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August 1, 2000

Mr. Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102

**FILED<sup>2</sup>**  
AUG 01 2000  
Missouri Public  
Service Commission

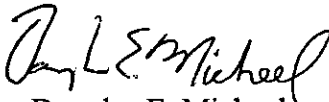
**RE: Missouri Public Service, a division of UtiliCorp United, Inc.,**  
**Tariff No. 200100065**  
**Case No. GT-2001-61**

Dear Mr. Roberts:

Enclosed for filing in the above referenced case, please find the original and 8 copies of **Public Counsel's Motion to Suspend and Request for Establishment of Procedural Schedule and Hearing**. Please "file stamp" the extra enclosed copy and return it to this office. I have on this date mailed, faxed, or hand-delivered the appropriate number of copies to all counsel of record.

Thank you for your attention to this matter.

Sincerely,

  
Douglas E. Micheel  
Senior Public Counsel

DEM:kh

cc: Dana K. Joyce, General Counsel  
Robert J. Amdor

courtesy copy: Dean Cooper

Enclosure

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

**FILED<sup>2</sup>**  
AUG 01 2000 *nh*  
Missouri Public  
Service Commission

In the matter of Missouri Public Service, a division )  
of UtiliCorp United, Inc. to establish an experimental )  
small volume aggregation program in Missouri. )

Tariff No. 200100065

Case No. GT-2001-61

**PUBLIC COUNSEL'S MOTION TO SUSPEND AND REQUEST  
FOR ESTABLISHMENT OF PROCEDURAL SCHEDULE AND HEARING**

COMES NOW, the Office of the Public Counsel ("Public Counsel" or "OPC") and requests this Commission suspend tariff sheets 32.1-32.20, 36, 43, 44, 44.1 filed by Missouri Public Service, a division of UtiliCorp United, Inc. ("MPS"). A complete copy of the tariffs Public Counsel seeks to suspend are attached as attachment A and are incorporated by reference as required by 4 CSR 240-2.065(3). In support of its Motion to Suspend and Request for Establishment of Procedural Schedule and Hearing, Public Counsel states:

1. On or about July 19, 2000, MPS filed tariffs seeking to establish an experimental small volume customer aggregation program within its service territory.<sup>1</sup> If approved by the Commission, the program would allow smaller non-residential customers, defined as those using less than 150,000 Ccf annually, the opportunity to purchase natural gas from a company other than MPS and make arrangements for the transportation of such natural gas on the MPS distribution system. This experimental program is proposed to commence on September 1, 2000, and would extend through August 31, 2002.

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<sup>1</sup> MPS initially filed similar tariffs on June 21, 2000. Public Counsel filed its Motion to Suspend and the Commission designated those tariffs Case No. GT-2001-2. MPS unilaterally withdrew those tariffs.

2. Public Counsel requests that the Commission suspend these tariffs, establish a procedural schedule and set this matter for hearing.

3. MPS' proposed program is the first of its type in the State of Missouri. Public Counsel has numerous concerns regarding the experimental program contained in the proposed tariff sheets. These concerns arise generally in the following areas: (A) the proposal does not have adequate provisions to protect from harm residential customers who are not eligible for the program and other small customers who do not choose to take advantage of the aggregation option; (B) as proposed, the program does not create a level playing field among potential new gas suppliers, including the distribution Company's gas marketing affiliate; (C) the proposed tariff, and other documents that will be used to implement the program lack sufficient clarity and internal consistency to ensure that the program would operate in the manner intended; (D) the program does not have sufficient protections for small unsophisticated consumers that are choosing a competitive gas supplier for the first time; (E) Public Counsel believes that key documents that are referenced in proposed tariff which contain important terms and conditions for implementing the program should be included as a part of the tariff that implements the proposed program; (F) the proposed tariff contains numerous new charges to aggregators and end users that need to be analyzed to determine MPS's cost basis for the proposed charges and to ensure that the Company is not attempting to put rates in place for new or modified services without the consideration of all relevant factors and; (G) the proposed tariff lacks crucial elements of reporting requirements and an evaluation plan that would be necessary to determine whether and how the program should be continued at the end of the experimental period. Public Counsel's specific concerns in the above listed areas with the proposed small volume customer aggregation program include, but are not limited to, the following issues:

- A. Does the proposal have adequate provisions to protect from harm residential customers who are not eligible for the program and other small customers who do not choose to take advantage of the aggregation option?
1. If the proposed program goes into effect MPS may no longer be able to procure gas supplies as economically for its remaining bundled service customers since there will be a decline in buying power and diversity of customer loads as small and medium-sized commercial customers move to aggregation service and are no longer part of the pool of customers for whom MPS is currently purchasing regulated gas supplies.
  2. The proposed program requires aggregators (marketers or energy sellers) to purchase certain balancing services from MPS and to make monthly cash-out payments to MPS in order to protect MPS from suffering any financial harm due to additional costs that may be imposed upon MPS when it allows additional customers to purchase gas directly from alternative suppliers. The proposed program gives aggregators the option to purchase certain other services from MPS. The MPS charges for these optional services are designed to compensate MPS for certain gas supply and back office expenses that it will incur to provide them. MPS has proposed that the revenues from one of these services (mandatory daily balancing service) be passed back to ratepayers through the PGA/ACA mechanism. OPC believes the revenues from all of the other gas supply-related services (e.g. the daily out of balance charge, monthly cash-out charge, monthly balancing service, aggregation pooling service, and operational balancing agreement revenue) that will be offered on a mandatory or voluntary basis to aggregators should also be passed back to ratepayers through the PGA/ACA mechanism to ensure that ratepayers, as well as shareholders, are held harmless from incurring additional gas supply expenses that would be reflected in the costs that are recovered through the PGA/ACA mechanism. Not passing through the revenues from charges for new services that are offered with this proposed program would also allow the Company to earn new sources of regulated revenues from newly established services without considering all relevant factors in a rate case.
  3. MPS has submitted a revised PGA tariff sheet (Sheet No. 36) that causes revenues collected as a result of performing daily balancing service to be credited to the respective ACA account. Public Counsel believes these revised sheets should be further revised to reflect revenues collected from the proposed aggregation program in the following areas: daily out of balance charges, monthly cash-out

charges, monthly balancing service revenue, aggregation pooling service revenue, and operational balancing agreement revenue. For example, if the Company collects revenues under the monthly cashout charge provision for underages, it is charging the aggregator for gas that the aggregator's customers used but did not pay for. The gas received by these end users for which they did not pay will be paid for by bundled service customers through the PGA charge. Therefore, these underage revenues need to be included as offsetting revenues in the PGA calculation. Otherwise, bundled service customers would no longer be paying cost based rates since MPS would be retaining revenues from the sale of gas that has been paid for by its bundled service customers.

- 4 MPS has submitted revised PGA tariff sheets (Sheet No. 43 and 44) that cause the ACA, Refund, TOP, and TC factors to stop applying to end-users taking service under the Experimental SVTS-A schedule after the effective date of the Company's scheduled winter 2001 filing. This provision would create inequities between bundled service customers and aggregation service customers; this would be especially true for those customers that do not begin taking aggregation service until the second year of the proposed program. For those customers, the ACA, Refund, TOP, and TC factors would not apply for any amount of time after they moved to aggregation service. This is wrong since these customers would be relieved of the obligation that other customers have to make up for under-recoveries of PGA costs in future ACA periods. Any under-recoveries that are not collected from departing aggregation service customers would be left to be recovered by the remaining bundled service customers unless the Company is willing to commit that it would not seek future recovery of under-recoveries associated with the prior bundled service usage of departing aggregation service customers.

B. Does the proposed program create a level playing field among potential new gas suppliers, including the distribution Company's gas marketing affiliate?

