develop tariffs for AmerenUE’s provision of gas  
service to customers located in Aquila’s Eastern System which the Company is requesting  
Missouri Public Service Commission (Commission or MPSC) to approve as part of this case.  
My testimony will specifically address the tariff application and associated tariff issues

Direct Testimony of  
Wilbon L. Cooper

1 needed to effectuate AmerenUE's provision of gas service to Aquila's Eastern System that  
2 are being proposed in this case. In the Application, the Company is proposing to retain the  
3 Aquila base rates in effect at the time of closing and place the new territory under  
4 AmerenUE's Purchased Gas Adjustment (PGA) Clause applicable to its central Missouri  
5 service area.

6 **Q. Have you prepared or have there been prepared under your direction**  
7 **and supervision a series of schedules for presentation to the Commission in this**  
8 **proceeding?**

9 A. Yes. In addition to Appendix A mentioned above, I am sponsoring  
10 Schedules WLC-1, WLC-2, and WLC-3.

11 **Q. Please identify Schedule WLC-1.**

12 A. Schedule WLC-1 consists of twenty (20) tariff sheets which reflect the initial  
13 revised tariffs being proposed by the Company for approval by the Commission in this  
14 proceeding. As discussed later in the testimony, the Company will supplement this filing  
15 with additional revised tariffs at a later date.

16 **Q. Please identify Schedule WLC-2.**

17 A. Schedule WLC-2 shows Aquila's existing Eastern System customer service  
18 classifications, average customer counts, and revenues for the twelve month period ended  
19 December 31, 2002.

20 **Q. Please identify Schedule WLC-3.**

21 A. Schedule WLC-3 shows an estimate of the Purchased Gas Adjustment impacts  
22 of the Company's proposal to apply its Panhandle Eastern Pipe Line Company (PEPL) PGA

1 applicable to both the Company's PEPL and Aquila's Eastern System Residential and  
2 General Service customers.

3 **TARIFF APPLICATION**

4 **Q. Have you reviewed and are you generally familiar with Aquila's Schedule**  
5 **P.S.C.MO. 5 as it relates to the providing of gas service to customers within its Eastern**  
6 **System?**

7 A. Yes, I am.

8 **Q. Please provide a brief summary of Aquila's existing Eastern System**  
9 **customer classes and their associated rates.**

10 A. Aquila's existing customer classes primarily consist of 1) General Natural Gas  
11 Service with a Residential Service group and a General Service group, 2) Large Volume  
12 Firm Sales Service, 3) Large Volume Interruptible Sales Service, 4) Large Volume  
13 Transportation Service, 5) Flexible Rates For Transportation Customers, 6) Special  
14 Transportation Contract Rates and 7) Natural Gas Transportation Service. The base rates for  
15 the General Natural Gas Service and the Natural Gas Transportation Service customers  
16 consist primarily of monthly customer charges and volumetric charges. The base rates for  
17 the Large Volume Interruptible Sales Service, Large Volume Transportation Service, and the  
18 Flexible Rates For Transportation Customers consist primarily of monthly customer charges,  
19 volumetric charges and demand charges. Lastly, the Special Transportation Contract Rate  
20 has no specific rate structure, as it allows Aquila to enter into special transportation rate  
21 contracts with industrial or other large customers where it faces competition from alternate  
22 suppliers of natural gas.

1           **Q.     What is meant by the term “base rates”?**

2           A.     Base rates are those which are used to collect the Company’s revenue  
3 requirement associated with the delivery of gas service. More specifically, these rates are  
4 designed to collect the Company’s annual revenue requirement for its operating and  
5 maintenance expenses and taxes, provide for depreciation of its plant, and provide a fair  
6 return on the Company’s net investment in property and plant. Such rates exclude the  
7 Company’s cost of procuring gas supply for its customers. Direct gas procurement costs are  
8 collected through the application of the PGA clause included in the Company’s tariff.

9           **Q.     Please provide a brief description of Aquila’s PGA clause.**

10          A.     Aquila, like AmerenUE, has a PGA Clause that is designed to recover its cost  
11 of procuring and having delivered to its distribution system gas supply for resale to its  
12 customers. Aquila’s PGA is subject to change up to three (3) times per year and, like  
13 AmerenUE’s PGA, it requires one filing to be effective in November. The PGA is applied to  
14 customer’s usage of Aquila supplied gas on a monthly bill cycle basis. Changes in Aquila’s  
15 PGA reflect its best estimate of the annual gas costs and volumes purchased for resale, as  
16 calculated by Aquila, reviewed by the Commission Staff, and approved by the Commission.

17          **Q.     What base rates are the Company proposing for Aquila’s Eastern Service**  
18 **customers if the Commission were to approve the Company’s purchase of Aquila’s**  
19 **Eastern System in this case?**

20          A.     With regard to base rates within the various rate or customer classifications,  
21 the Company is proposing to continue serving Aquila’s Eastern System customers using  
22 Aquila’s existing Eastern System base rates in effect on the day of closing. This continuation  
23 would result in no immediate impact on the base rate portion of the bills of Aquila’s Eastern

1 System customers. As a result, from a base rate perspective, Aquila's Eastern System  
2 customers would be no worse off than if Aquila were to remain the provider of gas service to  
3 this Eastern System. Additionally, since Aquila has a general rate increase case pending  
4 before the Commission, it is reasonable to state that if Ameren can close this transaction prior  
5 to the Commission issuing an order in Aquila's rate case, AmerenUE's proposal is likely to  
6 yield lower base rates for these customers than they would have experienced after the Aquila  
7 case was resolved.

