

OZARK ENERGY PARTNERS, LLC  
Case No. GA-2006-0561  
EXHIBIT F to Application

OZARK ENERGY PARTNERS

FEASIBILITY STUDY

FEBRUARY 2007  
*Revised April 6, 2007*

\*\*Denotes Highly Confidential Information\*\*

OZARK Exhibit No. 28  
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## OZARK ENERGY PARTNERS

## Ozark Region Gas Project

## Feasibility Study

Introduction

Ozark Energy Partners, LLC (OEP) seeks to provide natural gas service to the citizens and businesses of Southwest Missouri, including portions of the counties of Christian, Stone, and Taney. OEP has determined that construction and maintenance of a natural gas system is feasible and in the public interest. The cities included within this study are Hollister, Reeds Spring, Kimberling City, Branson West, Highlandville and Galena. In addition, the following communities will also likely be served at some time in the future as the system grows: Spokane and Branson. OEP has been successful in securing franchises from the cities of Kimberling City and Highlandville. The cities of Reed Spring and Hollister have approved a franchise ballot measure to be presented to the voters in April of 2007. OEP has also received support from some of the largest industrial and commercial customers in the area, such as Silver Dollar City. OEP has received interest and proposals from Southern Star and expression of interest from CenterPoint Energy for natural gas supply and transportation. \*\*

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This Feasibility Study is designed to outline OEP's growth, operating, and financial strategies to provide the Commission with the necessary information to evaluate the application. OEP fully expects to address the criteria as set out in *Re Intercon Gas, Inc.*, 30 Mo P.S.C. (N.S.) 554, 561 (1991), which include:

1. there must be a need for the service;
2. the applicant must be qualified to provide the proposed service;
3. the applicant must have the financial ability to provide the service;

4. the applicant's proposal must be economically feasible; and
5. the service must promote the public interest.

### **System Build Out and Growth Strategy**

OEP has determined that the feasibility of a gas project serving the above mentioned counties and municipalities rests upon \*\* \_\_\_\_\_

\_\_\_\_\_ \*\* Residential and commercial new growth plays a large part in revenue generation and cost containment. Commitments from larger commercial users such as Silver Dollar City and College of the Ozarks to use natural gas are helpful in determining the initial areas of capital investment and installation of distribution piping. Residential and commercial conversions from propane to natural gas provide additional revenues and will be pursued as the system becomes operational and expands. \*\* \_\_\_\_\_

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OEP has received franchises from, and the overwhelming support of the voters in, the communities of Highlandville (66% yes vote) and Kimberling City (63% yes vote). In addition, the Board of Aldermen in the City of Reeds Spring has voted to place the OEP franchise on the April 2007 ballot. The Board of Alderman in the City of Hollister has also voted to place a natural gas franchise on the April 2007 ballot. Distribution systems within the municipalities will be an important part of the system's growth and feasibility. OEP believes the willingness of such communities to address and pursue franchises is a direct reflection of the need for natural gas. Such support has been recognized by the Commission in the past.<sup>1</sup>

"The franchises provide some evidence of need and are entitled to great weight in that regard. The fact that these...communities were willing to

<sup>1</sup> Re: Tartan Energy Company, L.C. d/b/a Southern Missouri Gas Company, MoPSC Case No. GA-94-127, 3 Mo.P.S.C. 3d 173, *Report and Order* (issued September 16, 1994), at page 10/181.

go through the process of issuing a franchise and holding an election ... demonstrates a serious desire and interest in natural gas."

The areas contained within OEP's proposed certificated area have experienced, and continue to experience, a high population growth rate. Forecasts call for the growth rate to remain higher than the average rate for the state of Missouri. \*\* \_\_\_\_\_

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Construction costs are much lower in the undeveloped areas of the proposed service area. Estimates provided by \*\* \_\_\_\_\_ \*\*, a supplier of infrastructure construction and support services to owners and builders of energy and pipeline facilities throughout North America with extensive experience in Missouri, indicate costs are 2.5 times less in a new development as compared to construction costs within the city of Branson<sup>2</sup>. (See Exhibit 1). OEP has sought and received support for bringing natural gas to the proposed service area from a number of developers currently building or proposing new areas of residential and commercial growth.

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OEP believes the community and industrial leaders of the region have pursued the availability of natural gas as an alternative energy form for economic reasons. Providing

<sup>2</sup> \*\* \_\_\_\_\_ \*\* letter dated January 3, 2007

an alternative energy form may provide additional economic growth to this fast-growing region. This concept has also been previously acknowledged by the Commission.<sup>3</sup>

“The availability of natural gas ... may lower energy costs and promote economic development. In addition, the project itself will represent a major capital investment ... which will require the employment of workers ....”

“The Commission deems it to be in the long-term public interest of south central Missouri and the entire State of Missouri to encourage the availability of natural gas.”

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\_\_\_\_\_. \*\* OEP understands the difficulty in obtaining conversions. OEP has reviewed the history of the issue before the Commission and the actual experience of other start-up natural gas companies, and has based this feasibility study upon minimum conversion rates. Actual conversion rates have been listed as high as 90% of all households using propane for heating<sup>4</sup>. The City of St. James, Missouri experienced a conversion rate of 62.5% within the first 16 months of gas availability<sup>5</sup>. MoPSC Staff has previously testified to conversion rates of about 45% as a realistic target, while recognizing actual conversion rates in the Franklin County area of around 41%, and a very high conversion rate of 94.6% in St. James, Missouri. In the *Southern Missouri Gas Company* certificate case, the Commission summarized this testimony as follows<sup>6</sup>:

“... Staff witness Craig Jones testified that a conversion rate of about 45 percent was more realistic than Tartan’s proposed conversion rate of approximately 70 percent.”

“These figures ranged from relatively low conversion rates such as those experienced in the Franklin County area, around 41 percent, to very high conversion rates experienced in Cuba and St. James, 83.9 percent and 94.6 percent respectively.”

<sup>3</sup> Re: Tartan Energy Company, L.C. d/b/a Southern Missouri Gas Company, *supra*, Report and Order (issued September 16, 1994), at pages 11 and 26 (181-182, and 191).

<sup>4</sup> Re: Tartan Energy Company, L.C. d/b/a Southern Missouri Gas Company, MoPSC Case No. GA-94-127, 3 Mo.P.S.C. 3d 173, *Feasibility Study* (filed January 4, 1994) at page 18.

<sup>5</sup> *Id.*, at page 22.

<sup>6</sup> Re: Tartan Energy Company, L.C. d/b/a Southern Missouri Gas Company, *supra*, Report and Order (issued September 16, 1994), at pages 16 and 17 (184-185).

OEP believes the conversion rates utilized in this Feasibility Study (from \*\* % to %\*\* over \*\* years) are conservative. Therefore, OEP believes there is a high probability of realizing these customer counts. \*\*

**\*\***

**Table 1: 5 Year Conversion Rate**

	Stone County	Taney County	
Conversions by 2012	** **	** **	
Total Housing Units Heated by Propane	5,894	5,522	Low Estimate
Conversion rate at end of 5 years	** %**	** %**	

Conversions by 2012	**	**	**	**
Total Housing Units Heated by Propane	5,894		5,522	Mid Estimate
Conversion rate at end of 5 years	**	%**	**	%**

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### **Natural Gas Sourcing**

OEP has confirmed adequate supply and transmission capacity is available on the Southern Star Transmission system. OEP will finalize contractual arrangements for firm capacity and an adequate supply of natural gas after obtaining a conditional approval of OEP's application from the Commission. OEP has received a preliminary offer from Southern Star to provide 25,000 decatherms per day (Dth/d) of firm capacity and an offer to build a lateral from their Marionville facilities to the Branson area. OEP has confirmed with Southern Star the availability of 25,000 Dth/d regardless of whether the lateral is built by Southern Star or an alternative transmission service provider.