1. This question is important since this is the first program in Missouri that will allow small customers to choose to procure their gas supplies from the competitive marketplace. UCU's gas marketing affiliate is expected to aggressively compete to provide gas supply service to small customers in Missouri, just as UCU's marketing affiliate has done in Kansas where UCU already has a similar program in place. Certain revisions to the proposed program are necessary to ensure that a level playing field will exist between

UtiliCorp's marketing affiliates and aggregators that are not affiliated with UtiliCorp.

2. The Commission's newly enacted Marketing Affiliate Transactions rule (4 CSR 240-40.016) contains nondiscrimination standards that can help insure that the marketing affiliate of a distribution company will not have an unfair advantage over other competitive gas suppliers. This rule states that "a regulated gas corporation is prohibited from giving any customer using its marketing affiliate preference with respect to any tariff provisions that provide discretionary waivers." This very important rule provision will be nearly impossible to enforce, however, since the proposed tariff contains at least a dozen items where the distribution company has discretion in how the tariff is applied. Despite the numerous opportunities that the proposed tariff would provide for MPS to favor its marketing affiliate, the tariff contains no requirements for the distribution company to track and record the instances where discretion has been exercised. This deficiency could be remedied by adding the following after (3) (d) in the program evaluation section of the tariff: "(e) The number of instances where MPS exercised discretion in applying each of the following provisions of this tariff: B. (receipt point definition), C.4., D.3.(1), D.3.(2), D.4., E.2., E.3., F.3. 3rd par., F.6., F.14., F.16., F.18., F.22."
  3. One of the important provisions of the proposed tariff is the requirement that the aggregator accept a specified amount of pipeline capacity for each end-user that an aggregator serves. This provision is important because it ensures that new entrants will be able to procure the resources needed to serve their customers and because it protects captive ratepayers who will still be charged for gas procurement through PGA rates. There is some question, however, whether new suppliers will be able to optimize use of the assigned capacity on certain pipelines unless some storage is assigned along with the capacity. The proposed formula for assigning capacity also needs to be examined further. This formula makes simplifying assumptions that gas is only used Monday through Friday and ignores the load diversity that will exist among the end users that are part of an aggregator's pool of end-users. Both of these factors tend to create a potentially excessive upward bias in the amount of pipeline capacity that is assigned to an aggregator.
- C. Do the proposed tariff, and other documents that will be used to implement the program possess sufficient clarity and internal consistency to ensure that the program would operate in the manner intended?

1. The tariff sheets that have been filed by MPS to implement this program have numerous flaws including: lack of clarity and internal inconsistencies, that, if left uncorrected will hinder the implementation of this program and the ability of this program to achieve the following objectives: (1) introduce competitive supply options to smaller customers in a manner that maximizes the opportunity of smaller customers to realize benefits and (2) create an experimental program that can be used as an example in Missouri of how competition can work to the benefit of both customers choosing new suppliers and new suppliers themselves without adversely affecting customers that continue to receive bundled gas service.
  2. The proposed tariff fails to clearly delineate the responsibilities that aggregators and end users would have in the proposed program. For example, the Availability section (section D.1. on Sheet No. 32.9) states that "service under this rate schedule is available to aggregators 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" while the Terms and Conditions section on Sheet No. 32.14 states that "the following terms apply to aggregators and end users where applicable, taking service under Company's Transportation Rate Schedules." Furthermore, Sheet No. 32.9 contains monthly charges for distribution service that are applicable to end-users, not aggregators. The availability section needs to be changed to reflect that both aggregators and end users will be served under the proposed tariff.
  3. The proposed tariff refers to "service agreements in Section G. 13 on Sheet No. 32.18. When OPC sent MPS a Data Request (DR No. 503) asking for a copy of this service agreement, the Company's response stated that "the final draft of the aggregation tariff should not refer to this agreement; this reference relates to a contract drafted for use in another state." Clearly, the proposed tariff still has flaws remaining, even after UtiliCorp made significant efforts to remedy some of the flaws in the prior draft of the proposed aggregation service tariff that were identified in PUBLIC COUNSEL'S MOTION TO SUSPEND AND REQUEST FOR ESTABLISHMENT OF PROCEDURAL SCHEDULE AND HEARING in Case No. GT-2001-2.
- D. Does the program have sufficient protections for small unsophisticated consumers that are choosing a competitive gas supplier for the first time?
1. MPS has proposed that its new aggregation service be made available to all small consumers in its Missouri service territory

except for residential customers. Public Counsel does not oppose an experimental program with this widespread availability, but we strongly recommend that the Commission not approve such a widely available program without insuring that small customers are not unduly limited in their ability to return to bundled service if they are unsatisfied with their first experience at choosing a competitive gas provider. UtiliCorp's response to OPC DR No. 523 indicated that "end-users can return to sales service at the end of the one-year contract term." This is an unduly restrictive provision for small unsophisticated customers that are making their first attempt to purchase a formerly regulated service from a new competitive provider. While some limits on switching between bundled and unbundled service may be necessary, the severe limitation proposed by UtiliCorp is unreasonable.

2. As written, the shutoff definition in the proposed tariff allows customers (end users) to be shut-off if their aggregator fails to pay MPS for the services (e.g. daily balancing service) that MPS provides to the aggregator. Customers should not be shut-off by their distribution company for the failure of their aggregator to fulfill their obligations to the distribution company. MPS is requiring aggregators to post a performance bond of at least \$250,000. This bond should be sufficient to protect the distribution company from harm in the event that it needs to provide gas to end users whose aggregators are not fulfilling their obligations to the distribution company.
  3. The proposed tariff also fails to ensure that customers can unconditionally return to bundled service by stating on Sheet No. 32.8 that "if an end-user wishes to return to firm sales service, Company shall accept the end-user as a firm sales customer, **provided the capacity needed also returns with the end-user.**" (emphasis added) This provision appears to allow the Company to refuse service to an end-user that wants to return to bundled service but has no pipeline capacity to bring with him. This could occur if the capacity that was assigned to the end user when he switched to aggregation service was contained in a contract that expired before the end-user chose to return to bundled service.
- E. The proposed tariff references other key documents that contain key terms and conditions for implementing the program that Public Counsel believes should be included as a part of the tariff that implements the proposed program.



1. These other documents include: the Marketer Agreement (Aggregation Pool definition on Sheet No. 32.5), Operational Balancing Agreement (Sheet No. 32.19), Service Agreements (G.13. on Sheet No. 32.18), Aggregation Pooling Service Agreement (Sheet No. 32.13), and the End-User Verification Form (G.22 on Sheet No. 32.19). Public Counsel has reviewed these documents and believes that they should be filed as part of the tariff since they contain additional operational details for the program that are not contained in the program.
  2. MPS and other Missouri regulated gas and electric utilities have numerous tariffs which contain contracts and agreements similar to the agreements that MPS will use to implement this program. MPS itself has tariffs on file with the Commission that include its Electric Economic Development Rider (Sheet No. 45), its Electric Voluntary Load Reduction Rider (Sheet No. 74), its Gas Large Volume Firm Sales Service Contract (Sheet No. 6), Gas Large Volume Interruptible Sales Service Contract (Sheet No. 13), and its Transportation Gas Contract (Sheet No. 29).
  3. Many of the contract and agreement documents for this program prominently display the name and logo of UtiliCorp's unregulated affiliate, Energy One. A gas distribution Company should not be allowed to promote its unregulated affiliate within the core documents that the distribution company uses to implement a program where the distribution company's unregulated affiliate is expected to compete against unaffiliated competitors.
- F. The proposed tariff contains numerous new charges to aggregators and end users that need to be analyzed to determine MPS's basis for the proposed charges and to ensure that the Company is not attempting to put rates in place for new or modified services without the consideration of all relevant factors.
1. There is a monthly aggregation charge of .004 per Ccf, a mandatory daily balancing charge of \$.0075 per Ccf per month, non-critical day balancing charges, critical day balancing charges, monthly cash-out charges, billing service charges of \$1.15 per month per end user service point, delinquent payment charges for end users of 18% per year, and security posting requirements of \$250,000 per aggregator. OPC has received some information from the Company in an effort to determine the cost basis for these charges. While the Company has provided support for some of the charges, the information supplied regarding some charges has raised additional questions.