8 **Q. Why is AmerenUE not proposing to place Aquila customers under**  
9 **AmerenUE's base rates now?**

10 A. Ameren determined that such a proposal could lead to further uncertainty and  
11 confusion for the Aquila customers. AmerenUE also has a gas rate case pending in Missouri.  
12 Placing these customers on AmerenUE rates could create additional issues for these  
13 customers and for the Commission in AmerenUE's rate case.

14 **Q. Is the Company also proposing to continue with the application of**  
15 **Aquila's current PGA Clause for Aquila's Eastern System customers if the Commission**  
16 **were to approve the Company's acquisition of Aquila's Eastern System in this case?**

17 A. No. The Company is proposing to apply AmerenUE's PGA Clause to these  
18 customers. More specifically, the Company is proposing to apply AmerenUE's PEPL PGA  
19 factors to these customers.

20 **Q. Please explain.**

21 A. AmerenUE currently has three distinct Missouri gas service areas from a  
22 pipeline perspective. These three areas are served by Texas Eastern Transmission  
23 Corporation, Natural Gas Pipe Line Company of America, and the previously mentioned

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1 PEPL. Each area is currently subject to separate monthly PGA charges. Aquila's Eastern  
2 System customers receive gas supply transported through firm transportation capacity on the  
3 PEPL system. As a result, it makes logical sense and offers substantial gas supply and  
4 hedging efficiencies to apply AmerenUE's PEPL PGA to these customers if the Commission  
5 approves the proposed purchase. The efficiencies and substantial leverage gained by  
6 integrating this relatively small distribution system into AmerenUE's PEPL system are more  
7 thoroughly discussed by AmerenUE witness Glaeser. This proposed application will likely  
8 result in a lower overall PGA for Aquila's customers with a minimal increase for AmerenUE  
9 customers subject to its PEPL PGA. Schedule WLC-3 shows the impact of this proposal  
10 utilizing calendar year 2002 sales and winter 2003-2004 PEPL PGA factors for each of the  
11 respective companies. In summary, the results show that Aquila's Eastern System customers  
12 would see a decrease of approximately 34.4%, while AmerenUE PEPL customers would see  
13 an approximate 2.1% increase in their gas supply charges. However, actual customer  
14 impacts will be different than the above percentages for 2003-04 since the transaction is not  
15 likely to close until late winter at the earliest and heating customers will have lower usage  
16 levels for the balance of 2004.

17 **Q. Would these percentages be representative of the percentage changes in**  
18 **customers' total bills?**

19 A. No. The net billing amounts of residential and general service customers bills  
20 are primarily comprised of base rate charges and gas supply charges. Approximately one  
21 third (1/3) of these amounts is typically related to base rate charges, with the remaining two  
22 thirds being gas supply charges (PGA). As a result, from a total bill perspective, the  
23 previously mentioned percentages would be a decrease of approximately 23.0% and an



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1 increase of approximately 1.43% for Aquila's Eastern System and AmerenUE's PEPL  
2 system customers, respectively. Considering the significant prospective benefits described in  
3 the testimony of AmerenUE witness Glaeser, the ease of administration of calculating a  
4 single PGA factor, and the nominal increase to AmerenUE PEPL customers, the use of a  
5 single PGA for both Aquila and AmerenUE customers is justified. In addition, while Aquila  
6 and AmerenUE strive to minimize gas supply costs, neither Aquila nor AmerenUE receives  
7 any financial benefit from their respective PGA clause as gas supply cost and associated  
8 PGA revenues are essentially "dollar for dollar" with no markup being applied.

9 **Q. Are the PGA Clauses of AmerenUE and Aquila similar?**

10 A. Yes, the PGA Clauses are similar. Each PGA clause contains provisions for a  
11 PGA factor, an Actual Cost Adjustment Factor (ACA) and interest or carrying costs on  
12 under/over recoveries of purchased gas expense. As a result, the accounting necessary for  
13 transitioning the balances associated with these provisions from Aquila's PEPL accounts to  
14 AmerenUE's PEPL accounts should be relatively simple.

15 **Q. What tariffed rules and regulations are the Company proposing for**  
16 **Aquila's Eastern Service customers if the Commission were to approve the Company's**  
17 **purchase of Aquila's Eastern System in this case?**

18 A. With regard to tariffed rules and regulations that primarily address general  
19 provisions of providing gas service, extensions of mains and services, measurement of  
20 service, billing practices, deposit practices and disconnection/reconnection provisions, the  
21 Company is proposing to apply AmerenUE's tariffs to Aquila's Eastern System customers.  
22 This proposal is expected to have little impact on existing customers of Aquila's Eastern  
23 System as many of the provisions contained in both Aquila's and AmerenUE's rules and

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1 regulations are consistent with sections 4 CSR 240-10.030 Standards of Quality, 4 CSR 240-  
2 10.040 Service and Billing Practices for Commercial and Industrial Customers of Electric,  
3 Gas, Water and Steam Heat Utilities and 4CSR 240-13 Service and Billing Practices for  
4 Residential Customers of Electric, Gas and Water Utilities of the State of Missouri's Code of  
5 State Regulations. Additionally, having only one set of rules and regulations for the  
6 Company's entire gas service area reduces programming and administrative costs necessary  
7 to complete this purchase and promotes uniformity and ease of administration of these  
8 provisions by the Company's personnel. For example, call center or customer service  
9 personnel would not need to be versed in two sets of rules and regulations when responding  
10 to customer inquiries.

