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

# **OZARK ENERGY PARTNERS**

# FEASIBILITY STUDY

# FEBRUARY 2007

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

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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. \*\*

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. **				
**				

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>

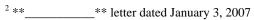
"The franchises provide some evidence of need and are entitled to great weight in that regard. The fact that these...communities were willing to

<sup>&</sup>lt;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. **
**
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.
**
**
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



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."

**
** 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."

NP

<sup>&</sup>lt;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>&</sup>lt;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>&</sup>lt;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 ** <u>% to</u>				
** 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	**%**	** <u></u> %**		
**				
			<del></del>	
			<u>-</u>	
			**	



**
**
**
<u>**</u>
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.
**

**
<u>Distribution System</u>
**
**
**
** 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. **
**
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
reasimely cost librariates ransmission
**

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

	**	
upply Strategy: ****		
*		
	*	* This
trategy has been supported by the Commission in the pas	st. <sup>8</sup>	
" The Commission deems the decision to defer capacity until a period of time closer to actual neer reasonable one."		
*		
·		

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



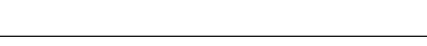
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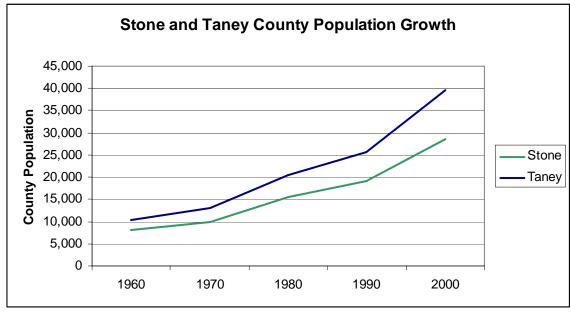
## **Customer Count Estimations**

# **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		Growth for riod 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%
	City Totals	8439	8466	8961	522	6.2%
	City Annual Growth			113		
	City Annual Growth Rate			1.3%		
	*Estimated Housing Growth			45.20		
Stone MO	Balance of Stone County	22281	22349	23994	1713	7.7%
Taney MO	Balance of Taney County	25037	25220	27874	2837	11.3%
	County Totals	47318	47569	51868	4550	9.6%
	<b>County Annual Growth</b>			915		
	<b>County Annual Growth Rate</b>			1.8%		
	*Estimated Housing Growth			366.00		

<sup>\*2.5</sup> 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. 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

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.

supported in greater detail by Exhibit 3 of this Study.

-



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

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

Table 3: Projected Number of Residential Customers

Residential Cu	stomer Po	otential	- Low Es	timate	<b>e</b>							
	** **		Propa	ane Co	onversion	Rate f	or Occup	ied Ho	mes			
	** **	**** Propane Conversion Rate for Vacation Homes										
	** **				w Homes							
Summarized fro	m Census	2000	,,	0			, , , , , , , , , , , , , , , , , , ,					
Data	iii Oonoac	2000										
2 414			Year	1	Year	. 2	Year	. 3	Year	r <b>4</b>	Year	. 5
	•		roui	ı	ı cai	_	ı caı	O	1001	· Ŧ	roui	Ü
	Census		D'		D		D'		D		D	
	data for	2007	Projecte		Projecte		Projecte		Projecte		Projecte	
	2000	2007	2008	5	200	9	201	U	201	1	201	
Number of R	esident	ıaı										
Customers			**	**	**	**	**	**	**	**	**	**
Stone												
County		-	**	**	**	**	** 	**	**	**	**	**
Total												
Housing												
Units	16,241	_										
Total												
Occupied	44.000											
Units	11,822	_										
Taney			**	**	**	**	**	**	**	**	**	**
County		-							**			
Total												
Housing	40.000											
Units	19,688	-										
Total												
Occupied	16 150											
Units	16,158	-										
Residential Cu	stomer Po	otential	- Mid Fst	imate	1							
i toolaoiitia. Oa	** **	<del></del>			onversion	Rate f	or Occup	ied Ho	mas			
	** **		-		onversion							
	** **		•									
		2000 5		OT INE	w Homes	s cnoos	sing ivatu	rai Gas	<u> </u>			
Summarized fro	m Census	2000 L										
			Year	1	Year	r 2	Year	. 3	Yea	r 4	Year	· 5
	Census											
	data for		Projecte	d for	Projecte	ed for	Projecte	ed for	Projecte	ed for	Projecte	ed for
	2000	2007	2008		200		201		201		201	
Number of R	esident	ial										
Customers			**	**	**	**	**	**	**	**	**	**
Stone												
County		_	**	**	**	**	**	**	**	**	**	**
Total		<u> </u>										
Housing												
Units	16,241											
Total	10,271	-										
Occupied												
Occupied	44.000											