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**Distribution System**

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\*\* OEP owners and advisers have extensive relationships with qualified firms. A number of these firms have been contacted and are expressing an interest in, and support of, this project.

Distribution piping will mainly consist of Polyethylene (P.E.) pipe meeting all federal and state requirements. Maximum Allowable Operating Pressures (MAOPs) will be established in accordance with federal and state standards to maintain distribution piping integrity. All measuring, regulating and other equipment will be designed and operated to meet or exceed current federal and state standards.

OEP plans to establish a headquarters office within the city of Hollister.

OEP will comply fully with all federal and state requirements, including where applicable 49 CFR Parts 191, 192, and 199 *Transportation of Natural and Other Gas by Pipeline*, and 4 CSR 240-40, *Gas Utilities and Gas Safety Standards*.

#### **Feasibility Cost Estimates - Distribution**

Cost estimates were developed based upon general industry knowledge, similar projects, the actual experience of Southern Missouri Gas Company, and information provided by InfraSource. The estimates were developed based upon per-foot or per-customer cost, applied to planned system growth. \*\* \_\_\_\_\_

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Capital investment costs for the distribution plant are based upon \*\*\$ \_\_\_\_\_\*\* per customer. This amount has been determined based upon actual distribution cost reported by Southern Missouri Gas Company<sup>7</sup> and supported by information provided to OEP by \*\* \_\_\_\_\_\*\*. (See Exhibit 1). \*\* \_\_\_\_\_\*\* believes its cost estimate is on the high end of the scale, and is comfortable with the amount included in its estimate for rock and other special construction considerations.

#### **Feasibility Cost Estimates - Transmission**

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<sup>7</sup> Southern Missouri Gas Company, MoPSC Annual Report for 2005

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**Supply Strategy:** \*\* \_\_\_\_\_ \*\*

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strategy has been supported by the Commission in the past.<sup>8</sup>

“... The Commission deems the decision to defer action on peaking capacity until a period of time closer to actual need therefor to be a reasonable one.”

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<sup>8</sup> Re: Tartan Energy Company, L.C. d/b/a Southern Missouri Gas Company, *supra*, Report and Order (issued September 16, 1994), at page 21 (188).

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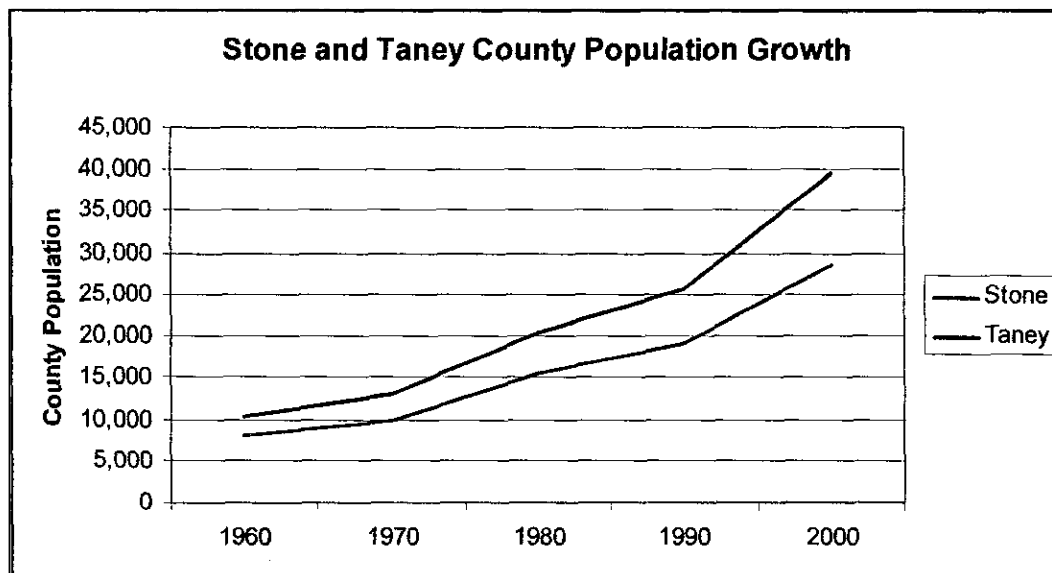
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### Customer Count Estimations

#### Population Growth

Stone and Taney County have experienced high population growth rates over the last 40 years as depicted by Figure 1.

Figure 1: Stone and Taney County Population Growth



OEP's economic analysis is based upon certain cities and the surrounding geography. OEP does not propose to initially serve all cities within the two counties. Table 2 provides population estimates based upon 2000 Census data for the initial cities contained within OEP's filings and the county data excluding all cities.

Table 2: OEP Population Estimates for Proposed Cities and Counties

**Population Estimates by City and County: 2000 to 2005**

Source: U.S. Census Bureau, Population Division

Note: Access these data in MCDC data archive via Dexter. See:

[popests.mosc05](#)

County	Area Name	Estimates Base 1-1-00	Pop Est 7-1-00	Pop Est 7-1-05	Estimated Growth for Period	
					Assumed Growth	Assumed Growth Rate
Christian MO	Highlandville city	871	879	921	50	5.7%
Stone MO	Branson West city	451	453	485	34	7.5%
Stone MO	Galena city	498	499	528	30	6.0%
Stone MO	Kimberling City city	2253	2259	2520	267	11.9%
Stone MO	Reeds Spring city	559	560	672	113	20.2%
Taney MO	Hollister city	3807	3816	3835	28	0.7%
	<b>City Totals</b>	<b>8439</b>	<b>8466</b>	<b>8961</b>	<b>522</b>	<b>6.2%</b>
	<b>City Annual Growth</b>			<b>113</b>		
	<b>City Annual Growth Rate</b>			<b>1.3%</b>		
	<b>*Estimated Housing Growth</b>			<b>45.20</b>		
Stone MO	Balance of Stone County	22281	22349	23994	1713	7.7%
Taney MO	Balance of Taney County	25037	25220	27874	2837	11.3%
	<b>County Totals</b>	<b>47318</b>	<b>47569</b>	<b>51868</b>	<b>4550</b>	<b>9.6%</b>
	<b>County Annual Growth</b>			<b>915</b>		
	<b>County Annual Growth Rate</b>			<b>1.8%</b>		
	<b>*Estimated Housing Growth</b>			<b>366.00</b>		

\*2.5 residents per household reported in 2000 Census for State of Missouri  
<http://mcdc2.missouri.edu/pub/data/popests/Curmoests.xls>

**Residential**

OEP has based its residential customer projections on new construction and existing households. Existing households were also identified based upon the type of heat currently utilized. OEP will focus initial conversion efforts on propane customers. OEP will also pursue conversions of customers who are currently all-electric. However, OEP understands the difficulty in converting all-electric customers, and has not included electric conversions in its customer counts in this Feasibility Study.

Conversion rates of 50% to 70% have been documented in St. James, Missouri and other studies throughout Missouri.<sup>9</sup> OEP is basing the annual conversion rates on \*\* \_\_\_\_\_ \*\* for propane customers and believes this to be a very conservative estimate. Total conversions at the end of year five would be approximately \*\* \_\_\_\_\_ \*\* of the existing propane customers.

Residential customer forecasts are built to occur within a range of assumptions. Basic assumptions for conversion and new homes are identified in the boxes below. This results in a low estimate of \*\* \_\_\_\_\_ \*\* customers to a mid-range estimate of \*\* \_\_\_\_\_ \*\* based upon the basic assumptions. Total customer count estimations by year can be found in Exhibit 2 of this Study. Table 3 provides additional summary information and is supported in greater detail by Exhibit 3 of this Study.