11 **Q. Mr. Cooper, does your previous response address the more specific terms**  
12 **and conditions governing the provision of gas transportation service that are contained**  
13 **within Aquila's existing transportation tariffs?**

14 A. No, the terms and conditions governing the provision of service to  
15 transportation customers are rather complex in nature and, as a result, more analysis will be  
16 required before a complete determination of whether Aquila's transportation terms and  
17 conditions can be integrated into AmerenUE's tariffs.

18 **Q. Have you prepared proposed revisions to AmerenUE's MPSC Schedule 2**  
19 **Gas Tariffs to accommodate your recommendations for the tariff provisions applicable**  
20 **to Aquila's Eastern Territory?**

21 A. Yes, to a limited extent. Schedule WLC-1 contains proposed tariff revisions  
22 to accommodate the Company's proposal to continue serving Aquila's Eastern System  
23 customers on Aquila's existing Eastern System base rates in effect on the day of closing and,

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1 also, the Company's aforementioned PGA recommendation. However with regard to the  
2 Company's recommendations on general rules and regulations and terms and conditions  
3 governing the provision of transportation service, additional analysis and time are needed  
4 before revised tariffs can be developed. This issue is especially significant for transportation  
5 service as the terms and conditions for providing this service within this classification are  
6 intricate and require very special attention. At a minimum, a determination of whether  
7 AmerenUE can feasibly provide certain services currently covered under Aquila's existing  
8 transportation tariffs would have to be made. In addition, with regard to applying  
9 AmerenUE's existing general rules and regulations to Aquila's Eastern System, there may be  
10 some concerns regarding differences in rules governing the extension of the gas distribution  
11 system, disconnection/reconnection charges, insufficient funds charges, service relocations  
12 charges, trip charges and late payment charges, etc. While these concerns are legitimate, the  
13 additional programming and administrative costs associated with the Company having  
14 separate rules and regulations for Aquila's Eastern System are likely to be significant. The  
15 Company is currently evaluating the rules and regulations differences and developing  
16 estimates of the added costs mentioned earlier. After the completion of these activities, the  
17 Company will be filing additional testimony, along with proposed tariff sheets as a  
18 supplement to this case.

19 **Q. Mr. Cooper, you have previously stated that the Company proposes to**  
20 **apply Aquila's existing base rates to customers of the Eastern System if the Commission**  
21 **approves the AmerenUE's purchase, while applying AmerenUE's PEPL PGA and its**  
22 **rules and regulations to this same system. Is there a plan to apply AmerenUE's base**  
23 **rates to Aquila's Eastern Service area in the future?**

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1           A.     Yes, if the Commission approves this purchase along with a merging of the  
2     accounting records between Aquila's Eastern system and AmerenUE's Missouri gas system,  
3     the Company will propose to merge these customers into its then existing rate classes in its  
4     next general rate proceeding. Of course, a full review of customer load characteristics and  
5     types of service will be conducted to ensure that there is intra-class homogeneity. The  
6     merging of the accounting records and customer classes will be more efficient and less costly  
7     than maintaining two sets of accounting records and applying two separate sets of rates to  
8     similar customers. Additionally, the merging or combining of the base rates would be  
9     consistent with the Company's existing base rate structure whereby base rates and terms and  
10    conditions are uniformly applicable to customer classes across the Company's three non-  
11    interconnected (i.e., without physical or "pipes" tie-in) service areas.

12           **Q     Does this conclude your direct testimony?**

13           A.     Yes, it does.

## **QUALIFICATIONS OF WILBON L. COOPER**

My name is Wilbon L. Cooper and I reside in St. Louis, Missouri.

My educational background consists of a Bachelor of Science degree in Electrical Engineering (BSEE) from the University of Missouri-Rolla.

I was employed as an Assistant Engineer in the Rate Engineering Department of Union Electric Company in June 1980. My work included assignments relating to the general analyses and administration of various aspects of Union Electric Company's electric, gas, and steam rates. In October 1989, I was appointed Supervising Engineer – Rate Analysis in the Rate Engineering Department of Corporate Planning at Ameren Services Company. In the latter position I was responsible for meeting the analytical requirements of the Company's retail gas and electric rates and wholesale electric rates, including load research and various cost of service and rate design studies, as assigned. I was appointed to my present position of Manager of Rate Engineering and Analyses in March 2003.

I currently have responsibility for the general policies and practices associated with the day-to-day administration and design of Union Electric Company's electric and gas rate tariffs, riders, and rules and regulations tariffs on file with the Missouri Public Service Commission and the Illinois Commerce Commission, and in the participation in various proceedings before these regulatory agencies. In addition, Rate Engineering is responsible for conducting class cost of service and rate design studies, and the participation in other projects of a general corporate nature, as requested by the General Manager of Regulatory Policy and Planning.

I have previously submitted testimony before the regulatory commissions of Illinois, Missouri, and Iowa.

# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA

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\* Indicates Addition.