11,822

Units

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

	200	1	2002		2003	2	2004		2005	Aver	age
Consumption (million cubic feet)											
Residential *	**	* **_	**	**	**	**	**	**	**	**	**
Commercial	***	* **	**	**	**	**	**	**	**	**	**
Number of Customers											
Residential **	*	* **	**	**	**	**	**	**	**	**	**
Commercial *	**	* **_	**	**	**	**	**	**	**	**	**
Consumption per Customer											
Residential	** *	*	****		****	**	**	1	** **	**_	**
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 Transportation Cost Total PGA per Mcf	**	** ** **	Annual Consumption - Residential  **** Mcf per year  1,000,000 Conversion factor:Mcf to Btu  **** Btu per year in Natural Gas
Cost of Service 5% Franchise Fee Total Cost of Service per Mcf	**	** ** 	To achieve equivalent Btu in propane 10.917 gallons per 1,000,000 Btu  **** Gallons per year in Propane
Total Cost per Mcf	**	**	
Customer Charge (monthly) 5% Franchise Fee Total Monthly Customer Charge	*** **	** **  **	Franchise fees to apply to customers inside city limits only.
Annual Consumption - Residential	**	** Mcf	
Annual Cost based upon Mcf	**\$	**	

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

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	****	200 gallons
Propane		
Christian County Gas	****	300 gallons
Co		
Mountain Country	****	150 gallons
Propane Co.		
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.

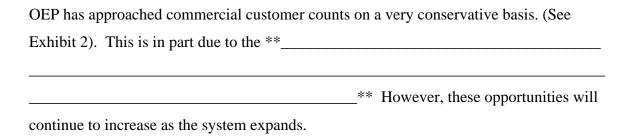
Table 8: Business Counts by County 2000 - 2004<sup>11</sup>

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

<sup>&</sup>lt;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 To	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>



#### **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

N

<sup>&</sup>lt;sup>12</sup> Missouri Economic Research and Information Center, Missouri Department of Economic Development,

<sup>&</sup>quot;Missouri New Business Formations 2005"

<sup>&</sup>lt;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 Feasibilit	y Study on **	** mcf per year. The
number of industrial custom	ers is identified in Exhibit	2.
certificated area. OEP has r	net with many large volun	rs upon knowledge of the proposed ne customers, and has received omers. These letters are attached to
Peak Demand Assessment		
**		
** Th	is strategy has been deeme	ed reasonable by the Commission
previously, as cited above.		
	Organizational Struc	<u>ture</u>
Figure 2: **	**	

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

**	
	**

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

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

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)	\$**	**

23

OEP estimates revenues	generated through the fees	will result in ar	nnual amounts ranging	2
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:

assam	iprions have been made.	
1.	**	**
2.	Assumed capital structure of 50% equity a	and 50% debt at 9% interest rates.
3.	Revenue based on **	** rate levels and structures.
	Exhibit 8 provides rate sheets by class.	
Five y	/ear projections are provided based upon **	
		_** Exhibit 9(a,b) and 10(a,b) provide a
schedi	ule of revenues and expenses.	
OEP l	has established a number of contacts within	the financing community that will
provid	de access to both equity and debt financing	sources once this Commission has
provid	ded its approval of OEP's application for a c	certificate of convenience and necessity.
OEP t	understands and supports the Commission's	likely requirement to have their
appro	val to be conditional upon obtaining satisfac	ctory financing prior to proceeding with
the bu	ild-out of the system. OEP has obtained th	e initial capital required to support
franch	nise development and regulatory requiremen	nts **
	** have exp	pressed interest in participating in raising
the ne	ext 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. \*\* 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, Missour 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).
<ul> <li>Please note the following clarifications and assumptions when considering the indicated pricing:</li> <li>Pricing is for labor only with all materials to be provided by others.</li> <li>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.</li> </ul>
As requested, we are providing pricing estimates for new subdivision type work in

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>S</u>	<u>urrounding Areas</u>	<u>In town (Branson)</u>
Trench and install 2" PE	**\$**	**\$**
Trench and install 4" PE	**\$**	**\$**
<sup>3</sup> / <sub>4</sub> " Service Installation	**\$**	**\$**
Do not hesitate to call me at **_ Sincerely,	** with any que	stions you may have.
****		
Estimator		

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

First Year		Residential	Commercial	Industrial	Total
New Customers	Low Estimate	**			
New Customers	Mid Estimate				
Conversions	Low Estimate				
Conversions	Mid Estimate				
Total Customers	Low Estimate				
	Mid Estimate				**

Second Year	ſ	Residential	Commercial	Industrial	Total
New Customers	Low Estimate	**			
New Customers	Mid Estimate				
Conversions	Low Estimate				
Conversions	Mid Estimate				
Total Customers	Low Estimate				
Total Customers	Mid Estimate				**

Third Year		Residential	Commercial	Industrial	Total
New Customers	Low Estimate	**			
New Customers	Mid Estimate				
Conversions	Low Estimate				
Conversions	Mid Estimate				
Total Customers	Low Estimate				
Total Customers	Mid Estimate				**

Fourth Year		Residential	Commercial	Industrial	Total
New Customers	Low Estimate	**			
New Customers	Mid Estimate				
Conversions	Low Estimate				
Conversions	Mid Estimate				
Total Customers	Low Estimate				
Total Customers	Mid Estimate				**

Fifth Year		Residential	Commercial	Industrial	Total
New Customers	Low Estimate	**			
New Customers	Mid Estimate				
Conversions	Low Estimate				
Conversions	Mid Estimate				
Total Customore	Low Estimate				
Total Customers	Mid Estimate				**

## **Exhibit 3: Residential Customer Projections**

Year 1	Year 2	Year 3	Year 4	Year 5
Projected	,		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

#### **Stone County**

**Total Housing** 

Units 16,241

Total Occupied Housing

Units 11,822

Conversions			**	**	**	**	**	**	**	**	**	**
Housing Units with												
Electric Heat Housing Units with	5,213	44%										
Propane Heat	4,290	36%	**	**	**	**	**	**	**	**	**_	*
Housing Units 20 to 30 Years Old	3,075											
Total												

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

4,419

1,604

Unoccupied Housing Units

New Home Construction

Heat

#### OZARK REGION GAS PROJECT FEASIBILTIY STUDY

			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
	Growth Rate	3.2%					
Avg. New Structures Built by Year 1999 - March							
2000	536						
1995 - 1998	2,229						
1990 to 1994 Total (10.25	2,517						
years)	5,282						
Average Housing Unit Built per Year	515						
Rate choosing natural gas	****		***	****	****	****	***
Taney County Total Housing			** **	** **	** **	** **	***
Units Total Occupied	19,688						
Housing Units	16,158						
Conversions Housing			** **	***	***	** **	** **
Units with Electric Heat Housing Units with	10,332	64%					
Propane Heat	4,532	28%	***	****	****	****	***
Housing Units 20 to 30 Years Old	6,138						