OPC is currently waiting for additional information that has been requested from the Company regarding some of these charges.

2. In a recent case (Docket No. 00-UTCG-336-RTS) before the Kansas Commerce Commission (KCC), UtiliCorp proposed volumetric charges for aggregation service, including the same .004 per Ccf charge for basic aggregation service that it has proposed in Missouri. The reasonableness of this proposed charge was disputed by both the KCC Staff and an intervenor. The KCC's order considered this issue and stated the following: "the evidence presented was vague, unclear, and lacking in the type of specificity that would be necessary to support the proposed charges. The cost explanation provided by UtiliCorp was not persuasive. UtiliCorp's cost claims were effectively criticized by Mountain Energy and Staff, and the skepticism of those parties appears to be reasonable. The Commission concludes that UtiliCorp has not met its burden of establishing an adequate basis for the charges, and the proposal, as filed, is not accepted by the Commission." Clearly, this Commission should allow the reasonableness of a charge, found to be unacceptable by the Commission in a neighboring jurisdiction, to be further scrutinized by suspending the proposed tariff.
  3. The monthly cash-out provision provides non-symmetrical treatment for overages and underages. Underage charges include charges for both the gas commodity and "pipeline transportation charges at 100 percent load factor, plus fuel" while overage charges only include charges for the gas commodity. There is no apparent reason for this lack of symmetry.
  4. The proposed tariff assesses fairly high penalties to those aggregators who are out of balance on critical days or on days when the Company declares an operational flow order. The reason for assessing penalties on these days to aggregators who are in an underage condition is apparent, but there does not appear to be any good reason for assessing penalties to aggregators who are in an overage condition on these days. Such a penalty would, in fact, appear to be counterproductive since it would encourage aggregators to avoid overages on days when these overages could enhance the reliability of the distribution system and possibly save on gas procurement expenses that are collected from captive customers through the PGA.
- G. The proposed tariff lacks crucial elements of reporting requirements and an evaluation plan that would be necessary to determine whether and how the program should be continued at the end of the experimental period.

1. Reporting requirements should include the following additional items: (1) documentation of each instance where MPS exercised discretion in the application of provisions in the proposed tariff, (2) summary reports showing the amount of pipeline capacity assigned to the end users in each aggregator's pool, (3) summary reports showing the degree to which aggregators are out of balance on a daily and monthly basis, and (4) summary reports on the revenues generated from the Company's daily and monthly balancing activities and the disposition of these revenues.
  2. In addition to the above reporting requirements, reports should be provided to OPC and Staff on the number of end users served by each aggregator and the volumes for each of the aggregator's end users.
- H. Despite changes made by the company in response to problems identified in PUBLIC COUNSEL'S MOTION TO SUSPEND AND REQUEST FOR ESTABLISHMENT OF PROCEDURAL SCHEDULE AND HEARING in Case No. GT-2001-2, the proposed tariff still contains the following provision that simply does not make any sense. Section E.2. on Sheet No. 32.11 specifies that "aggregators shall be exempted from daily out-of-balance charges, except during a critical day or when an operational flow order is imposed." However, despite this exemption provision, Section E.3.a. on the same page proceeds to set forth the daily balancing charges that will apply on normal (non-critical days).

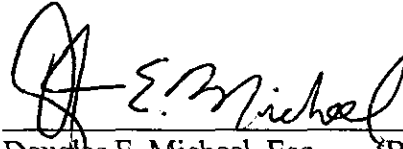
Public Counsel believes the Commission should suspend these tariffs to allow a full discussion of the issues raised by this filing.

WHEREFORE, Public Counsel requests the Commission suspend tariff sheets 32.1-32.20, 36, 43, 44 and 44.1 filed by Missouri Public Service, a division of UtiliCorp United Inc., establish a procedural schedule and set this matter for hearing.

Respectfully submitted,

**OFFICE OF THE PUBLIC COUNSEL**

BY:

A handwritten signature in black ink, appearing to read "D. E. Micheel", written over a horizontal line.

Douglas E. Micheel, Esq. (Bar No. 38371)

Senior Public Counsel

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Jefferson City, MO 65102

Telephone : (573) 751-5560

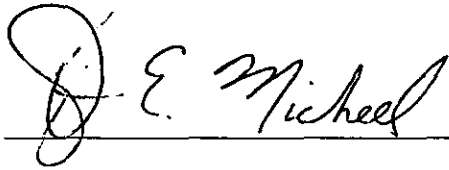
Fax: (573) 751-5562

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing has been faxed, mailed or hand-delivered to the following counsel of record on this 1st day of August, 2000:

Dana K. Joyce  
General Counsel  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, Missouri 65102

Robert J. Amdor  
Regulatory Services  
UtiliCorp United Inc.  
1815 Capitol Avenue  
Omaha, NE 68102



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Courtesy copy to:

Dean Cooper  
Brydon, Swearingen & England  
P. O. Box 456  
Jefferson City, MO 65102-0456

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No. 5  
 Canceling P.S.C. MO. No. \_\_\_\_\_

(Original) SHEET NO. 32.1  
 (Original) SHEET NO. \_\_\_\_\_

MISSOURI PUBLIC SERVICE  
 Kansas City, Missouri

For: All communities and rural areas  
 receiving natural gas service

EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

FILE COPY

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Attachment A

DATE OF ISSUE: July 20, 2000  
 ISSUED BY: Steven M. Jurek

EFFECTIVE DATE: September 1, 2000

JUL 20 2000

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No. 5

Canceling

P.S.C. MO. No.

(Original)

SHEET NO. 32.2

(Original)

SHEET NO.

MISSOURI PUBLIC SERVICE

Kansas City, Missouri

For: All communities and rural areas  
receiving natural gas service

EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE -- AGGREGATED (SVTS-A)

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STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. 5  
Canceling P.S.C. MO. No. \_\_\_\_\_

(Original)  
(Original)

SHEET NO. 32.3

SHEET NO. \_\_\_\_\_

MISSOURI PUBLIC SERVICE  
Kansas City, Missouri

For: All communities and rural areas  
receiving natural gas service

EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

A. PURPOSE OF PROGRAM

The purpose of this program is to establish a small volume end-user aggregation experiment in Missouri. This program would allow smaller non-residential end-users, defined as those using less than 150,000 Ccf annually, the opportunity to purchase natural gas from a source other than Missouri Public Service ("MPS" or "Company") and make arrangements for the transportation of such natural gas on the MPS distribution system.

This experimental program shall commence on September 1, 2000, and will extend through August 31, 2002.

1. Aggregation Permitted. Under the terms of these experimental tariff sheets, a smaller non-residential end-user who desires to transport gas would be permitted to combine its natural gas requirements with those other small non-residential end-users in an aggregated pool. Aggregation service would make it possible for aggregators to form pools of small non-residential end-users who could then pursue competitive purchasing options not available to them previously.