\*\* Indicates Change.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_  
 ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address

## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

\* ADOPTION NOTICE

Effective \_\_\_\_\_, 200\_, Union Electric Company, a Missouri corporation, has acquired Aquila's Eastern System within the state of Missouri, as authorized by the Missouri Public Service Commission ("Commission") in its Case No. \_\_\_\_\_

Pursuant to the Commission's Order Approving Acquisition dated \_\_\_\_\_, 200\_, issued in said case, Union Electric hereby adopts, ratifies and makes its own in every respect, as if the same had been originally filed by it, all rate schedules of Aquila's Eastern System ("Eastern System") filed with and approved by the Commission before the effective date of this tariff. These rate schedules follow on P.S.C. Mo. No. 2 sheets 20.3 through 20.20.

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_  
ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address

# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

## \* TABLE OF CONTENTS

Gas rate schedules are available to those communities and rural areas where indicated by rate schedule in this index subject to availability provisions of each individual schedule.

Rate schedules applicable in the areas formerly served by Aquila and known as the Eastern System:

<u>Type of Service</u>	<u>Schedule</u>	<u>Sheet No.</u>
Description of Authorized Gas Service Territory	---	20.4
General Natural Gas Service (Firm)	GNG	20.5
Large Volume Firm Sales Service	LVF	20.6
Large Volume Interruptible Sales Service	LVI	20.11
Small Volume Transportation Service	SVTS	20.16
Large Volume Transportation Service	LVTS	20.17
Flexible Rates for Transportation Customers	---	20.18
Special Transportation Contract Rates	---	20.19
Tax and License Rider	---	20.20
Promotional Practices		

\* Indicates Addition.

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# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

**\* SERVICE AREA OF THIS TARIFF**

Communities designated as Eastern System are as follows:

Owensville  
Rolla

Rural Territory

Salem

**EASTERN SYSTEM**

**DENT COUNTY**

<u>TOWNSHIP</u>	<u>RANGE</u>	<u>SECTIONS</u>
33 North	4 West	6, 7
33 North	5 West	1 - 12
33 North	6 West	1 - 5, 8 - 12
34 North	4 West	18, 19, 30, 31
34 North	5 West	3 - 10, 13 - 36
34 North	6 West	1 - 6, 8 - 17, 20 - 29, 32 - 36
35 North	5 West	19 - 22, 27 - 34
35 North	6 West	18 - 36
35 North	7 West	1 - 3, 10 - 14, 23 - 26, 36

**GASCONADE COUNTY**

<u>TOWNSHIP</u>	<u>RANGE</u>	<u>SECTIONS</u>
42 North	5 West	21, 22, 27 - 29, 31 - 33

**PHELPS COUNTY**

<u>TOWNSHIP</u>	<u>RANGE</u>	<u>SECTIONS</u>
36 North	7 West	3 - 5, 8 - 10, 15 - 17, 20 - 22, 26 - 28, 33 - 35
37 North	7 West	4 - 9, 17 - 20, 28 - 30, 32, 33
37 North	8 West	1 - 3, 9 - 16, 22 - 27
38 North	7 West	19, 20, 29 - 33
38 North	8 West	23 - 27, 34 - 36

Orders granting the service territory take precedence in any discrepancies between them and the information listed above. More detail is available in the orders, and the above should not be relied upon for detailed territory boundaries.

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_

ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address

# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

\* GENERAL NATURAL GAS SERVICE

AVAILABILITY

Available to all firm customers for residential, commercial and industrial use of gas including heating.

A "residential" ("domestic") customer under this residential rate classification is a customer who purchases natural gas for "domestic use." "Domestic use" under this rate classification includes that portion of natural gas which is ultimately consumed at a single-family or individually metered multiple-family dwelling, and shall apply to all such purchases regardless of whether the customer is the ultimate consumer.

This schedule is intended to satisfy the provisions of Section 144.030(23) RSMo by establishing and maintaining a system and rate classification of "residential" to cause the residential sales and purchases of natural gas under this rate schedule to be considered as sales for domestic use.

MONTHLY RATE

The charges for service computed under this section of this rate schedule are in two parts that are added together. They consist of the customer charge and the energy charge. Other charges are provided for under the Rules and Regulations section.

RESIDENTIAL SERVICE

Customer Charge	\$ 9.00 per month
Energy Charge	\$ 0.22295 per Ccf

GENERAL SERVICE

Customer Charge	\$15.00 per month
Energy Charge	
First 600 Ccf	\$ 0.24008 per Ccf
Next 800 Ccf	\$ 0.22208 per Ccf
Next 1,000 Ccf	\$ 0.20405 per Ccf
Excess Ccf	\$ 0.07546 per Ccf

MINIMUM MONTHLY BILL

The minimum monthly bill per customer shall be the customer charge.

RULES AND REGULATIONS

This schedule is subject to the Company's Rules and Regulations, any Tax and License Rider and Purchased Gas Adjustment Clause— Service area served by Panhandle Eastern, which are now or hereafter approved by the Public Service Commission of the State of Missouri.

This schedule is not available to a customer if such customer's requirements equal or exceed 150,000 Ccf annually.

\* Indicates Addition.

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## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

\* LARGE VOLUME FIRM SALES SERVICE

AVAILABILITY

Available to commercial and industrial customers whose natural gas requirements at a single address or location are in excess of 150,000 Ccf annually. Such service is subject to the approval of the Company and to a contract to be entered into between the customer and the Company in the form of P.S.C. Mo. No. 2 Sheet Nos. 20.8 through 20.10 as applicable, unless otherwise authorized.