29

# OZARK REGION GAS PROJECT FEASIBILTIY STUDY

			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 Est. Unoccupied with Propane	2,257		** **	** **	** **	** **	** *
Heat  New Home	990		***	****	****	****	***
Construction							
	Growth Rate	3.7%					
Avg. New Structures Built by Year 1999 - March							
2000	522						
1995 - 1998	3,028						
1990 to 1994	3,824						
Total (10.25 years)	7,374						
Average Housing Unit Built per Year	719						
Rate choosing natural gas	****		****	***	****	****	***

Resid	ential Customer	r Potentia	I - Mid Est	imate									
			** **	Propai	ne Conv	ersion R	ate fo	r Occupi	ed Hor	mes			
		** **											
			** **	% of N	lew Hor	nes choo	sing N	Natural G	as				
Summ	arized from Cens	sus 2000	Data										
				Year 1		Year 2		Year 3		Year 4		Year 5	
				Projected		Projected		Projected		Projected		Projected for	
				for 2	800	for 20	09	for 20	)10	for 20	11	201	2
	ber of Reside	ential											
Customers				**	**	**	**	**	**	**	**	**	**
S	tone County			**	** 	**	** -	**	** —	**	** -	**	**
	Total Housing	10.011											
	Units Total	16,241											
	Occupied												
	Housing												
	Units	11,822											
	Conversions			**	* **	**	**	**_	**	**_	**	**	**
	Housing Units with												
	Electric Heat	5,213	** **										
	Housing	0,2.0											
	Units with												
	Propane Heat	4,290	** **	**	* **	**_	** 	**	**	**_	** 	**	**
	Housing												
	Units 20 to 30 Years Old	3,075											
	rears Old	3,073											
	Total												
	Unoccupied												
	Housing												
	Units	4,419											
	<b>□</b> ot												
	Est. Unoccupied												
	with Electric												
	Heat	1,949											
	Est.												
	Unoccupied												
	with Propane Heat	1,604		**	* **	**	**	**	**	**	**	**	* **
	ııcaı	1,004				_		· <u> </u>		_			
	New Home												
	Construction												
		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

32

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

1990 to 1994 3,824

Total (10.25

years) \_7,374

Average Housing Unit

Built per Year 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,

Davil S. Tet

David G. Tate

Mayor

P.O. Box 638 312 Esplanade Street Hollister, Missouri 65673 417-334-3262 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, Misseuri 65686 417-739-4903 – Fax 41**7-739-2752** 

-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-1006-0561)

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 egion 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,

Seorge Raustyl.
George Quest
Mayor



02/15/2007 13:51 FAX 4172728015

CITY OF REEDS SPRING

Ø 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. Lear, Mayor



FEB-14-2007 11:03A FROM:CITY OF HIGHLANDVILL 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.

an Keimelde







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.

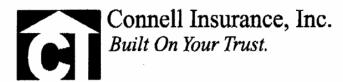
Sincerely,

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



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

No. 1831 P. 2



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

Fat Cannell

1691 South Bus. 65 • Hollister, MO 65672 www.connellinsurance.com



02/06/2007 07:12 FAX 4173358282

**2**001/001

## Hollister Interchange Development Company, LLC P.O. Box 1499 Hollister, Missouri 65673 (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,

ustin 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,

David Cushman Manager/CEO

P.O. BOX 1631. BRANSON, MO 65615

PH 417,334,0482 \* PAX 417,334,6792 \* www.cushmanproperties.com



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:

Sincerely, Level

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,

Jack Herschend



1273 State Hwy. V Hollister, Missouri 65672

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 J. Duck Dist.

leffrey Rick, DDS



## 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



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.

1) on Envis

Sincerely,

Dan Edwards President

135 Southtowne Blvd. Hollister, MO 65672

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

,



## 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

President





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,

President



Feb 15 2007 2:12PM THE SPIRITS SHOP

417-334-4721

p. 1

2909 SOUTH BUSINESS 65 HOLLISTER MO 65672 417-334-2520 OFFICE 417-334-4721 FAX



February 15, 2007

Missosuri Public Service Commission PO Box 360 Jefferson City, MO 65192-360

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

To Whom It May Concern:

Ve are writing in support of the efforts of Ozark Energy Partners, LLC to the Uzark Mountain region of Missouri. We anticipate the control of the Countain region of Missouri. We anticipate the countain region of Missouri. We anticipate the countain the countain region of Missouri. We anticipate the countain region of Missouri.