New construction annual growth rates for Stone and Taney Counties are 3.2% and 3.7% respectively<sup>10</sup>. The growth rates have been held constant in the low and mid estimates.

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<sup>9</sup> Re: Tartan Energy Company, L.C. d/b/a Southern Missouri Gas Company, MoPSC Case No. GA-94-127, 3 Mo.P.S.C. 3d 173, *Feasibility Study* (filed January 4, 1994) at page 22.

<sup>10</sup> Census 2000, Table DP-3, Profile of Selected Economic Characteristics: 2000

Table 3: Projected Number of Residential Customers

## Residential Customer Potential - Low Estimate

**	**	Propane Conversion Rate for Occupied Homes
**	**	Propane Conversion Rate for Vacation Homes
**	**	% of New Homes choosing Natural Gas

Summarized from Census 2000  
Data

		Year 1	Year 2	Year 3	Year 4	Year 5
	Census data for 2000 2007	Projected for 2008	Projected for 2009	Projected for 2010	Projected for 2011	Projected for 2012
<b>Number of Residential Customers</b>		**	**	**	**	**
<b>Stone County</b>	-	**	**	**	**	**
Total Housing Units	16,241					
Total Occupied Units	11,822					
<b>Taney County</b>	-	**	**	**	**	**
Total Housing Units	19,688					
Total Occupied Units	16,158					

## Residential Customer Potential - Mid Estimate

**	**	Propane Conversion Rate for Occupied Homes
**	**	Propane Conversion Rate for Vacation Homes
**	**	% of New Homes choosing Natural Gas

Summarized from Census 2000 Data

		Year 1	Year 2	Year 3	Year 4	Year 5
	Census data for 2000 2007	Projected for 2008	Projected for 2009	Projected for 2010	Projected for 2011	Projected for 2012
<b>Number of Residential Customers</b>		**	**	**	**	**
<b>Stone County</b>	-	**	**	**	**	**
Total Housing Units	16,241					
Total Occupied Units	11,822					



Taney County	-	**	**	**	**	**	**	**	**	**	**
Total Housing Units	19,688										
Total Occupied Units	16,158										

Customer counts included within the Feasibility Study are reduced by a factor to account for the timing of adding each additional customer. This factor is designed to take into account that customers are added throughout the year and do not represent a full year of consumption. As the customer base grows, the impact on the following year is reduced. The factor has been applied to the end-of-year customer count prior to revenue calculation within the economic model. This factor has been equally applied to both the low and mid estimates. The greatest impact occurs in year 1, as shown in Table 4.

Table 4: 12 Month Equivalent Customer Count Reduction Factor

Year 1	50%
Year 2	75%
Year 3	80%
Year 4	85%
Year 5	90%

Average annual consumption per residential customer was estimated utilizing industry knowledge and 2005 *Energy Information Administration, Table 51, Summary Statistics for Natural Gas – Missouri, 2001-2005*. The five year average residential annual consumption in Missouri has been 84 mcf. (See Table 5). OEP has continued to maintain conservative consumption estimates by using \*\* \_\_ \*\* mcf per year per residential customer in our economic analysis.

Table 5: Annual Residential/Commercial Consumption, Missouri

	2001	2002	2003	2004	2005	Average
Consumption (million cubic feet)						
Residential	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **
Commercial	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **
Number of Customers						
Residential	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **
Commercial	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **
Consumption per Customer						
Residential	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **
Commercial	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **	** _____ **

**Competitive Analysis - Propane**

Success with conversions from propane to natural gas depends upon the overall financial impact on the customer. OEP believes natural gas purchased at the tap between \*\*\$ \_\_\_\_\_ \*\* and \*\*\$ \_\_\_\_\_ \*\* per Mcf will be competitive with propane priced within the range of \*\*\$ \_\_\_\_\_ \*\* to \*\*\$ \_\_\_\_\_ \*\* per gallon. (See Table 6).

Table 6: Natural Gas / Propane Cost Comparison

Cost of Gas	** _____ **	Annual Consumption - Residential
Transportation Cost	** _____ **	_____ ** Mcf per year
Total PGA per Mcf	** _____ **	1,000,000 Conversion factor: Mcf to Btu
		** _____ ** Btu per year in Natural Gas
Cost of Service	** _____ **	To achieve equivalent Btu in propane
5% Franchise Fee	** _____ **	10.917 gallons per 1,000,000 Btu
Total Cost of Service per Mcf	** _____ **	** _____ ** Gallons per year in Propane
Total Cost per Mcf	** _____ **	
Customer Charge (monthly)	** _____ **	
5% Franchise Fee	** _____ **	Franchise fees to apply to customers inside
Total Monthly Customer Charge	** _____ **	city limits only.
Annual Consumption - Residential	** _____ **	Mcf
Annual Cost based upon Mcf	**\$ _____ **	

Gallons per year in Propane      \*\* \_\_\_\_\_ \*\* gal

Equivalent Cost of Propane per Gallon    \$      \*\* \_\_\_\_\_ \*\*

OEP surveyed the major propane dealers within the region to determine current propane market prices as of February 8, 2007. The prices are well above the price range for effective competition. (See Table 7).

Table 7: Propane Price Survey

Vendor	\$/Gal	Minimum Purchase
Town & Country Propane	** _____ **	200 gallons
Christian County Gas Co	** _____ **	300 gallons
Mountain Country Propane Co.	** _____ **	150 gallons
Amerigas	** _____ **	150 gallons
Titan Propane	** _____ **	150 gallons

### Commercial

Historical research indicates that overall the number of businesses in Stone and Taney Counties has remained relatively steady over the past 5 years.

Table 8: Business Counts by County 2000 - 2004<sup>11</sup>

	County	Year	Total
Business Counts per County	Stone MO	2000	635
		2001	611
		2002	662
		2003	684
		2004	690
	Stone MO Total		3282

<sup>11</sup> Missouri Census Data Center, Extract Data from the MCDC / OSEDA Public Data Archive, cbp/

	Taney MO	2000	1729
		2001	1715
		2002	1685
		2003	1710
		2004	1716
	Taney MO Total		8555
Total Total			11837

Recent research shows a strengthening business environment. Taney County enjoyed the second highest number of new business starts of all Missouri counties during 2005 with 5.0 new businesses per 1,000 population. Stone County reported 2.8 new businesses per 1,000 population. The average new business start for all counties in Missouri was 2.77 per 1,000 population.<sup>12</sup>

OEP has approached commercial customer counts on a very conservative basis. (See Exhibit 2). This is in part due to the \*\*

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\*\* However, these opportunities will

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continue to increase as the system expands.

### Industrial

Industrial demand is difficult to estimate due to the varied usage requirements of each individual industrial customer. A review of Missouri specific data<sup>13</sup> indicates a five year average annual consumption per industrial customer of 20,239 mcf. The table below provides annual data for each of the past five years.

Table 9: Annual Industrial Consumption, Missouri

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Average</u>
Industrial	21,992	22,816	19,758	17,912	18,717	20,239

<sup>12</sup> Missouri Economic Research and Information Center, Missouri Department of Economic Development, "Missouri New Business Formations 2005"

<sup>13</sup> U.S. Energy Information Administration, *Natural Gas Annual 2005, Table 51, Summary Statistics for Natural Gas - Missouri, 2001 - 2005*

OEP has based its Feasibility Study on \*\* \_\_\_\_\_ \*\* mcf per year. The number of industrial customers is identified in Exhibit 2.