RESTRICTIONS

Customers contracting for service at a single address or location under this rate schedule shall neither be eligible for, nor allowed to concurrently utilize natural gas transportation service under Rate Schedule LVT at that same address or location. Customers taking service under this rate schedule shall be required to purchase all of their natural gas requirements from the Company.

MONTHLY RATE

The charges for service computed under this section of this rate schedule are in three parts that are added together. They consist of the customer charge, energy charge and demand charge. Other charges are provided for under the Rules and Regulations section.

Customer Charge	\$215.00 per month
Energy Charge	
First 200,000 Ccf	\$ 0.02460 per Ccf
Excess Ccf	\$ 0.01000 per Ccf
Demand charge	
All Billing Demand	\$ 0.39000 per Ccf

MINIMUM MONTHLY BILL

The minimum monthly bill per customer shall be the customer charge plus the demand charge.

BILLING DEMAND

For purposes of determining the billing demand under this Large Volume Firm Sales Service rate schedule, the billing months of November through March shall be considered winter months; all other billing months shall be considered summer months. The billing demand for any winter month shall be the maximum use in Ccf during any consecutive period of 24 hours in such month. The billing demand for any summer month shall be one-half of the maximum use in Ccf during any consecutive period of 24 hours in such month.

\* Indicates Addition.

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## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

### \* LARGE VOLUME FIRM SALES SERVICE

The Company will normally compute the maximum use in Ccf during any consecutive period of 24 hours in any billing month as 1/20th of the number of Ccf used during such billing month, adjusted to a base monthly billing period of 30 days. For customers not consuming natural gas uniformly throughout the billing month, the Company reserves the right to determine the maximum use in Ccf during any consecutive period of 24 hours during any billing month by use of metering when such capability is available.

The billing demand for any billing month shall not be less than the greatest billing demand for any of the preceding eleven months. If gas service was furnished during any of the preceding eleven months under any other rate schedule in effect, for the purpose of determining billing demand use under such other rate schedule shall be treated as if this Rate Schedule LVF applied thereto.

### CHARACTER OF SERVICE

The Company reserves the right to curtail service to customers served under this rate schedule due to system capacity or supply constraints in the order shown in Section XII of the Company's Gas Rules and Regulations.

### RULES AND REGULATIONS

This schedule is subject to the Company's Rules and Regulations, any Tax and License Rider and Purchased Gas Adjustment Clause—Service area served by Panhandle Eastern, which are now or hereafter approved by the Public Service Commission of the State of Missouri.

### 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 customer 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 customer for the use of the premises occupied by the Company's metering and regulating equipment. Customer further agrees to provide access to telephone and electric service, as necessary, for the proper operation of the metering equipment.

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_  
ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address

# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

\* LARGE VOLUME FIRM SALES SERVICE

CONTRACT

The following form of Contract shall be entered into by and between the Company and each customer purchasing natural gas under this rate schedule:

CONTRACT  
UNDER LARGE VOLUME FIRM SALES SERVICE  
NATURAL GAS SERVICE

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by and between UNION ELECTRIC COMPANY, a Missouri corporation, its successors and assigns, hereinafter referred to as "Company", and the Large Volume Firm Sales Service Customer,

\_\_\_\_\_ with facilities located in Missouri, its successors or assigns, (hereinafter "Customer").

WHEREAS, the Company owns and operates a natural gas distribution system and is engaged in the business of purchasing, transporting and selling natural gas; and

WHEREAS, Customer operates facilities within the Company's service territory and is classified as a large volume firm sales Customer as that term is defined in the Company's tariffs.

NOW THEREFORE, the Company and Customer agree as follows:

I. GAS TO BE SOLD

Subject to the provisions of this Contract, the Company's rate schedule designated as "Large Volume Firm Sales Service" (hereinafter "Rate Schedule LVF") and the Company's Rules and Regulations, the Company agrees to sell and deliver to Customer and Customer agrees to purchase and receive from the Company, under Rates Schedule LVF, all natural gas requirements at Customer's facilities located at or near \_\_\_\_\_.

II. RATE, RATE SCHEDULE AND GENERAL TERMS AND CONDITIONS

Customer shall pay the Company for all service rendered hereunder in accordance with Rate Schedule LVF or any superseding rate schedule(s) applicable to such service, as filed with and approved by the Missouri Public Service Commission or its successor (hereinafter "Commission"), and as may be lawfully revised from time to time.

Customer agrees that the Company shall have the unilateral right to file with the Commission and make effective changes in (a) the rates and charges applicable to service hereunder, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provisions of the Company's Rules and Regulations incorporated by reference in such rate schedule(s); provided, however, Customer shall have the right to protest any such changes.

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_

ISSUED BY \_\_\_\_\_ C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address

# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

\* LARGE VOLUME FIRM SALES SERVICE

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

The Company shall be bound only to furnish natural gas to the extent a supply of natural gas is available in quantities sufficient to provide such gas without jeopardizing service to higher priority customers according to the Company's curtailment schedule contained in Section XII of the Company's Gas Rules and Regulations and shall not be liable for loss or damage to Customer in the event of or as the result of curtailment. During periods of curtailment, Customer may use alternate fuels to supply its energy needs and shall be responsible for establishing and maintaining alternate fuel burning facilities adequate, in Customer's sole judgment, to prevent loss or damage to Customer in the event of such curtailment.

