

**Missouri Gas Utilities Alternative Proposal**  
**Emergency Cold Weather Rule**  
**December 2, 2005**

(14) Special Provisions for the 2005-2006 Heating Season. This amendment only applies to providers of natural gas services. Other providers of heat-related utility services will continue to provide such service under the terms of sections (1) through (13) of this rule. The provisions of sections (1) through (13) of this rule continue to apply to providers of natural gas service except where inconsistent with the terms of this section.

(A) Notwithstanding section (10)(C)2 of this rule to the contrary, a gas utility shall restore service upon initial payment of fifty (50) percent of the preexisting arrears with the deferred balance to be paid as provided in section (10)(B). Any reconnection fee, trip fee, collection fee or other fee related to reconnection, disconnection or collection shall also be deferred. Any customer threatened with disconnection may retain service by entering into a payment plan as described in this paragraph. Any payment plan entered into under this emergency amendment shall remain in effect (as long as its terms are adhered to) for the term of the payment plan even after the effective period of this amendment has expired. A gas utility shall not be required to offer reconnection or retention of service under this section (14)(A) more than once for any customer.

(B) Any customer, whether disconnected or in receipt of a disconnect notice or not, who expresses difficulty paying their bill for regulated service shall, at the customer's request, be permitted to enroll immediately in a gas utility's equal payment, budget billing or similar plan. Any existing arrearage at the time of enrollment shall be dealt with consistent with section (10)(B)1 through (10)(B)4 and section (10)(C)1 if the customer has not defaulted on a payment plan under the cold weather rule; if the customer has defaulted on a payment plan under the cold weather rule, any existing arrearage at the time of enrollment shall be dealt with consistent with section (14)(A) of this emergency rule.

(C) If a customer enters into a cold weather rule payment plan under this emergency rule:

- a. late payment charges shall not be assessed except with respect to failure to make timely payments under the payment plan; and
- b. the gas utility shall not charge individual customers interest on the account balance for any deferral period.

(D) Any customer who enters into a cold weather payment plan under this emergency rule as a result of defaulting on a previous cold weather rule payment agreement and complies with the terms of the payment plan entered into under this emergency rule shall be treated, going forward, as not having defaulted on the cold weather rule payment agreement that was broken immediately prior to entering into the cold weather rule payment plan under the emergency rule.

(E) A gas utility shall describe the provisions of section (14) in any notices or contacts with customers as required in subsection (3)(E) of this rule. In telephone contacts with customers expressing difficulty paying their gas bills, gas utilities shall inform those customers of their options under section (14).

(F) Each gas corporation shall maintain an Uncollected Gas Cost Recovery ("UGCR") Account which shall accumulate entries related to its recovery of the gas cost portion of its net bad debt write-offs for the residential customer class.

a. Each month, for the period January 1, 2006 through December 31, 2007, the gas corporation shall record to the UGCR Account the gas cost portion of the bad debt write-offs net of recoveries (net bad debt write-offs).

i. The gas cost portion of bad debt write-offs shall be determined by multiplying total net bad debt write-offs for the residential customer class by the percentage of gas cost revenues billed to total gas sales revenues billed for the month to the residential customer class.

b. Every twelve (12) months after initiation of the UGCR Account, any increase or decrease in the gas cost portion of bad debt write-offs for the residential customer class from the level included in the gas corporation's cost of service in its most recent general rate proceeding shall be debited or credited to the UGCR Account.

i. The gas cost portion of bad debt write-offs for the residential customer class included in the gas corporation's cost of service in its most recent rate case proceeding shall be determined by multiplying total bad debt write-offs included in the Company's cost of service in its most recent general rate proceeding for the residential customer class by the

percentage of gas cost revenues to total gas sales revenues billed to the residential customer class for the period(s) used to determine the total bad debt write-offs in its most recent general rate proceeding.

ii. The total level of bad debt write-offs for the residential customer class in such proceeding shall be the level determined in the Commission Report and Order resolving such case, or the level agreed upon by the gas corporation and the Staff in such case, or if no such determination or agreement was made, the level that was recommended by the Commission Staff in such case.

iii. In the event the gas corporation has not had a general rate case proceeding concluded in the three year period preceding the effective date of this rule amendment, then the gas cost portion of bad debt write-offs for the residential customer class shall be determined by applying the ratio of gas cost revenues to total gas sales revenues for the residential customer class for the three-year period ending December 31, 2005 to the average annual bad debt write-off level for the residential customer class experienced by the gas corporation for such three-year period. In the event the gas corporation has a more precise method to identify the gas cost portion of the bad debt write-offs, the gas corporation will be permitted to utilize its more precise methodology for purposes of this rule.

c. The remaining balance in the UGCR Account at the end of each twelve-month period, either debit or credit, shall then be recovered from or refunded to residential customers pursuant to a rate element which shall be subject to subsequent audit and true-up to ensure that the gas corporation neither over- nor under-recovers.

d. The gas corporation shall file tariff provisions to implement this subsection (14)(F).