2. Program Provisions. In order to facilitate aggregation, this experimental program has the following major provisions:

(a) *Daily Scheduling:* As a condition of forming aggregated pools, aggregators need to comply with the requirement to match, within a certain tolerance and on a daily basis, nominations and consumption. This requirement relates to the necessity for the utility to manage the gas delivered to it for consumption by end-users. The capability to closely monitor daily transportation activity is critical to ensure that the utility is able to facilitate transportation service for the benefit of aggregators and end-users while reliably maintaining service to its sales customers.

(b) *Monthly Balancing:* In addition to matching nominations and consumption on a daily basis, aggregators would also be required, within a specific tolerance, to be "in balance" on a monthly basis.

(c) *Monthly Cashouts:* The program provides a method each month for resolving on a cash basis the differences between nominations and consumption.

(d) *Pipeline Capacity Assignment:* The program contains provisions for MPS to assign its firm pipeline capacity to the aggregator in order for the aggregator to provide firm gas service to its aggregated pool.

The daily scheduling, monthly balancing and monthly cash out provisions set forth above essentially mirror the same requirements MPS is required to follow (or will be expected to follow) in taking service from the interstate pipelines, Panhandle Eastern Pipe Line Company (PEPL) and Williams Gas Pipelines-Central (Williams), serving the Company's Missouri systems.



STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No. 5

(Original)

SHEET NO. 32.4

Canceling P.S.C. MO. No.

(Original)

SHEET NO.

MISSOURI PUBLIC SERVICE  
Kansas City, Missouri

For: All communities and rural areas  
receiving natural gas service

EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

3. Program Evaluation. As indicated above, the program is proposed to be of limited duration (September 1, 2000 - August 31, 2002). During the term of the program, MPS shall file quarterly reports, beginning with an initial report to be filed in January, 2001, and subsequent reports filed at the beginning of each quarter thereafter, showing, at a minimum, the following information:

- (a) The number of aggregators actively forming aggregated pools on the MPS system,
- (b) The number of end-users electing to be served as part of aggregated pools,
- (c) End-users requesting to leave aggregated pools and return to the sales service of MPS, and
- (d) The amount of interstate pipeline capacity assigned from MPS to specific aggregators forming aggregated pools.

At the conclusion of the Experimental SVTS-A program, an evaluation will be performed and a determination made on whether to extend, terminate or propose an alternative to the program. At any time during the term of the experimental program, MPS may file proposed adjustments to the program for Commission approval.

STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. 5  
Canceling P.S.C. MO. No. \_\_\_\_\_

(Original) SHEET NO. 32.5  
(Original) SHEET NO. \_\_\_\_\_

MISSOURI PUBLIC SERVICE  
Kansas City, Missouri

For: All communities and rural areas  
receiving natural gas service

EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

**B. DEFINITIONS**

**AGGREGATION** - The practice of combining the nominations and balancing of gas delivered to more than one end-user from receipt point(s) served by a common pipeline. Aggregation of end-users is allowed only on a common pipeline. To qualify for aggregation service, end-users must be served by a common pipeline and be situated behind the same town border station.

**AGGREGATION POOL** – A group of one or more end-users, with each end-use meter qualifying under the applicable rate schedule for transportation service. Any energy seller, supplier, marketer or broker that serves more than one end-user that is eligible to be pooled for the purpose of forming an aggregation pool will be deemed to be an aggregator, and will be required to execute a Marketer Agreement.

**AGGREGATOR** – An entity (such as an energy seller, marketer, supplier, or other entity) who is responsible for the aggregation of gas delivered to more than one end-user.

**BALANCING** - The effort to match the quantity of transport gas received by the Company for the account of an aggregator with the quantity of the gas delivered to end-user(s) for the account of that end-user.

**CRITICAL DAY (EXTREME CONDITIONS)** - Any day during which the Company and/or interstate pipeline service is limited due to capacity constraints, operational problems, or any other cause. Aggregator notification shall be as determined by the pipeline; no additional communication by Company shall be required.

**DAILY NOMINATION REQUIREMENT** - The quantity of gas required to be delivered to Company at receipt point(s) for the account of aggregator in order to meet: 1) aggregator's daily requirement for flowing gas (gas physically delivered to end-user(s)), 2) losses, and 3) correction of aggregator's out-of-balance condition existing at the end of the preceding gas day.

**DAILY SCHEDULING TOLERANCE** - The maximum quantity of gas at the end of any gas day, which Company will allow aggregator to be out-of-balance without additional charge. Aggregator's daily scheduling tolerance shall be determined as five percent (5%) of daily nominations.

**DAY** - See GAS DAY.

**DELIVERIES** - The quantity of gas delivered by Company to end-user(s) for the account of aggregator.

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MISSOURI PUBLIC SERVICE

Kansas City, Missouri

For: All communities and rural areas  
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EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

**DELIVERY POINT** - The location where the Company's gas distribution facilities are interconnected with the end-user's facilities. This location is where the aggregator and the Company have agreed that all or part of the receipts for the account of aggregator will be transported and delivered by the Company to the end-user for the account of aggregator.

**END-USER** - Any person, association, firm, public or private corporation, or any agency of the federal, state, or local government or other legal entity who physically accepts delivery from Company of gas transported hereunder.

**ENERGY SELLER** – Any person who uses, leases or controls the distribution system of a distributor or a political subdivision or any part thereof to sell energy services at retail within a political subdivision, other than a distributor or a political subdivision.

**GAS DAY** - The 24 hour period which begins at 9:00 a.m. Central Time and ends at 9:00 a.m. Central Time the following day.

**LOSSES** - The quantity of gas used and/or lost as part of the Company's normal distribution system operation. Line loss charges will be the Company's system-wide Lost and Unaccounted (L&U) Account as computed in the Company's annual PGA and applied on a volumetric basis to the quantity of gas delivered to the end-user.

**MARKETER AGREEMENT** – An agreement entered into between Company and aggregator specifying the service(s) requested by aggregator, method of billing and term of agreement.

**NOMINATION** - The quantity of gas that aggregator causes to be delivered to Company at each Receipt Point for the account of aggregator during a gas day. The quantity nominated must be equalized as far as practicable over the twenty-four hour period and, for the services provided hereunder, is assumed to have been delivered to Company uniformly during each hour of the gas day.

**OPERATIONAL BALANCING AGREEMENT** - An agreement between the Company and aggregator which describes the manner in which differences between actual receipts into the Company's system and nominated quantities into Company's system will be resolved between the parties.

**OPERATIONAL FLOW ORDER** - A notice issued by the Company to aggregator(s) requiring the delivery of specified quantities of gas to Company for the account of aggregator at times deemed necessary by the Company to maintain system integrity and to assure continued service. An Operational Flow Order may be issued to the smallest affected area. For example, a single receipt point, receipt points on a pipeline, or the entire system. Notification shall be via Company's electronic bulletin board (<http://www.gastrackonline.com>). Any Operational Flow Order (OFO) declared by the interstate pipeline is also an OFO Day on Company's affected area, but aggregator notification shall come from the pipeline.

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**MISSOURI PUBLIC SERVICE**  
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**EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)**

**OUT-OF-BALANCE** - A condition where cumulative receipts fail to equal cumulative deliveries. A positive (excess) out-of-balance condition exists when receipts exceed deliveries. A negative (deficiency) out-of-balance condition exists when deliveries exceed receipts. When an aggregator is out-of-balance, the Company has either provided gas to the aggregator to meet an underage (deficiency), or stored gas for aggregator to meet an overage (excess).

**OVERAGE** - An out-of-balance condition where receipts exceed deliveries. This condition reflects the cumulative extent receipts exceed deliveries since receipts and deliveries were last in balance. A positive (excess) out-of-balance condition is considered an overage.