The Company shall not be liable for any loss or damage to property or injuries to or death to persons, whether suffered by Customer, its agents or employees or by any third person, persons or corporations, resulting from the location, use or operation of gas or other equipment located on Customer's side of the point of delivery or from natural gas present therein or escaping therefrom, and Customer agrees to indemnify and save the Company harmless from all such loss, damages, injuries or death.

III. TERM

This Agreement shall become effective on \_\_\_\_\_ and shall continue in full force and effect until \_\_\_\_\_, 20\_\_\_\_. This Contract shall continue thereafter from year to year until terminated by the Company giving Customer at least 85 days written notice or Customer giving the Company at least 95 days written notice prior to the renewal date, provided, however, if Customer fails to perform any of the duties and obligations hereunder, the Company may terminate this Contract on written notice.

IV. ASSIGNMENT

This Agreement shall be binding upon the parties hereto and their successors and assigns. No assignment of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto of the nonassigning party, which consent shall not be unreasonably withheld; provided, however, that either party without the consent of the other party, may assign or pledge this Agreement as security for bonds or other obligations or securities, or assign the rights and obligations of this Agreement in conjunction with the transfer of all assets or business or both.

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_  
ISSUED BY \_\_\_\_\_ C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address

# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

\* LARGE VOLUME FIRM SALES SERVICE

V. MISCELLANEOUS

The interpretation, performance, and enforcement of this Agreement shall be construed in accordance with the laws of the State of Missouri.

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

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

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

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be duly executed in several counterparts as of the date first hereinabove written.

UNION ELECTRIC COMPANY,

By: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Customer

By: \_\_\_\_\_  
Title \_\_\_\_\_

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_

ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address

# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

## \* LARGE VOLUME INTERRUPTIBLE SALES SERVICE

### AVAILABILITY

Available to commercial and industrial customers whose natural gas requirements at a single address or location are in excess of 150,000 Ccf annually. Such service is interruptible and subject to the approval of the Company and to a contract to be entered into between the customer and the Company in the form of P.S.C.Mo.No.2 Sheet Nos. 20.13 through 20.15 as applicable, unless otherwise authorized.

### RESTRICTIONS

Customers contracting for service at a single address or location under this rate schedule shall neither be eligible for, nor allowed to concurrently utilize natural gas transportation service under Rate Schedule LVT at that same address or location. Customers taking service under this rate schedule shall be required to purchase all of their natural gas requirements from the Company.

### MONTHLY RATE

The charges for service computed under this section of this rate schedule are in three parts that are added together. They consist of the customer charge, energy charge and demand charge. Other charges are provided for under the Rules and Regulations section.

Customer Charge	\$215.00 per month
Energy Charge	
First 200,000 Ccf	\$ 0.02460 per Ccf
Excess Ccf	\$ 0.01000 per Ccf
Demand charge	
All Billing Demand	\$ 0.39000 per Ccf

### MINIMUM MONTHLY BILL

The minimum monthly bill per customer shall be the customer charge plus the demand charge.

### BILLING DEMAND

For purposes of determining the billing demand under this Large Volume Interruptible Sales Service rate schedule, the billing months of November through March shall be considered winter months; all other billing months shall be considered summer months. The billing demand for any winter month shall be the maximum use in Ccf during any consecutive period of 24 hours in such month. The billing demand for any summer month shall be one-half of the maximum use in Ccf during any consecutive period of 24 hours in such month.

The Company will normally compute the maximum use in Ccf during any consecutive period of 24 hours in any billing month as 1/20th of the number of Ccf used during such billing month, adjusted to a base monthly billing period of 30 days. For customers not consuming natural gas uniformly throughout the billing month, the Company reserves the right to determine the

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_

ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address



## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

maximum use in Ccf during any consecutive period of 24 hours during any billing month by use of metering when such capability is available.

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_

ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
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# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

## \* LARGE VOLUME INTERRUPTIBLE SALES SERVICE

The billing demand for any billing month shall not be less than the greatest billing demand for any of the preceding eleven months. If gas service was furnished during any of the preceding eleven months under any other rate schedule in effect, for the purpose of determining billing demand use under such other rate schedule shall be treated as if this Large Volume Interruptible Sales Service rate applied thereto.

### CHARACTER OF SERVICE

The Company reserves the right to curtail or interrupt service to customers served under this schedule due to system capacity or supply constraints in the order shown in Section XII of the Company's Gas Rules and Regulations.

### RULES AND REGULATIONS

This schedule is subject to the Rules and Regulations, any Tax and License Rider and Purchased Gas Adjustment Clause—Service area served by Panhandle Eastern, which are now or hereafter approved by the Public Service Commission of the State of Missouri.

### 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 customer 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 customer for the use of the premises occupied by the Company's metering and regulating equipment. Customer further agrees to provide access to telephone and electric service, as necessary, for the proper operation of the metering equipment.

### PENALTY CHARGES

If during any interruption or curtailment period, any customer takes, without the Company's advance approval a volume of gas in excess of the volumes authorized to be used by such customers, said excess volumes shall be considered unauthorized overrun deliveries. The charge for natural gas associated with overrun deliveries shall be derived from the highest cost of gas purchased during the billing month. In addition, any such deliveries shall be subject to any penalties imposed by the Company's suppliers on the Company when said penalties are a direct result of such deliveries. Such penalty shall be in addition to any other charges for such gas as provided for under applicable rate schedule(s). Any such penalty charges billed to

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## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

the Company will be billed by separate invoice to the respective customers who are responsible for the billing to the Company.

\* Indicates Addition.

