Spire Missouri Inc. d/b/a/ Spire   For: Spire Missouri East & West

RULES AND REGULATIONS

33.   Off-System Sales

A.   Definitions:

Off-system marketing Sales (OS-Sales) are herein defined as any Company sale of gas, or gas bundled with pipeline transportation, made to parties at locations off the Company's distribution system. Subject to any waivers or approved modifications, OS-Sales made to an affiliate of the Company shall be accounted for in accordance with the Company's Cost Allocation Manual or, if and when applicable, the Commission's affiliate transaction rules.

Off-system Sale Revenues (OS-Revenues) are the actual revenues received by the Company from an OS-Sale.

Cost of Gas Supply (CGS) is the commodity cost related to the purchase of gas supply, exclusive of transportation costs.

Off-system Cost of Gas Supply (OS-CGS) is the CGS related to the purchase of gas supply for a proposed OS-Sale. In determining the OS-CGS, the costs of gas supplies: (1) which have been procured on behalf of the Company's on-system customers for a period greater than one month; and (2) which have a commodity price at the time of the OS-Sale that has been altered from an indexed price as a result of a hedge in a physical gas supply contract, shall not be considered. Nor shall the Company use such gas supplies for OS-Sales, unless the Company determines, and provides sufficient information to verify, that selling such gas supplies is not detrimental to its customers. Subject to the foregoing exclusion of certain gas supplies, the OS-CGS is equal to the highest CGS from the CGS-Schedule (as defined below) associated with the quantity of actual OS-Sales for the pipeline on which the sale is made, unless a lower CGS is documented and supported in accordance with the provisions of Section 3 of this rule. The total OS-CGS to be booked as a cost to the OS-Sales Accounts shall be equal to the sum of the multiplication of the gas cost of each individual transaction by the associated quantities actually sold as shown on the CGS-Schedule.

Off-system Cost of Transportation (OS-COT) is the incremental cost of transportation related to the delivery of the gas supply for an OS-Sale to the point of delivery. The OS-COT shall include all commodity related transportation costs, including fuel, associated with the OS-Sale. The OS-COT shall not include non-commodity related LDC system supply transportation costs.

Off-system Net Revenue (OS-Net-Revenue) is equal to OS-Revenues minus OS-CGS and OS-COT.