**RECEIPTS** - The quantity of gas actually delivered to Company for the account of aggregator at receipt point(s).

**RECEIPT POINT** - The location where Company physically receives gas delivered to Company for the account of aggregator. This location is the interconnection between the Company and the entity responsible for the delivery of aggregator-owned gas to the Company. The receipt point is usually physically located at the town border station, upstream of the delivery point. The receipt point must be a location physically connected by Company facilities to the delivery point. If the Company can, operationally, contractually, and without adversely affecting the service to its other end-users, permit aggregator to use a receipt point not physically connected through Company facilities to the delivery point(s), Company may waive the receipt point restriction.

**RECORDING EQUIPMENT** - Equipment which is capable of obtaining, accumulating, and storing data regarding gas flow for intervals equal to or less than twenty-four (24) hours in duration.

**SHUTOFF** - Service interruption initiated by Company, terminating service hereunder, to an aggregator and/or end-user as a result of failure of aggregator and/or end-user to pay Company for service or as a result of unsafe conditions.

**TELEMETRY** - Equipment capable of obtaining, accumulating, and transmitting real time data regarding the gas flow to a central location.

**TRANSPORTATION SERVICE** - The physical and/or contractual movement of aggregator-owned gas through the Company's distribution system from receipt point(s) to delivery point(s).

**UNDERAGE** - An out-of-balance condition where deliveries exceed receipts. This condition reflects the cumulative extent that deliveries exceed receipts since deliveries and receipts were last in balance. A negative (deficiency) out-of-balance condition is considered an underage.

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EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

C. PIPELINE CAPACITY ASSIGNMENT

The Company is offering its end-users additional flexibility in how they purchase and receive gas for their use. End-users may purchase their gas directly from an energy seller, marketer, aggregator, supplier, or other entity and then, under the SVTSA rate schedule, decide which services will be used to bring the gas to their end-use location.

Consistent with the above and as a condition of end-user being able to subscribe to Company's SVTS-A rate schedule, end-user agrees to accept pro-rata assignment of Company's pipeline capacity based on the firm peak day requirements for end-user's end use or for aggregator's end-users. The amount of pipeline capacity the end-user will be assigned will be calculated by determining the peak gas usage month that occurred within the past three (3) years for each of aggregator's end-users, then adding the quantity of gas consumed by each of aggregator's end-users in such peak month, and dividing that sum by 20. The capacity permanently released shall be for the remaining contract term at the maximum rate as published in the pipeline's tariff. After assignment, aggregator shall deal directly with the interstate pipeline on all matters concerning this capacity.

If an end-user wishes to return to firm sales service, Company shall accept the end-user as a firm sales customer, provided the capacity needed also returns with the end-user.

End-users can be added or deleted from aggregation pools for periods beginning in April for May first flow, or October for November first flow only. Aggregators may not add or delete endusers at any other times.

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MISSOURI PUBLIC SERVICE  
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EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

D. RATE SCHEDULE SVTS-A

1. Availability: Service under this rate schedule is available to aggregators 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 is an experimental program. This service will be available in all Missouri service areas of the Company.
2. Service Considerations: End-users may only be added or deleted under this rate schedule during April for periods beginning with first flow in May, or during October for first flow in November. Service hereunder is provided with no requirements for recording equipment or telemetry at the delivery point unless otherwise needed per Section G18. Without such equipment, daily deliveries must be estimated based on available data including meter reading dates, normal small volume end-user load characteristics, actual weather conditions, meter readings and other available data. A daily balancing service is required.
3. Monthly Charges: End-user's monthly bill shall be determined as a sum of the following:

End-user Charge: \$15.00 per Delivery Point per Month

Delivery Charge:

<u>Usage (Ccf)</u>	<u>Energy Charge (per Ccf)</u>
1 <sup>st</sup> 600	\$0.23908
Next 800	\$0.22108
Next 1,000	\$0.20305
Excess	\$0.07546

L&U Charge: the Company's system-wide Lost and Unaccounted (L&U) Account as computed in the Company's annual PGA will be applied on a volumetric basis to the quantity of gas delivered to the end-user.

Interim Purchased Gas Adjustment Charges: End-users shall be charged the appropriate system's ACA, Refund, TOP and TC factors as listed for GNG rate schedule customers on Company's sheet numbers 43, 44 or 44.1. These charges shall terminate on the effective date of Company's scheduled winter 2001 PGA filing.

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EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

Mandatory Charges for Aggregators: Monthly bills to aggregators shall reflect the charges as described in Section E of this service schedule, including:

Aggregation Charge  
Daily Balancing Charge  
Daily Out-of-Balance Charge  
Monthly Cash-out Charge  
Line Loss Charge  
Unauthorized Delivery Charge

Optional Services for Aggregators: Additional services may be selected, as described in Section F, including:

Monthly Balancing Service  
Aggregation Pooling Service  
Billing Service

4. Security: Aggregator shall provide Company with security for aggregator's performance hereunder in the form of a letter of credit or a performance bond in the amount of \$250,000.00 no later than ten (10) days prior to the date gas first flows to one or more of aggregator's end-users. Company reserves the right to periodically review the sufficiency of said security and, if deemed necessary as a prudent business practice, may require an increase in such amount.
5. General Rules, Regulations, Terms and Conditions: Service hereunder is subject to Company's General Rules and Regulations and applicable transportation provisions on file with the Missouri Public Service Commission. The term of the Experimental SVTSA Service is two years. This service shall terminate on August 31, 2002, unless otherwise ordered by the Commission.
6. Taxes: Service received under this experimental program shall be conducted through energy sellers who have received certification from the Missouri Public Service Commission pursuant to 4 CSR 240-45.010 in compliance with Sections 393.297 through 393.301, RSMo.

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MISSOURI PUBLIC SERVICE  
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EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

E. MANDATORY CHARGES FOR AGGREGATORS

The following charges shall apply to aggregators taking service under Company's SVTSA rate schedule:

1. Aggregation Charge: A monthly aggregation charge shall be charged per pool of end-users for the purpose of nominating and balancing transportation deliveries on a common pipeline and behind a town border station. This charge shall be \$0.004 for each Ccf delivered for the pool.
2. Daily Balancing Charge: A daily charge shall apply to any aggregator served through PEPL or any other pipeline that subsequently adopts daily scheduling. Under this service, aggregator is provided operating flexibility through balancing tolerances in excess of normal daily scheduling tolerances. This service is available for a minimum term of one (1) year and the charge for this service shall be \$0.0075 per Ccf per month. Aggregators shall be exempted from daily out-of-balance charges, except during a critical day or when an operational flow order is imposed. The revenues collected as a result of this balancing service shall be credited to the respective system's ACA accounts.
3. Daily Out-of-Balance Charge: A daily charge shall apply to any aggregator served through PEPL or any other pipeline that subsequently adopts daily scheduling charges, and whose out-of-balance condition exceeds the daily scheduling tolerance during a critical day or when an operational flow order is imposed. This daily charge is applied to the daily quantities by which aggregator's out-of-balance condition exceeds aggregator's daily scheduling tolerance. Actual daily delivery quantities shall be used to determine the out-of-balance condition for end-users with recording equipment or telemetry. Estimated daily delivery quantities shall be used to determine the out-of-balance condition for end-users without recording equipment or telemetry, or where such equipment malfunctions. Estimated daily delivery quantities shall be determined based on available data, including nominated quantities, meter readings, end-user load characteristics, actual weather conditions and other information.

On critical days, daily out-of-balance charges otherwise applicable shall be waived if aggregator is in an overage condition. When operational flow orders have been made, daily out-of-balance charges otherwise applicable shall be waived if aggregator is in an overage condition.