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## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

**\* LARGE VOLUME INTERRUPTIBLE SALES SERVICE**

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

The Company shall be bound only to furnish natural gas to the extent a supply of natural gas is available in quantities sufficient to provide such gas without jeopardizing service to higher priority customers according to the Company's curtailment schedule contained in Section XII of the Company's Gas Rules and Regulations and shall not be liable for loss or damage to Customer in the event of or as the result of curtailment or interruption or both. During periods of curtailment or interruption, Customer may use alternate fuels to supply its energy needs and shall be responsible for establishing and maintaining alternate fuel burning facilities adequate, in Customer's sole judgment, to prevent loss or damage to Customer in the event of such curtailment.

The Company shall not be liable for any loss or damage to property or injuries to or death to persons, whether suffered by Customer, its agents or employees or by any third person, persons or corporations, resulting from the location, use or operation of gas or other equipment located on Customer's side of the point of delivery or from natural gas present therein or escaping therefrom, and Customer agrees to indemnify and save the Company harmless from all such loss, damages, injuries or death.

**III. TERM**

This Agreement shall become effective on \_\_\_\_\_, 20\_\_ and shall continue in full force and effect until \_\_\_\_\_, 20\_\_. This Contract shall continue thereafter from year to year until terminated by the Company giving Customer at least 85 days written notice or Customer giving the Company at least 95 days written notice prior to the renewal date, provided however, if Customer fails to perform any of the duties and obligations hereunder, the Company may terminate this Contract on written notice.

**IV. ASSIGNMENT**

This Agreement shall be binding upon the parties hereto and their successors and assigns. No assignment of any of the rights or obligations hereunder shall be made unless there first shall have been obtained the consent thereto of the non-assigning party, which consent shall not be unreasonably withheld; provided, however, that either party without the consent of the other party, may assign or pledge this Agreement as security for bonds or other obligations or securities, or assign the rights and obligations of this Agreement in conjunction with the transfer of all assets or business or both.

\* Indicates Addition.

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ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
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## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

\* LARGE VOLUME INTERRUPTIBLE SALES SERVICE

V. MISCELLANEOUS

The interpretation, performance and enforcement of this Agreement shall be construed in accordance with the laws of the State of Missouri.

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

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

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

IN WITNESS WHEREOF, the parties hereto have caused this contract to be duly executed in several counterparts as of the date first hereinabove written.

UNION ELECTRIC COMPANY,

By \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Customer

By \_\_\_\_\_

Title \_\_\_\_\_

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_

ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address

# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

**\* SMALL VOLUME TRANSPORTATION SERVICE**

1. Availability: Service under this rate schedule is available to Customers who cause gas to be delivered to individually metered, non-residential end-users whose individual annual usage is anticipated not to exceed 150,000 Ccf. This service will be available in all of the Company's Missouri service territories.
2. Service Considerations: Customers must execute a written contract for transportation service pursuant to this rate schedule. All small volume transportation customers must install telemetry equipment or purchase the Balancing Service provided herein. Customers must reimburse the Company for the cost incurred by the Company to install telemetry equipment and for the cost of any other improvements made by the Company in order to provide this service. Service is provided for a minimum of six (6) months.
3. Monthly Charges: End-user's monthly bill shall be determined as a sum of the following:

Service Territory:	<u>Eastern System</u>
End-user Charge:	\$15.00 per month
Delivery Charge	
1 <sup>st</sup> 600 Ccf	\$ 0.23908 per Ccf
Next 800 Ccf	\$ 0.22108 per Ccf
Next 1,000 Ccf	\$ 0.20305 per Ccf
Excess Ccf	\$ 0.07546 per Ccf

4. Rules and Regulations: This schedule is subject to the Company's Rules and Regulations, any Tax and License Rider and Purchased Gas Adjustment Clause—Service area served by Panhandle Eastern, which are now or hereafter approved by the Public Service Commission of the State of Missouri.
5. Experimental School Aggregation Program:
6. Unauthorized Use Charges:
7. Balancing Charges:
8. Conversion to Sales Service:

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_

ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address

# UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

\* LARGE VOLUME TRANSPORTATION SERVICE

1. Availability: Service under this rate schedule is available to Customers who cause gas to be delivered to individually metered, non-residential end-users whose individual annual usage is anticipated to exceed 150,000 Ccf. This service will be available in all of the Company's Missouri service territories.
2. Service Considerations: Customers must execute a written contract for transportation service pursuant to this rate schedule. Service hereunder is provided subject to a requirement for recording equipment or telemetry at the delivery point. All large volume transportation customers must install telemetry and reimburse the Company for the cost incurred by Company to install telemetry equipment and for the cost of any other improvements made by Company in order to provide this service. Service is provided for a minimum of one year.
3. Monthly Charges: End-user's monthly bill shall be determined as a sum of the following:

Service Territory:	<u>Eastern System</u>
End-user Charge:	\$215.00 per month
Delivery Charge:	
1 <sup>st</sup> 200,000 Ccf	\$ 0.02460 per Ccf
Excess Ccf	\$ 0.01000 per Ccf
Demand Charge:	\$ 0.39000 per Ccf
4. Rules and Regulations: This schedule is subject to the Company's Rules and Regulations, any Tax and License Rider and Purchased Gas Adjustment Clause—Service area served by Panhandle Eastern, which are now or hereafter approved by the Public Service Commission of the State of Missouri.
5. Unauthorized Use Charges:
6. Balancing Charges:
7. Conversion to Sales Service:

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_

ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri

Name of Officer Title Address

## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

\* FLEXIBLE RATES FOR TRANSPORTATION CUSTOMERS

MONTHLY RATE

Customer Charge:	\$ 215.00 per month
Maximum Charge:	\$0.02460 per Ccf Transported \$0.39000 per Ccf Billing Demand
Minimum Charge:	\$0.00100 per Ccf Transported

The Company may from time to time at its sole discretion reduce its maximum charge for transportation service by any amount down to the minimum transportation charge for customers who have alternate energy sources (other than natural gas), which on an equivalent Btu basis, can at a point in time be shown by the customer to be less than the sum of the Company's maximum transportation rate and the cost of natural gas available to the customer. 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.