OEP based the potential number of industrial customers upon knowledge of the proposed certificated area. OEP has met with many large volume customers, and has received specific letters of support from a number of such customers. These letters are attached to this Study as Exhibit 4.

### Peak Demand Assessment

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\_\_\_\_\_ \*\* This strategy has been deemed reasonable by the Commission previously, as cited above.

### Organizational Structure

Figure 2: \*\* \_\_\_\_\_ \*\*

*\*\*Figure redacted from NP Version\*\**

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Resumes of OEP's Members, Management and Advisors are attached to this Feasibility Study as Exhibit 5.

### Operating and Maintenance Budget

The estimates utilized by OEP to determine the operating and maintenance budget are developed based upon direct experience of operating a gas distribution company.

Table 10 – OEP Manpower, Operations and Administrative Budget

	Year 1		Year 2		Year 3		Year 4		Year 5	
	Low Estimate	Mid Estimate	Low Estimate	Mid Estimate	Low Estimate	Mid Estimate	Low Estimate	Mid Estimate	Low Estimate	Mid Estimate
General Manager	** **	** **	** **	** **	** **	** **	** **	** **	** **	** **
Operations Manager	** **	** **	** **	** **	** **	** **	** **	** **	** **	** **
Clerical	** **	** **	** **	** **	** **	** **	** **	** **	** **	** **
Field Personnel	** **	** **	** **	** **	** **	** **	** **	** **	** **	** **
<b>Total</b>	** **	** **	** **	** **	** **	** **	** **	** **	** **	** **
<b>Salary &amp; General Expenses (\$000's)</b>	** \$ **	** \$ **	** \$ **	** \$ **	** \$ **	** \$ **	** \$ **	** \$ **	** \$ **	** \$ **

Detailed budget plans by category are provided in Exhibit 6.

### Service Fees

OEP will collect additional revenue through service fees. OEP proposes the following fee structures for service initiation and new service. Base tariff rates are identified in the attached tariff sheets.

Table 11: Service Initiation Rates

Service Initiation	
Residential	\$** **
Commercial/Industrial	\$** **
New Service Residential (not including Connect Fee)	\$** **
New Service Commercial/Industrial (not including Connect Fee)	\$** **

OEP estimates revenues generated through the fees will result in annual amounts ranging from a low of \*\*\$\_\_\_\_\_\*\* to a high of \*\*\$\_\_\_\_\_\*\* per year. Exhibit 7 provides annual details.

### Economic Analysis

OEP developed economic projections based upon the combination of information presented in the prior sections. The economic projections are necessary to determine if the project is feasible and able to generate the level of returns required to attract the necessary equity. In order to develop revenues and expenses, the following key assumptions have been made:

1. \*\*\_\_\_\_\_\*\*
2. Assumed capital structure of 50% equity and 50% debt at 9% interest rates.
3. Revenue based on \*\*\_\_\_\_\_\*\* rate levels and structures.

Exhibit 8 provides rate sheets by class.

Five year projections are provided based upon \*\*\_\_\_\_\_\*\* Exhibit 9(a,b) and 10(a,b) provide a schedule of revenues and expenses.

OEP has established a number of contacts within the financing community that will provide access to both equity and debt financing sources once this Commission has provided its approval of OEP's application for a certificate of convenience and necessity. OEP understands and supports the Commission's likely requirement to have their approval to be conditional upon obtaining satisfactory financing prior to proceeding with the build-out of the system. OEP has obtained the initial capital required to support franchise development and regulatory requirements \*\*\_\_\_\_\_\*\* have expressed interest in participating in raising the next round of required capital.



### Summary

OEP believes the information presented within this document satisfies all Commission requirements, and supports the public interest and feasibility of the project.

This project has received a high level of interest within the region as shown by the support by Boards of Aldermen and other community leaders, and support at the polls and from potential customers. The availability of a competitively-priced, additional energy source in the Ozark region of Missouri will promote the public interest.

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\*\* In the future, OEP

would be pleased to expand its services into Branson city limits, and OEP plans to approach Branson and all communities within the region based upon sound financial considerations. This unique and innovative approach will continually be utilized by OEP, creating a viable utility which offers a competitive energy source for this fast-growing region.

Exhibit 1: \*\* \_\_\_\_\_ \*\*

*\*\*Letterhead logo redacted in NP version.\*\**

January 3, 2007

Greg Pollard  
 Director  
 Cattron Enterprises  
 4745 West 136<sup>th</sup> Street  
 Leawood, KS 66224

Re: **Branson Area Gas Distribution Estimate**

Greg:

\*\* \_\_\_\_\_ \*\* appreciates the opportunity to assist you in estimating the cost of constructing natural gas distribution pipelines in the Branson, Missouri area.

The following estimated unit pricing is based on a combination of our previous costing experience for this work and the conditional assumptions you indicated for the purposes of this estimate (i.e. new subdivision work in surrounding areas vs. Branson proper).

Please note the following clarifications and assumptions when considering the indicated pricing:

- Pricing is for labor only with all materials to be provided by others.
- Pricing does not cover non-quantifiable items such as silt fencing, flowable fill, tree clearing, grading, bonding premiums, etc. Separate unit rates for these items can be provided if needed.

As requested, we are providing pricing estimates for new subdivision type work in surrounding areas compared to work in the City of Branson itself.

	<u>Surrounding Areas</u>	<u>In town (Branson)</u>
Trench and install 2" PE	**\$ **	**\$ **
Trench and install 4" PE	**\$ **	**\$ **
¾" Service Installation	**\$ **	**\$ **

Do not hesitate to call me at \*\* - - \*\* with any questions you may have.

Sincerely,

\*\* \_\_\_\_\_ \*\*  
 Estimator

**Exhibit 2: Estimated Customer Counts – ALL NUMBERS IN THIS EXHIBIT ARE HC,  
AND ARE REDACTED IN THE NP VERSION – Underlines omitted.**

<b>First Year</b>		<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Total</b>
New Customers	Low Estimate	**			
	Mid Estimate	—			
Conversions	Low Estimate				
	Mid Estimate				
Total Customers	Low Estimate				
	Mid Estimate				

<b>Second Year</b>		<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Total</b>
New Customers	Low Estimate	**			
	Mid Estimate	—			
Conversions	Low Estimate				
	Mid Estimate				
Total Customers	Low Estimate				
	Mid Estimate				**

<b>Third Year</b>		<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Total</b>
New Customers	Low Estimate	**			
	Mid Estimate	—			
Conversions	Low Estimate				
	Mid Estimate				
Total Customers	Low Estimate				
	Mid Estimate				**

<b>Fourth Year</b>		<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Total</b>
New Customers	Low Estimate	**			
	Mid Estimate	—			
Conversions	Low Estimate				
	Mid Estimate				
Total Customers	Low Estimate				
	Mid Estimate				**

<b>Fifth Year</b>		<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Total</b>
New Customers	Low Estimate	**			
	Mid Estimate	—			
Conversions	Low Estimate				
	Mid Estimate				
Total Customers	Low Estimate				
	Mid Estimate				**

**Exhibit 3: Residential Customer Projections**

	Year 1	Year 2	Year 3	Year 4	Year 5
	Projected	Projected for	Projected for	Projected for	Projected for
	for 2008	2009	2010	2011	2012

**Residential Customer Potential - Low Estimate**

**	**	Propane Conversion Rate for Occupied Homes
**	**	Propane Conversion Rate for Vacation Homes
**	**	% of New Homes choosing Natural Gas

Summarized from Census 2000 Data

**Number of Residential Customers**

<b>Stone County</b>	
Total Housing Units	16,241
Total Occupied Housing Units	11,822

**Conversions**

Housing Units with Electric Heat	5,213	44%
Housing Units with Propane Heat	4,290	36%