- (a) On days of Normal temperature and Normal deliveries, the Normal Daily Scheduling Charge shall be \$0.2349 per Dt. for imbalance volumes greater than 5 percent.
- (b) On days that Company declares an operational flow order or a critical day, the daily scheduling charges for variances in excess of the tolerance level shall be the greater of the highest daily price published in Gas Daily's "Citygate, Pooling Point Prices- Chicago LDC's" for the day (Saturday and Sunday shall be the preceding Friday price) in which the variance occurred, or the following:

<u>Variance</u>	<u>Charge</u>
5% - 10%	\$ 25.00 per Dt.
> 10% - 15%	\$ 50.00 per Dt.
> 15% - 50%	\$100.00 per Dt.
> 50	\$200.00 per Dt.



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## MISSOURI PUBLIC SERVICE

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4. Monthly Cash-Out Charge: At the end of each calendar month, aggregator is required to balance its receipts and deliveries. Any variance between aggregator's receipts and deliveries will result in the following "cash-out" of imbalance volumes:

Imbalance Level	Overage <sup>(a)</sup> (MPS Pays Aggregator)	Underage <sup>(b)</sup> (Aggregator Pays MPS)
0% - 5%	100% of ADIP	100% of ADIP
> 5% - 10%	90% of ADIP	110% of ADIP
>10% - 15%	80% of ADIP	120% of ADIP
>15% - 20%	70% of ADIP	130% of ADIP
>20%	60% of ADIP	140% of ADIP

(a) The Average Daily Index Price( ADIP) is equal to the average for the month of the daily midpoint prices as published in "Gas Daily" for PEPL-Oklahoma Region or Williams-Oklahoma Region or the applicable pipeline points. For pipelines that have no published daily index, an appropriate surrogate for ADIP will be used.

(b) The Average Daily Index Price (ADIP) is equal to the average for the month of the daily midpoint prices as published in "Gas Daily" for PEPL-Oklahoma Region or Williams-Oklahoma Region or the applicable pipeline points, plus pipeline transportation charges at 100 percent load factor, plus fuel. For pipelines that have no published daily index, an appropriate surrogate for ADIP will be used.

5. Line Loss Charge: Line loss charges will be the Company's system-wide Lost and Unaccounted (L&U) Account as computed in the Company's annual PGA, and applied on a volumetric basis to the quantity of gas delivered to the End-user.
6. Unauthorized Delivery Charge: If additional deliveries to end-user(s) beyond those nominated are made which result in the Company incurring pipeline charges or penalties, the Company shall have the option to allocate such penalties and charges to the end-user on a basis determined by the Company.

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EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

F. OPTIONAL SERVICES FOR AGGREGATORS

The following optional services are available to transportation aggregators. Aggregators may choose the services that best serve their needs. Aggregators shall designate on their Marketer Agreement which, if any of the following services they desire. All charges for Optional Services are in addition to the monthly charges in the Company's SVTS-A rate schedule.

1. Monthly Balancing Service: Under this optional service, aggregator is provided additional flexibility in being able to balance their receipts with deliveries on a monthly basis. Aggregator may negotiate a tolerance window and various cash-out rates for overage and underage conditions. This service is available for a minimum term of one (1) year. This monthly charge is in addition to the monthly charges set forth in Company's SVTS-A service rate schedule.
2. Aggregation Pooling Service: An aggregator may combine a group of end-users situated behind multiple town border stations (TBS) and served by a common pipeline with the same balancing provisions and the same interstate pipeline operational zone. The charge, in addition to the Aggregation Charge set out in Section E of this service, shall be negotiated between the parties. If the aggregator purchases this service, the aggregated pools will be considered as one aggregated pool for the purposes of calculating daily out-of-balance charges and monthly balancing; however, during Critical and OFO Days nominating and balancing will be required by the affected receipt and delivery points. This service is available for a minimum term of one (1) year.
3. Billing Service: Company will provide an integrated billing service for aggregator for a monthly fee equal to \$1.15 multiplied by each end-user service point.

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EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

G. TERMS AND CONDITIONS

The following terms and conditions shall apply to aggregators, and end-users where applicable, taking service under Company's Experimental SVTS-A service schedule:

1. Balancing: Aggregator shall have the obligation to balance on both a daily and monthly basis, gas receipts (transportation gas delivered to Company at the receipt point), with thermally equivalent gas deliveries (transportation gas delivered by Company to end user(s) at the delivery point(s)). The difference between cumulative receipts and cumulative deliveries is considered an out-of-balance condition.

Upon termination of service hereunder, either the Aggregator shall purchase sufficient quantities of gas to satisfy any negative out-of-balance condition or the Company shall purchase aggregator's positive out-of-balance quantities. These purchases shall be completed in accordance with the provisions of Company's monthly cash-out provisions. In addition, Aggregator shall be responsible for any other applicable charge(s) set forth in Company's SVTS-A rate schedule.

Delivery from systems with a single source of gas supply will use the transporting entity's statement as to volumes and heating value shall be taken as conclusive. Delivery from systems with multiple sources of gas supply shall be determined based on the heating value of the gas delivered to the end-user to determine the requirement for thermal balancing.

2. Billing: The order of gas delivery for purposes of billing calculations will initially be to utilize Aggregator-owned gas, including correction of any imbalance conditions and then utilize sales gas based on Company's applicable tariffs.

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3. Curtailment/Interruption of Service: Transportation service provided by Company is based on Company's best efforts to deliver for the account of aggregator, gas received for the account of the aggregator. In the event of force majeure or system capacity limitations, it may be necessary to interrupt deliveries from time to time. If transportation service interruption or curtailment is required, Company shall endeavor to curtail deliveries on the affected parts of its system in the following order: Large Volume, General Service and Residential. (Note: lower priced services shall be curtailed prior to services provided at higher prices).

If Company is required to curtail transportation service, then such interruptions or curtailments shall be governed by Company's curtailment provisions associated with sales gas service, which are contained in Section 3.07 of Company's Rules and Regulations -- Gas.

Notwithstanding any provision to the contrary herein, Company may fully or partially curtail service to transportation service end-users when, in Company's opinion, curtailment or interruption is necessary to protect the delivery of gas to general system customers with higher priority uses, or to protect the integrity of its system. Company shall allocate, as equitably as practicable, the capacity that is available, taking into consideration priority of use of other factors it deems necessary to ensure public health and safety.

4. Delinquent Payment Penalty: A late payment charge in an amount equal to one and one-half percent (1.5%) of the delinquent amount owed for current service will be added to the bill if payment is not received on or before the net due date stated on the bill. The net due date shall be the twenty-first (21<sup>st</sup>) day after the date of billing.
5. Delivery Volume Requirement: The Company is not required to deliver volumes of gas in excess of receipts.

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6. Failure to Comply: If aggregator or end-user fail to comply with or perform any of the obligations of its part, the Company shall have the right to give end-user written notice of the Company's intention to terminate the transportation service on account of such failure. The Company shall then have the right to terminate such transportation service after the expiration of five days after the giving said notice, unless the aggregator or end-user shall make good such failure. Termination of such transportation service for any such cause shall be a cumulative remedy as to the Company, and shall not release the aggregator or end-user from its obligation to make payment of any amount or amounts due or to become due from the aggregator or end-user to the Company under the applicable schedule. In order to resume transportation service after termination of service hereunder, it shall be necessary for end-user to reapply for service.
7. Force Majeure: The term "force majeure" as employed herein shall mean acts and events not within the control of the party claiming suspension and shall include acts of God, strikes, lockouts, material or equipment or labor shortages, wars, riots, insurrections, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, interruptions by government or court orders, present or future orders of any regulatory body having proper jurisdiction, civil disturbances, explosions, breakage or accident to machinery or lines of pipes, freezing of wells or pipelines, and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension and which, by the exercise of due diligence, such party is unable to overcome.