The Company will reduce its maximum transportation charge on a case-by-case basis only after the customer demonstrates to the Company's satisfaction that a feasible alternate energy source exists.

The Company and each customer shall enter into a letter or memorandum agreement of a duration not longer than 60 days which specifies the rate to be charged thereunder. The Company is authorized to charge the rates and to provide service in accordance with the terms and conditions of the letter or memorandum agreement. Such terms and conditions shall not bind the Commission for ratemaking purposes.

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_

ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
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## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

### \* SPECIAL TRANSPORTATION CONTRACT RATES

The Company may, in instances where it faces competition from alternate suppliers of natural gas, enter into special transportation rate contracts with industries or other large consumers on such terms and conditions as may be agreed upon by the parties and which, in the Company's sole discretion, are deemed necessary to retain services to an existing customer or, to reestablish service to a previous customer or to acquire new customers. The rates agreed upon by the Company and customer shall not exceed the maximum transportation charges nor be less than the minimum transportation charges otherwise applicable to customer. All such contracts shall be furnished to the Commission staff and the Office of Public Counsel and shall be subject to the Commission's jurisdiction.

Upon compliance with this tariff provision, the Company is authorized to charge the rates so contracted and to otherwise provide service pursuant to the terms and conditions of the contract. The terms and conditions of any such contract shall not bind the Commission for ratemaking purposes and shall not apply to the recovery provisions contained in the Purchased Gas Adjustment Clause except as follows:

Pursuant to the review of contracts entered into with the following customers in Case No. GR-93-172, the Company is allowed to waive Take-or-Pay and/or Transition Cost charges (as otherwise required by the PGA Clause) to the following Special Transportation Contract customers:

The City of Marshall, Missouri  
Pittsburg Corning

\* Indicates Addition.

DATE OF ISSUE \_\_\_\_\_ DATE EFFECTIVE \_\_\_\_\_  
ISSUED BY C. W. Mueller President & CEO St. Louis, Missouri  
Name of Officer Title Address

## UNION ELECTRIC COMPANY GAS SERVICE

Applying to MISSOURI SERVICE AREA FORMERLY SERVED UNDER AQUILA'S EASTERN SYSTEM TARIFFS

\* TAX AND LICENSE RIDER

APPLICABLE

This rider is applicable to all of the Company's gas rate schedules, except it shall not be applicable to revenues for service to the following revenue classifications as specifically required by governmental authorities having jurisdiction:

1. Municipal
2. Other Public Authorities
3. Interdepartmental
4. Industrial

All gross receipts taxes, franchise taxes, occupational taxes, license taxes and taxes of a similar nature imposed by a city, town, village, or other local governmental agency shall as herein provided be included as a separate item in the charges for gas service rendered to and for persons located within the limits of the city, town, village, or other local governmental agency's territory imposing such tax. This rider applies to the above stated taxes whether based on receipts, revenue, or income, or is a stated amount in dollars and cents.

A pro rata portion of such tax shall be included as a separate item in the customer's statement for service rendered and shall be calculated by applying thereto a percentage factor equivalent to the ratio of such tax to receipts or revenues on which tax may be applied for the same period.

\* Indicates Addition.

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**Aquila - Missouri Public Eastern System**  
**Sales Revenues**  
**Twelve Months Ended December 31, 2002**

<b><u>Rate Schedule</u></b>	<b><u>Average Number of Customers</u></b>	<b><u>Sales Revenue</u></b>
Residential	3,566	\$ 3,117,552
General Service	457	\$ 1,632,646
Large Volume Transportation	1	\$ 23,174
Special Contract Transportation	<u>6</u>	<u>\$ 86,265</u>
Totals	4,030	\$ 4,859,637

**AmerenUE**  
**Missouri Gas Operations**  
**Estimated PGA Impacts**

	<u>Aquila</u> <u>Eastern System</u>	AmerenUE <u>Panhandle Eastern</u> <u>System</u>	<u>Composite</u>
Total Firm Sales Ccf	3,517,102	88,185,615	91,702,717
Current Firm Sales PGA	\$ 1.11849	\$ 0.71790	
Total Firm Sales PGA \$	\$ 3,933,843	\$ 63,308,453	\$ 67,242,296
 Total Composite Firm Sales PGA			 \$ 0.73326
 Change to Aquila Customers			 \$ (0.38523)
% Change			-34.4%
As % of Total Bill <sup>(1)</sup>			-23.0%
 Change to Aquila Customers			 \$ 0.01536
% Change			2.1%
As % of Total Bill <sup>(1)</sup>			1.4%

(1) Assumes one-third of total bill is "base rate" with the remaining two-thirds being gas supply (PGA).