Housing Units 20 to 30 Years Old	3,075
----------------------------------	-------

Total Unoccupied Housing Units	4,419
--------------------------------	-------

Est. Unoccupied with Electric Heat	1,949
------------------------------------	-------

Est. Unoccupied with Propane Heat	1,604
-----------------------------------	-------

**New Home Construction**

\_\_\_\_\_

## Conversions

Housing Units with Electric Heat	10,332	64%
Housing Units with Propane Heat	4,532	28%      **     **            **     **            **     **            **     **            * _____
Housing Units 20 to 30 Years Old	6,138	

		Year 1 Projected for 2008	Year 2 Projected for 2009	Year 3 Projected for 2010	Year 4 Projected for 2011	Year 5 Projected for 2012
Total Unoccupied Housing Units	3,530					
Est. Unoccupied with Electric Heat	2,257					
Est. Unoccupied with Propane Heat	990	** **	** **	** **	** **	** *
<b>New Home Construction</b>						
	Growth Rate	3.7%				
Avg. New Structures Built by Year 1999 - March 2000	522					
1995 - 1998	3,028					
1990 to 1994	<u>3,824</u>					
Total (10.25 years)	<u>7,374</u>					
Average Housing Unit Built per Year	719					

<b>Rate choosing natural gas</b>	** **	** **	** **	** **	** **	** **	** **
------------------------------------------	-------	-------	-------	-------	-------	-------	-------

**Residential Customer Potential - Mid Estimate**

**	**	Propane Conversion Rate for Occupied Homes
**	**	Propane Conversion Rate for Vacation Homes
**	**	% of New Homes choosing Natural Gas

Summarized from Census 2000 Data

			Year 1 Projected for 2008	Year 2 Projected for 2009	Year 3 Projected for 2010	Year 4 Projected for 2011	Year 5 Projected for 2012
<b>Number of Residential Customers</b>							
<b>Stone County</b>							
Total Housing Units	16,241						
Total Occupied Housing Units	11,822						
<b>Conversions</b>							
Housing Units with Electric Heat	5,213	**					
Housing Units with Propane Heat	4,290	**	**	**	**	**	**
Housing Units 20 to 30 Years Old	3,075						
Total Unoccupied Housing Units	4,419						
Est. Unoccupied with Electric Heat	1,949						
Est. Unoccupied with Propane Heat	1,604		**	**	**	**	**
<b>New Home Construction</b>							
Growth Rate		**					

Avg. New  
Structures  
Built by Year  
1999 - March  
2000 536

1995 - 1998 2,229

1990 to 1994 2,517

Total (10.25  
years) 5,282

Average  
Housing Unit  
Built per Year 515

**Rate**  
**choosing**  
**natural gas** \*\* \*\* \*\* \*\* \*\* \*\* \*\* \*\* \*\* \*\* \*\* \*\* \*\* \*\* \*\* \*\*

\_\_\_\_\_

**Taney County**

\*\* \*\* \*\* \*\* \*\* \*\* \*\*

Total Housing  
Units 19,688

Total  
Occupied  
Housing  
Units 16,158

**Conversions**

\*\* \*\* \*\* \*\*~

Housing  
Units with  
Electric Heat 10,332 64%

Housing  
Units with  
Propane Heat 4,532 28%

\*\* \*\* \*\* \*\*~

Housing  
Units 20 to 30  
Years Old 6,138

Total  
Unoccupied  
Housing  
Units 3,530

Est.  
Unoccupied  
with Electric  
Heat 2,257



Est.  
Unoccupied  
with Propane  
Heat

990

.99

89

80

72

65

## New Home Construction

**Growth Rate** 3.7%

**Avg. New  
Structures  
Built by Year  
1999 - March  
2000**

522

1995 - 1998 3,028

3,028

1990 to 1994 3,824

3,824

Total (10.25 years)	7,374
---------------------	-------

7,374

**Average  
Housing Unit  
Built per Year 719**

719

## Rate choosing natural gas

\*\*\*

\*\*\*

\*\*\*

\*\*\*

\*\*\*

\*\*\*

**Exhibit 4: Letters of Support**



February 8, 2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102-360

RE: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

Chairman,

I am writing to express the City of Hollister's support to bring natural gas to our city. As one of the fastest growing cities in the State, we are acutely aware of the need to offer both current and future large utility customers this vital option. Because of Hollister's close, geographic location to the State border, prospective large tax generators, as well as potential new State residents have a choice on where to locate. We believe the availability of natural gas would serve as another positive incentive to locate in Missouri and thus contributing to our State's economic health.

As always, time is important, due to the fact that the above listed decisions are be made every day. The Commission's careful, favorable consideration of this matter will be greatly appreciated.

Respectfully,

A handwritten signature in black ink, appearing to read "David G. Tate", is written over a horizontal line.

David G. Tate  
Mayor

P.O. Box 638 312 Esplanade Street Hollister, Missouri 65673  
417-334-3262 [www.cityofhollister.com](http://www.cityofhollister.com) Fax 417-334-3239

02/06/2007 12:12 417-739-2752

KIMBERLING CITY

PAGE 01

**CITY OF KIMBERLING CITY**

P.O. Box 370  
Kimberling City, Missouri 65688  
417-739-4903 - Fax 417-739-2752

On Beautiful Table Rock Lake

February 6, 2007

Missouri Public Service Commission  
P.O. Box 360  
Kimberling City, MO 65686

Re: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas, if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,



George Quest  
Mayor

02/15/2007 13:51 FAX 4172728015

CITY OF REEDS SPRING

001/001



## City of Reeds Spring, Missouri

P.O. Box 171 • Reeds Spring, Missouri 65737 • Office 417-272-3309 • Fax 417-272-8015

*Historic Reeds Spring Since 1902*

February 14, 2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102-360

RE: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas, if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,

Paul E. Loar, Mayor

FEB-14-2007 11:03A FROM: CITY OF HIGHLANDVILLE 417 443 6096

TO: 14175610415

P.2

**CITY OF HIGHLANDVILLE**  
**216 KENTLING P.O. BOX 157**  
**HIGHLANDVILLE, MO. 65669**  
Phone: 417/443-2326 Fax: 417/443-6096

**February 14, 2007**

**Missouri Public Service Commission**  
**P.O. Box 360**  
**Jefferson City, Mo. 65102-360**

**Re: Ozark Energy Partners, KKC ( case No. GA-2006-0561)**

**To Whom It May Concern:**

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas into the Ozark Mountain region of Missouri, and to the City of Highlandville. We anticipate using natural gas, as voted on by our city residents in November of last year, if it becomes available to us. Natural Gas would provide an alternative to our current electric and propane energy options.

City of Highlandville residents are in favor of bringing additional fuel options to our community, as the election proved last year. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide gas to this region of Missouri.

Should you need anything further, please do not hesitate to give me a call at the above listed phone number.

Sincerely,



**Joan Reynolds**  
**City Clerk, Highlandville, Mo.**



February 7, 2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Mo. 65102-360

RE: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. Natural gas would provide a safe and cost effective alternative to the current options of electric and propane.

We are in favor of bringing additional fuel options to the community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,

Brian D. DePonte  
VP - Municipal Services Group, Inc.

Feb. 14. 2007 11:56AM Connell Insurance, Inc.