If either the Company, aggregator or end-user is rendered unable by force majeure to wholly or in part carry out its obligations under the provisions of any rate schedule, the obligations of the party affected by such force majeure, other than the obligation to make payments there under, shall be suspended during the continuance of any inability so caused but for no longer period; and such cause shall, in so far as possible, be remedied with all reasonable dispatch.

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Notwithstanding the foregoing, the service provided by Company hereunder is limited to the transportation of aggregator or end-user owned gas received by the Company for the account of aggregator or end-user. In the event of a force majeure condition that restricts or limits aggregator's or end-user's ability to cause to be delivered to Company gas for the account of the aggregator or end-user, Company is under no obligation to deliver gas to aggregator or end-user. Company is under no obligation to deliver gas to the aggregator or end-user for the account of aggregator or end-user that has not been received by the Company for the account of aggregator or end-user.

8. Gas Quality: All end-user-owned gas transported hereunder shall be of commercial quality. If the gas tendered for transportation is not of commercial quality or is gas which will adversely impact the gas stream of Company, said gas shall not be transported.
9. Gas Supply: Aggregator shall arrange for the purchase of gas other than Company's supply and for the delivery of such gas to a Company receipt point(s). Enduser shall execute a written End-User Verification Form for transportation services pursuant to the applicable rate schedule containing such terms and conditions as may be reasonably required.
10. Laws, Regulations, and Orders: All agreements and the respective rights and obligations of the parties hereto are subject to all present and future valid laws, orders, rules, and regulations of any legislative body, or duly constituted authority now or hereafter having jurisdiction and shall be varied and amended to comply with or conform to any valid rule, regulation, order, or direction of any board, tribunal, or administrative agency with jurisdiction that affects any of the provisions of the agreement.

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MISSOURI PUBLIC SERVICE  
Kansas City, Missouri

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EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

11. Liability: Gas shall be and shall remain the property of the aggregator or end-user while being transported and delivered by the Company. The Company shall not be liable to the aggregator or end-user for any loss arising from or out of gas transportation service while in the Company's system or for any other cause, except for gross or willful negligence of the Company's own employees. The Company reserves the right to commingle gas of the aggregator or end-user with other gas supplies. The aggregator or end-user shall be responsible for determining the extent of and maintaining all insurance it deems necessary to protect its property interest in such gas before, during, and after receipt by the Company.
12. Measurement: All transport gas shall be measured on a Btu basis. Measurement shall be based on available information regarding volumes received and delivered, pressure and temperature conditions, and energy content of the gas stream. Company shall determine the measurement equipment required to determine the receipts and deliveries of enduser owned gas transported hereunder.
13. Minimum Term: Service agreements shall have a minimum term of one (1) year for end users served under the SVTS-A rate schedule.
14. Nomination: Aggregators are required to nominate daily for end-users. Aggregators requesting gas to flow on the first day of any month shall contact Company's Gas Control Department via Company's Internet-enabled electronic bulletin board, known as Gas Track Online (<http://www.gastrackonline.com>) and inform them of the volumes to be transported by receipt point(s) and by delivery point(s). This electronic notification shall occur no later than 9:00 A.M. Central Clock Time (CCT), three (3) working days prior to the end of the preceding month. Any nomination changes must be made to Company no later than 9:00 A.M. CCT on the day preceding the requested effective date of the nomination change, and will be subject to the Company's ability to confirm such nomination change. The Company shall have the right, in its sole discretion, to reject or change any nomination that it deems is being made in order to take unfair advantage of any tariff provision, including, but not limited to, monthly cash outs.

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receiving natural gas service

EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

15. Notification to Transport: Aggregators shall notify Company a minimum of fourteen (14) days prior to the beginning of the end-user's meter-reading cycle of their intent to begin or change service to end-user under the applicable transportation rate schedule through the filing of an End-User Verification Form or addendum thereto with Company. Any addition, deletion or change in end-user transportation service shall occur at the start of the end-user's billing cycle. Notification shall include aggregator and end-user names and addresses; receipt and delivery point(s) to be nominated; service(s) to be subscribed for; billing information; and other information as Company or aggregator may deem appropriate. Transportation service will not commence until end-user has executed a written End-User Verification Form with the Company. Aggregators who notify Company on behalf of end-users of their intent to provide transportation service to end-user without end-user's approval shall pay a penalty of \$100 per end-user occurrence. Repeated occurrences by aggregator will result in aggregator not being permitted to continue transportation service. Any energy seller, supplier, marketer or broker that serves more than one end-user that is eligible to be pooled for the purpose of forming an aggregation pool will be deemed to be an aggregator, and will be required to execute a Marketer Agreement.
16. Operational Balancing Agreement (OBA): Company shall have the right, but not the obligation, to enter into an OBA with any party delivering gas into the Company's system. Company shall, on a nondiscriminatory basis, determine which supplies necessitate an OBA with an aggregator. Nothing in any OBA shall limit the Company's right to take any action that may be required to maintain system integrity.
17. Operational Flow Order Penalty: Aggregators who fail to deliver to Company for the account of end-user(s) specified operational flow ordered quantities of gas shall be billed appropriate "Unauthorized Delivery" charges. Aggregators who repeatedly fail to deliver to Company specified operational flow order quantities of gas will not be permitted to continue transportation service.
18. Recording and Telemetry Equipment: Company shall notify end-users if existing equipment is not sufficient to measure service under the applicable rate schedule. If so, Company may install such equipment as it deems necessary. Company shall be allowed access for maintaining and operating such equipment. End-user shall be responsible for the costs associated with the Company acquiring and installing recording and/or telemetry equipment at the delivery point. When telemetry equipment is installed, the end-user will be required to provide telephone or other interfaces agreed to by the Company along with electrical connections available at the meter location. If recording and/or telemetry equipment is deemed necessary, but the end-user is unwilling or unable to pay for the cost of such equipment, then the end-user may return to sales service, provided all other requirements of Section G21 have been met.



STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. 5  
Canceling P.S.C. MO. No. \_\_\_\_\_

(Original)  
(Original)

SHEET NO. 32.20  
SHEET NO. \_\_\_\_\_

MISSOURI PUBLIC SERVICE  
Kansas City, Missouri

For: All communities and rural areas  
receiving natural gas service

EXPERIMENTAL SMALL VOLUME TRANSPORTATION SERVICE – AGGREGATED (SVTS-A)

19. Marketer Agreement: Each prospective aggregator is required to execute a Marketer Agreement, which shall specify the service(s) requested by aggregator, the method under which aggregator elects to be billed, and the term of the agreement. Regardless of billing arrangements elected, the aggregator shall be responsible for payment for all service(s) provided.
20. Successors and Assigns: Any party which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of any aggregator or end-user shall be subject to the obligations of its predecessor in title under an agreement. No other assignment of an agreement or 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. Any party may assign its respective right, title, and interest in and to under an agreement to a trustee or trustees, individual or corporate, as security for bonds or other obligations or securities without the necessity of any such assignee becoming in any respect obligated to perform the obligation of the assignor under an agreement and, if any such trustee be a corporation, without its being required to qualify to do business in any state in which performance of an agreement may occur.
21. Termination of Participation: End-Users shall notify Company whenever an end-user ceases to be a part of the aggregator's pool. Termination of participation in an aggregator's pool by an end-user, whether by choice of aggregator or end-user, may necessitate a determination by Company of the amount of capacity needed to serve the end-user. Capacity initially assigned and necessary to service end-user shall remain with the end-user.

End-users that choose service from another aggregator must notify Company with a signed End-User Verification Form. Forms are available from aggregators or the Company via GasTrack Online.