No. 1831 P. 2



**Connell Insurance, Inc.**  
*Built On Your Trust.*

February 14, 2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102-0360

RE: Ozark Energy Partners LLC (Case No. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas, if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,

Pat Connell  
Hollister Property Owner

P.O. Box 1840 • Branson, Missouri 65615-1840  
417-334-2000 • Fax 417-334-4906

1691 South Bus. 65 • Hollister, MO 65672  
[www.connellinsurance.com](http://www.connellinsurance.com)





02/08/2007 07:12 FAX 4173358282

001/001

**Hollister Interchange Development Company, LLC**  
P.O. Box 1499  
Hollister, Missouri 65873  
(417) 332-2419 Office (417) 332-2420 Fax

January 24, 2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Mo. 65102-360

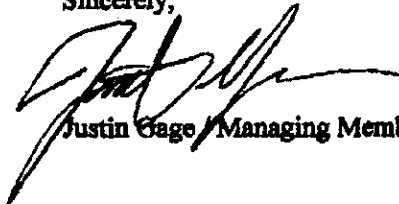
RE: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas, if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,



Justin Gage / Managing Member



2/14/2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Mo. 65102-360

RE: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas, if it becomes available to us, in a 300-acre destination resort development located within the city limits of Branson. Natural gas would provide options to our current electric and propane energy needs within this development.

We are in favor of bringing alternative energy options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri. This community has waited a long time for this opportunity.

Kindest Regards,

A handwritten signature in black ink, appearing to read "David Cushman", written over a horizontal line.

David Cushman  
Manager/CEO

P.O. BOX 1621, BRANSON, MO 65615

PH 417.334.0482 - FAX 417.334.6792 - [www.cushmanproperties.com](http://www.cushmanproperties.com)

PAGE 01

CUSHMAN PROPERTIES

02/14/2007 15:17 4173346792

**HERSCHEND  
FAMILY  
ENTERTAINMENT**

100 Corporate Place • Branson, MO 65616  
ph 417-334-0140 • fax 417-337-8112

February 7, 2007

Missouri Public Service Commission  
PO Box 360  
Jefferson City, MO 65102-360

RE: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,  


Jack Herschend

**Tri-Lakes**  
DENTAL CENTER, LLC

1273 State Hwy. V  
Hollister, Missouri 65872

JEFFREY S. RICK DDS

417-335-4630  
Office Hours By Appt.

February 8, 2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102-360

RE: Ozark Energy Partners, LLC (Case NO. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas, if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,

  
Jeffrey Rick, DDS

FEB-14-2007 09:18A FROM: TRI LAKES INTERIORS 417-337-8373

TO: 14175610415

P.5

**TRI LAKES INTERIORS, INC**

February 14, 2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson, City, MO 63102-360

RE: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas, if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,



David Boothe  
President

135 Southtowne Blvd.  
Hollister, MO 65672

Phone: 417-335-8494  
Fax: 417-337-8373

FEB-14-2007 09:17A FROM: TRI LAKES INTERIORS 417-337-8373

TO: 14175610415

P.4

**TRI LAKES FLOORING, INC**

February 14, 2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson, City, MO 63102-360

RE: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

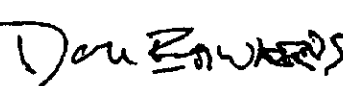
To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas, if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,

Dan Edwards  
President



135 Southtowne Blvd.  
Hollister, MO 65672

Phone: 417-335-8494  
Fax: 417-337-8373

FEB-14-2007 09:17A FROM:TRI LAKES INTERIORS 417-337-8373

TO:14175610415

P.3



## CONSTRUCTION

135 SOUTHTOWNE BLVD  
HOLLISTER, MO 65672  
417-239-0831 PHONE  
870-436-4132 FAX

February 14, 2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson, City, MO 63102-360

RE: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas, if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,

David Boothe  
President

FEB-14-2007 09:17A FROM: TRI LAKES INTERIORS 417-337-8373

TO: 14175610415

P.2



3101 Gretna Road  
Branson, MO 65616  
417-332-1112  
[www.playtimepizza.com](http://www.playtimepizza.com)

February 14, 2007

Missouri Public Service Commission  
P.O. Box 360  
Jefferson, City, MO 63102-360

RE: Ozark Energy Partners, LLC (Case No. GA-2006-0561)

To Whom It May Concern:

I am writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate using natural gas, if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,

David Boggs  
President



Feb 15 2007 2:12PM THE SPIRITS SHOP

417-334-4721

p.1

2909 SOUTH BUSINESS 43  
HOLLISTER MO 65072  
417-334-3330 OFFICE  
417-334-4721 FAX

February 15, 2007

Missouri Public Service Commission  
PO Box 360  
Jefferson City, MO 65102-360

RE: Ozark Energy Partners, LLC (Case No. GA-2006-0361)

To Whom It May Concern:



We are writing in support of the efforts of Ozark Energy Partners, LLC to bring natural gas to the Ozark Mountain region of Missouri. We anticipate natural gas, if it becomes available to us. Natural gas would provide an alternative to our current electric and propane energy options.

We are in favor of bringing additional fuel options to our community. We strongly encourage you to approve the efforts of Ozark Energy Partners, LLC to provide natural gas to this region of Missouri.

Sincerely,

*Robert & Connie Van Damme*  
Robert & Connie Van Damme  
Owners and Operators, The Spirits Shop

## Exhibit 5: Resumes of Members, Management and Advisors

---

**Exhibit 5 of Feasibility Study**

**CONTENTS**

**Ozark Energy Partners**

**Members:**

Daniel L. Epps  
Randy S. Hole  
Ralph B. Handlin

**Advisors:**

Steven Cattron  
Greg Pollard  
William Steinmeier  
Mary Ann Young

**OZARK ENERGY PARTNERS, LLC**  
**MEMBERS**

**Daniel L. Epps**  
**Managing Director**  
136 Kessler Drive  
Walnut Shade, MO 65771  
Telephone: 417.561.0415  
Cell Phone: 417.294.2201

**Career Experience:**

April 2006

to Present: Managing Director and a Partner of Ozark Energy Partners, LLC.

2004-2005: Supervisor and crew foreman for Haug Construction Company, installing underground fiber optic and telephone cables, and direct satellite link sites for CenturyTel.

2001-2002: Construction for Big Cedar Resort and Blue Green Timesharing Resort.

1991-2001: Owner of River Monte Realty and Dan Epps Realty – self-employed real estate broker. River Monte Realty handled all the commercial real estate transactions for the Welk Resort Center in Branson. Partnered with Lawrence Welk family for five years. Also served on Board of Directors, and as Secretary of the Corporation, for the Welk Resort. Continued to own Dan Epps Realty until 1998.

1986-1991: Owned and operated Card Authorization Network, Inc., a nationwide marketing company in Springfield, Missouri. Company served as a full-service network for vendors who sold projects via television or radio. Our automated telecommunication system processed credit card transactions via Visa and Master Card.

1982-1986: Sales department of Treasure Lake R.V. Resort, in Branson. One of the top five sales persons for four years. Also trained other sales people.

1968-1982: Coordinated, supervised and constructed pipelines and underground utilities. Installed water line systems for the Farm Home Administration, and underground telephone cable for Contel Telephone Company, throughout the Ozarks area and four other states.

**Education:**

Peckam School of Real Estate: Commercial Brokers License

Ozarks Technical College

**Randy S. Hole, CFS**  
7834 Garnett Street  
Lenexa, Kansas (KS) 66214  
Telephone:  
Cell Phone:

**Career Experience:**

2005

to Present: Vice President and Principal, Investor Services, Bankers & Investors, Inc.,  
Kansas City, Missouri; a Partner of Ozark Energy Partners, LLC.

1996 to 2005: Branch Manager, Vice President, TD Waterhouse, Inc., Kansas City,  
Missouri

1994-1995: Account Executive, Dean Witter, Kansas City, Missouri

1993-1994: Office Administrator, Chuo Kaihatsu Corporation, Miami, Florida,  
coordinated collation of international infrastructure projects in Third  
World countries, including proposal construction, design and  
presentation, and organizing communication between engineers, finance  
consultants and government agencies.

1984-1985: Crew Foreman for natural gas and wet line construction and fabrication  
stations for Freund Construction Company, El Reno, Oklahoma.

1982: Phillips Petroleum Corp., Elk City, Oklahoma, team lead for contracted  
natural gas pipeline construction company on midstream and upstream  
systems.

1980: Brown & Root, Gillette, Wyoming, pipe yard and field laborer.

**Education:**

B.S., Business Administration, College of the Ozarks, Point Lookout, Missouri

**Licenses and Certifications:**

NASD Series 7, 8, 24, 66; Certified Fund Specialist; KS and MO life, health and  
variable annuities.

**Ralph B. Handlin**

12422 N. County Road, #227

Oronogo, Missouri (MO)64855

Telephone: 417-525-6335

Cell Phone: 417-825-3522

**Career Experience:**

1999

to Present: Professional Engineer; a Partner of Ozark Energy Partners, LLC; Consulting Engineer for Archer Engineering, Inc., Springfield, Missouri; Consulting Engineer and Manager, East Central Gas Authority; Consulting Engineer for Hulbert Public Works, and for Northeast Oklahoma Public Facilities Authority.

1990-1999: Engineer for the United States Department of Transportation, Office of Pipeline Safety, North Central Division.

1982-1990: President, R&R Engineering, Inc., which provided corrosion engineering in design and specifications for small natural gas distribution companies.

1979-1990: Allgier, Martin & Associates, Engineer of electrical substations and natural gas systems, and cathodic protection for both gas and electricity systems.

1958-1979: The Gas Service Company – Engineer (1958-1972); Division Superintendent, Carthage Division (1972-1974); Division Superintendent, Joplin Division (1974-1979).

**Education:**

B.S., Industrial Engineering, Kansas State University, Manhattan, Kansas

**Licenses and Certifications:**

Licensed Professional Engineer in the States of:

Missouri (#E-19115)

Kansas (#5439)

Oklahoma (#12724) and

Texas (#55370)

**NP**

**OZARK ENERGY PARTNERS, LLC**  
**ADVISORS**

**NP**



**Steven W. Cattron**  
4745 W. 136th  
Leawood, Ks 66224

Office No. 913-402-6050  
Cell No. 816-679-3278  
Fax No. 913-402-6001

**Executive Experience:**

- **Current**

Own and operate a professional utility consulting practice established to advise and consult on the strategic acquisition, development and disposition of utility assets. Recent utility asset projects include City of Amherst and City of St. Joseph.

Own and operate a professional management consulting practice focused on improving profitability of small to medium size corporations through improving cost management practices.

Chairman of the Board of Gateway Energy Corporation a mid-stream asset company with approximately 800 miles of natural gas gathering, transportation and distribution systems and related facilities in Texas, Oklahoma, and offshore in Texas and federal waters of the Gulf of Mexico.

- **Past**

President and Chief Operating Officer of Missouri Gas Energy a natural gas distribution company serving approximately 500,000 retail customers across the western third of Missouri reaching from St. Joseph to Joplin. (1998-2002)

Vice President of Sales, Marketing and Communications of Kansas City Power & Light Company a fully integrated electric company serving approximately 500,000 retail and wholesale customers. Extensive regulatory, legislative and civic experience (1982-1998)

Utility consultant/auditor with Troupe, Kehoe, Whiteaker, and Kent and the Missouri Public Service Commission. (1979-1982)

**Educational and Professional Affiliations:**

Bachelor of Business Administration, University of Missouri- Kansas City  
Master of Business Administration, Rockhurst University  
Member of Missouri and American Institute of Certified Public Accountants

**NP**

**Greg Pollard**  
4745 W. 136th  
Leawood, Ks 66224

Office No. 913-402-6050  
Cell No. 816-588-3735  
Fax No. 913-402-6001

**Executive Experience:**

- **Current**

Own and operate a professional management consulting practice focused on improving profitability of small to medium size corporations through improving cost management practices.

- **Past**

Manager Energy Solutions of Kansas City Power & Light Company a fully integrated electric company serving approximately 500,000 retail and wholesale customers. Responsible for providing tier one customer service to the largest industrial and commercial customers through a specialized call center and key account managers. (2003-2005)

Vice President of Business Services of Missouri Gas Energy (division of Southern Union Company) a natural gas distribution company serving approximately 500,000 retail customers across the western third of Missouri reaching from St. Joseph to Joplin. (1998 – 2002)

Regional Vice President of Missouri Gas Energy. Responsible for managing operations including construction, service, maintenance, code compliance, and engineering. Transferred to MGE as part of the acquisition leadership team (1996 – 1998)

Assistant Vice President, West Texas Region of Southern Union Gas Company a natural gas distribution company serving approximately 170,000 customers in El Paso and the Permian Basin. Responsible for managing operations including construction, service, maintenance, code compliance, and engineering. Managed business office activities and budgets. Developed strong working relationships with local, city, and state leaders. Oversaw operational transition in Eagle Pass, Texas following acquisition by Southern Union Gas Company. (1995-1996)

Area Manager of Southern Union Gas Company serving approximately 10,000 customers in the Permian Basin. Joined Southern Union after acquisition of local distribution company in Andrews, Texas.

**Educational and Professional Affiliations:**

Bachelor of Science Mechanical Engineering, Texas Tech University

**NP**

**WILLIAM D. STEINMEIER**  
**WILLIAM D. STEINMEIER, P.C.**  
P.O. Box 104595  
2031 Tower Drive (65109)  
Jefferson City, Missouri (MO)  
65110-4595  
Telephone: 573-659-8672  
Fax: 573-636-2305  
[wds@wdspe.com](mailto:wds@wdspe.com)

**Professional Experience:**

1992

to Present: William D. Steinmeier, Professional Corporation (P.C.),  
Attorney and Utility Regulatory Consultant.

1984-1992: Chairman, Public Service Commission of Missouri.

1980 to 1984: Hearing Examiner (now called Regulatory Law Judge),  
Public Service Commission of Missouri.

1978 to 1980: Trial Attorney for Missouri Highway and Transportation  
Commission.

1976 to 1978: Law Clerk, Twenty-second Judicial Circuit of Missouri  
(St. Louis Circuit Court).

**Education:** J.D., University of Missouri-Columbia School of Law.  
B.A., Political Science, Wheaton College, Wheaton, Illinois.

**Professional  
Associations  
and Activities:**

- Member in Good Standing, Missouri Bar, since 1976.
- Past-President, National Association of Regulatory Utility  
Commissioners (NARUC).
- American Arbitration Association, Panel of Neutrals  
(1997-present).

**NP**

**MARY ANN (GARR) YOUNG**  
**OF COUNSEL**  
**WILLIAM D. STEINMEIER, P.C.**  
**P.O. Box 104595**  
**812 Swifts Highway (65109)**  
**Jefferson City, Missouri (MO)**  
**65110-4595**  
Telephone: 573-634-8109  
Fax: 573-634-8224  
[MYoung0654@aol.com](mailto:MYoung0654@aol.com)

**Professional Experience:**

1993  
to Present: Attorney at Law, Of Counsel to William D. Steinmeier,  
Professional Corporation (P.C.).

1993: Policy and Legal Advisor, Missouri Department of Natural  
Resources.

1988 to 1993: General Counsel, Public Service Commission of Missouri.

1985 to 1988: Deputy General Counsel, Public Service Commission of Missouri.

1984-1985: Deputy Director, Missouri Department of Economic  
Development

1981-1984: Assistant General Counsel, Public Service Commission of  
Missouri.