Notification is required at least fourteen (14) days prior to the nomination deadline for the first day of the end-user's billing cycle. If such notification is not provided within said time frame, then service from the original aggregator shall not terminate until the first day of the Company billing cycle for such end-user which begins at least thirty (30) days after receipt of the End-User Verification Form by the Company.

P.S.C. MO. No.

5

6th

(Original)

SHEET NO.

36

Canceling

P.S.C. MO. No.

5

5rd

(Original)

SHEET NO.

36

(Revised)

MISSOURI PUBLIC SERVICE  
KANSAS CITY, MO 64138

FOR: All Communities and Rural Areas Receiving Natural Gas Service

PURCHASED GAS ADJUSTMENT CLAUSE (CONTINUED)  
GAS

- B. The amounts of gas cost recovery revenue for each month shall be the product of that month's actual billed Ccf sales and the applicable authorized PGA factor(s) in effect during that same month.
- C. For each twelve (12) month period ending with the August revenue month, the differences resulting from the comparisons described above including any balance or credit for the previous year shall be accumulated to produce a cumulative balance of excess or deficit of gas cost recovery revenue for each of the Northern, Southern and Eastern Systems. ACA factors shall be computed by dividing these cumulative balances by the estimated annualized and normalized sales volumes expected during the next ACA audit period. All actual ACA revenues recovered shall be debited or credited to the appropriate balance of the ACA account and any remaining balance shall be reflected in subsequent ACA factor computations.
- D. The Northern, Southern and Eastern System ACA factors shall be rounded to the nearest \$.00001 per Ccf and applied to billings commencing with the winter PGA revenue period. These ACA factors shall remain in effect until superseded by a subsequent ACA calculated according to this provision.
- E. Revenues received that are attributable to any non-permanent assignment of capacity under the Experimental SVTS-A service schedule will be credited to the appropriate system ACA accounts. This credit shall be the greater of the maximum rate as published in the interstate pipeline's tariff applied to the assigned volumes or actual revenues received from the assignment. Also, the revenues collected as a result of performing daily balancing service shall be credited to the respective system ACA account.

III. CARRYING COSTS

Carrying Costs shall be applied in the following manner:

(1) No carrying costs shall be applied in connection with any PGA-related item until such time as the net "Deferred Carrying Cost Balance" exceeds an amount equal to ten percent of the Company's average annual level of gas costs for the three then most recent ACA periods (hereinafter "Annual Gas Cost Level"). The Deferred Carrying Cost Balance shall include the cumulative under or over recoveries of gas costs at the end of each annual period. The under and over recoveries of gas costs which give rise to the Deferred Carrying Cost Balance are defined as the difference between the Company's actual cost of gas (as calculated for purposes of determining the Company's current purchased gas adjustment factor) and actual authorized as billed revenues recovered by the Commission approved PGA.

(2) In the event the Deferred Carrying Cost Balance (whether over-or under-recovered) exceeds ten percent of MPS's Annual Gas Cost Level, carrying cost equal to simple interest at the prime rate as noted in the Wall Street Journal on the first business day of the following month, minus one percentage point shall be applied to such portion of the balance amounts as exceeds ten percent for the period such excess balance amounts exist.

## STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No. 520th(Original)SHEET NO. 43Cancelling P.S.C. MO. No. 519th(Revised)(Original)(Revised)SHEET NO. 43MISSOURI PUBLIC SERVICE  
KANSAS CITY, MO 64138

FOR: Southern System

PURCHASED GAS ADJUSTMENT CLAUSE  
(CONTINUED)Adjustment Statement (Southern System)

As provided in this Purchased Gas Adjustment Clause, the following adjustment(s) will be made to the applicable rate schedules:

	Rate Schedule <u>GNG</u>	Rate Schedule <u>LVF</u>	Rate Schedule <u>LVI</u>
Regular PGA	\$ .54426	\$ .54426	\$ .49153
Actual Cost Adjustment	\$ (.00566)	\$ (.00566)	\$ (.00777)
Refunds	\$ (.05634)	\$ (.05634)	\$ -0-
TOP Factor	\$ -0-	\$ -0-	\$ -0-
TC Factor	\$ -0-	\$ -0-	\$ -0-
Total PGA Per Ccf	\$ .48226	\$ .48226	\$ .53649

The TOP and TC Factors, as provided in Sheets 39 through 40, shall also apply to all Ccf delivered to transportation customers on Missouri Public Service's Southern System except as provided for on Sheet No. 20.

The ACA, Refund, TOP and TC factors as contained herein shall apply to all Ccf delivered to end-users receiving service under the Experimental SVTS-A schedule on an interim basis until the effective date of the Company's scheduled winter 2001 PGA filing.

## STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No. 523rd(Original)SHEET NO. 44Cancelling P.S.C. MO. No. 522nd(Revised)(Original)SHEET NO. 44(Revised)MISSOURI PUBLIC SERVICE  
KANSAS CITY, MO 64138

FOR: Northern System

PURCHASED GAS ADJUSTMENT CLAUSE  
(CONTINUED)Adjustment Statement (Northern System)

As provided in this Purchased Gas Adjustment Clause, the following adjustment(s) will be made to the applicable rate schedules:

	Rate Schedule <u>GNG</u>	Rate Schedule <u>LVF</u>	Rate Schedule <u>LVI</u>
Regular PGA	\$ .58980	\$ .58980	\$ .48757
Actual Cost Adjustment	\$ .00944	\$ .00944	\$ -0-
Refunds	\$ (.00052)	\$ (.00052)	\$ -0-
TOP Factor	\$ -0-	\$ -0-	\$ -0-
TC Factor	\$ -0-	\$ -0-	\$ -0-
Total PGA Per Ccf	\$ .59872	\$ .59872	\$ .48757

The TOP and TC Factors, as provided in Sheets 39 through 40, shall also apply to all Ccf delivered to transportation customers on Missouri Public Service's Northern System except as provided for on Sheet No. 20.

The ACA, Refund, TOP and TC factors as contained herein shall apply to all Ccf delivered to end-users receiving service under the Experimental SVTS-A schedule on an interim basis until the effective date of the Company's scheduled winter 2001 PGA filing.

## STATE OF MISSOURI, PUBLIC SERVICE COMMISSION

P.S.C. MO. No.

5

13th

(Original)

SHEET NO.

44.1

Canceling P.S.C. MO. No.

5

12th

(Revised)

(Original)

SHEET NO.

44.1

MISSOURI PUBLIC SERVICE  
KANSAS CITY, MO 64138

FOR: All Communities and Rural Areas Receiving Natural Gas Service

Adjustment Statement (Eastern System)

As provided in this Purchased Gas Adjustment Clause, the following adjustment(s) will be made to the applicable rate schedules:

	Rate Schedule <u>GNG</u>	Rate Schedule <u>LVF</u>	Rate Schedule <u>LVI</u>
Regular PGA	\$ .66400	\$ .66400	\$ .69988
Actual Cost Adjustment	\$ .10626	\$ .10626	\$ -0-
Refunds	\$ -0-	\$ -0-	\$ -0-
TOP Factor	\$ -0-	\$ -0-	\$ -0-
TC Factor	\$ -0-	\$ -0-	\$ -0-
Total PGA Per Ccf	\$ .77026	\$ .77026	\$ .69988

The TOP and TC Factors, as provided in Sheets 39 through 40, shall also apply to all Ccf delivered to transportation customers on Missouri Public Service's Eastern System except as provided for on Sheet No. 20

The ACA, Refund, TOP and TC factors as contained herein shall apply to all Ccf delivered to end-users receiving service under the Experimental SVTS-A schedule on an interim basis until the effective date of the Company's scheduled winter 2001 PGA filing.