**Education:** B.A. Integrated Social Science (Magna cum Laude),  
Rockhurst College, Kansas City, Missouri

Juris Doctor, University of Missouri-Kansas City School of  
Law, Kansas City, Missouri

**Professional  
Associations  
and Activities:**

- Member in Good Standing, Missouri Bar, since 1979.  
Admitted to practice before the U.S. District Court of  
Appeals, District of Columbia Circuit, and U.S.  
Supreme Court.
- Missouri Bar, Administrative Law Committee Member  
and past vice-chair.

**NP**

**Exhibit 6: General O&M Expenses – THIS ENTIRE EXHIBIT IS CLASSIFIED AS HC.**


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**Exhibit 7: Annual Revenues Generated Through Service Fees – THIS ENTIRE EXHIBIT IS CLASSIFIED AS HC.**



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**Exhibit 8: Proposed Rates and Tariffs**

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FORM NO. 13 P.S.C. No. 1(original) Sheet No. 1

(revised)

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

(original) Sheet No. \_\_\_\_\_

(revised)

Ozark Energy Partners, LLC  
Name of Issuing CompanyAll Communities and Rural Areas  
For Receiving Natural Gas Service  
Community, Town, or City**General Service (GS)**

Availability- This rate schedule is available for all firm gas service rendered by the Company, including space heating service.

Rate- The monthly charge shall consist of a customer charge plus a charge for gas used as set forth below:

Residential ServiceCustomer Charge                      \*\* \_\_\_\_\_ \*\*  
Commodity Charge                    \*\* \_\_\_\_\_ \*\*General ServiceCustomer Charge                      \*\* \_\_\_\_\_ \*\*  
Commodity Charge                    \*\* \_\_\_\_\_ \*\*

Minimum Monthly Charge- The Customer Charge

Late Payment Charge- Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bill not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

Billing of License, Occupation, Franchise or Other Similar Charges or Taxes-

Purchased Gas Adjustment- The rates and charges contained herein are subject to adjustments pursuant to the Purchased Gas Adjustment Clause ("PGA").

DATE OF ISSUE \_\_\_\_\_  
month day yearDATE EFFECTIVE \_\_\_\_\_  
month day yearISSUE BY \_\_\_\_\_  
Name of Officer

\_\_\_\_\_ Title

\_\_\_\_\_ Address

**NP**



FORM NO. 13 P.S.C. No. 1 (original) Sheet No. 1.1  
(revised)  
Canceling P.S.C MO. No. \_\_\_\_\_ (original) Sheet No. \_\_\_\_\_  
(revised)

Ozark Energy Partners, LLC  
Name of Issuing Company

All Communities and Rural Areas  
For Receiving Natural Gas Service  
Community, Town, or City

### Optional General Service (OGS)

Availability- This rate schedule is available for all residential customers who use natural gas as their sole source of heat and do not take service under the General Service (GS) tariff. It is an optional service available in lieu of service under the General Service rate. It is designed for those residential customers who do not desire to pay a monthly customer charge. In order to qualify for this optional general service, the customer must agree to maintain this service for a minimum of one (1) year.

Rate- The monthly charge shall consist solely of a charge for gas used as set forth below:

#### Residential Service

Customer Charge	** _____ ** per month
Commodity Charge	** _____ ** per Ccf

Minimum Monthly Charge- None.

Late Payment Charge- Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

Billing of License, Occupation, Franchise or Other Similar Charges or Taxes-

Purchased Gas Adjustment- The rates and charges contained herein are subject to adjustments pursuant to the Purchased Gas Adjustment Clause ("PGA").

DATE OF ISSUE \_\_\_\_\_  
month day year

DATE EFFECTIVE \_\_\_\_\_  
month day year

ISSUE BY \_\_\_\_\_  
Name of Officer Title Address

**NP**

FORM NO. 13 P.S.C. No. 1

(original)

Sheet No. 1.2

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

(revised)

(original)

Sheet No. \_\_\_\_\_

(revised)

Ozark Energy Partners, LLC  
Name of Issuing CompanyAll Communities and Rural Areas  
For Receiving Natural Gas Service  
Community, Town, or City**Large General Service (LGS)**

Availability- Service under this schedule is available for qualifying firm gas users. Service under this rate is available to customers for a minimum term of one year with an annual usage equal to, or greater than 30,000 Ccfs.

Rate- The monthly charge shall consist of a customer charge plus a charge for gas used as set forth below:

Customer Charge per month	** _____ **
Maximum Commodity Charge per Ccf - for all Ccf's used during the month	** _____ **
Minimum Commodity Charge per Ccf - for all Ccf's used during the month	** _____ **

Minimum Monthly Charge- The Customer Charge

The Company may from time to time at its sole discretion reduce its maximum commodity charge for service by any amount down to the minimum commodity charge for customers who have alternative energy sources, which on an equivalent Btu basis, can be shown to be less than the sum of the Company's maximum rate and the cost of gas reflected in the Purchased Gas Adjustment "PGA" factor. 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.

Late Payment Charge- Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bill not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

Billing of License, Occupation, Franchise or Other Similar Charges or Taxes-

Purchased Gas Adjustment- The rates and charges contained herein are subject to adjustments pursuant to the Purchased Gas Adjustment Clause ("PGA").

DATE OF ISSUE \_\_\_\_\_  
Month day yearDATE EFFECTIVE \_\_\_\_\_  
month day yearISSUE BY \_\_\_\_\_  
Name of Officer

Title

Address

**NP**

FORM NO. 13 P.S.C. No. 1(original) Sheet No. 2

(revised)

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

(original) Sheet No. \_\_\_\_\_

(revised)

Ozark Energy Partners, LLC  
Name of Issuing CompanyAll Communities and Rural Areas  
For Receiving Natural Gas Service  
Community, Town, or City**Large Volume Service (LVS)**

Availability- Service under this schedule is available for qualifying firm gas users. Service under this rate is available to customers for a minimum term of one year with an annual usage equal to, or greater than 150,000 Ccfs.

Rate- The monthly charge shall consist of a customer charge, and a commodity charge as set forth below:

Customer Charge per month	** _____ **
Maximum Commodity Charge per Ccf - for all Ccf's used during the month	** _____ **
Minimum Commodity Charge per Ccf - for all Ccf's used during the month	** _____ **

Minimum Monthly Charge- The Customer Charge

The Company may from time to time at its sole discretion reduce its maximum commodity charge for service by any amount down to the minimum commodity charge for customers who have alternative energy sources, which on an equivalent Btu basis, can be shown to be less than the sum of the Company's maximum rate and the cost of gas reflected in the Purchased Gas Adjustment "PGA" factor. 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.

Late Payment Charge- Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bill not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

Billing of License, Occupation, Franchise or Other Similar Charges or Taxes-

Purchased Gas Adjustment- The rates and charges contained herein are subject to adjustments pursuant to the Purchased Gas Adjustment Clause ("PGA").

DATE OF ISSUE \_\_\_\_\_  
Month day yearDATE EFFECTIVE \_\_\_\_\_  
month day yearISSUE BY \_\_\_\_\_  
Name of Officer

Title

Address

**NP**

Exhibit 9a: \*\*

\*\* - THIS ENTIRE EXHIBIT IS CLASSIFIED AS HC.

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**NP**

**Exhibit 9b: \*\***

**\*\* -- THIS ENTIRE EXHIBIT IS CLASSIFIED AS HC.**

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**NP**

Exhibit 10a: \*\*

\*\* -- THIS ENTIRE EXHIBIT IS CLASSIFIED AS HC.

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NP

Exhibit 10b: \*\*

\*\* - THIS ENTIRE EXHIBIT IS CLASSIFIED AS HC.

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