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

Sincerely,

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

52

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 nation-

wide 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)

## OZARK ENERGY PARTNERS, LLC ADVISORS



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



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



# 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@wdspc.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).



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

## **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.



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

NP

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

NP

**Exhibit 8: Proposed Rates and Tariffs** 



FORM NO. 13 P.S.C.	No1		(original)	Sheet No. 1
Canadina D.C.C.MO	No.		(revised)	Chast No
Canceling P.S.C MO.	No		(original) (revised)	Sheet No.
			(Tevised)	
			All Communities a	
Ozark Energy Partners, LLC		For		
Name of Issuing Company			Community, Towr	i, or City
	Gener	ral Service (GS	S)	
<u>Availability</u> - This rate schedule is heating service.	available for all fi	rm gas service ren	dered by the Compa	ny, including space
Rate- The monthly charge shall co	nsist of a custome	r charge plus a ch	arge for gas used as	set forth below:
Residential Service				
Customer Charg	e	**	**	
Commodity Cha	rge	**	**	
General Service				
Customer Charg		**	**	
Commodity Cha	rge	**	**	
Minimum Monthly Charge- The C	ustomer Charge			
Late Payment Charge- Unless other balance of all bill not paid by the damounts being collected through a	lelinquent date sta	ted on the bill. Th	ne late payment char	ge will not be applied to
Billing of License, Occupation, Fra	anchise or Other S	Similar Charges or	Taxes-	
Purchased Gas Adjustment- The ra Purchased Gas Adjustment Clause		ontained herein ar	e subject to adjustme	ents pursuant to the
DATE OF ISSUE	<u></u>	DATE	EFFECTIVE	
month day yea	r		month	day year
ISSUE BY	m: i			
Name of Officer	Title		Address	



FORM NO. 13 P.S.C.	No	<u>l</u>		(original)	Sheet No. <u>1.1</u>	
Concoling D.S.C.MO	No.			(revised)	Sheet No.	
Canceling P.S.C MO.	NO			(original) (revised)	Sheet No.	
				(levised)		
				All Communities	and Rural Areas	
Ozark Energy Partners, LLC	C		For _			
Name of Issuing Company	_			Community, Tow		
	Option	nal General S	Service	(OGS)		
	_					
A 11111 MI	11.1.6		,		.1 . 1	c
Availability- This rate schedule is heat and do not take service unde						10
service under the General Service						
monthly customer charge. In ord		for this optional	l general	service, the custom	er must agree to mainta	ain
this service for a minimum of one	e (1) year.					
Rate- The monthly charge shall c	onsist solely	of a charge for	gas used	as set forth below:		
Residential Service						
Customer Char	'oe		**	** ner month		
Customer Charge **** per month Commodity Charge **** per Ccf						
Minimum Monthly Charge- None.						
Late Payment Charge- Unless oth	nerwise requi	ired by law or ot	her regu	lation, 1.5% will be	added to the outstandir	ng
balance of all bills not paid by the						to
amounts being collected through	a pre-arrange	ed payment agre	ement w	ith the Company th	at is kept up-to-date.	
Billing of License, Occupation, F	ranchise or (	Other Similar Ch	narges or	Taxes-		
Purchased Gas Adjustment- The	rates and cha	orges contained 1	nerein ar	e subject to adjustm	ents pursuant to the	
Purchased Gas Adjustment Claus				o sueject to uajusun	ones pursuant to the	
DATE OF ICCLE			ר א שר	EEEECTIVE		
DATE OF ISSUE month day ye	<del></del> ear		DATE	EFFECTIVE	day year	
				monu	, , , o.u.	
ISSUE BY Name of Officer	Title			Address		



FORM NO. 13 P.S.C.	No. <u>1</u>	(original) (revised)	Sheet No. <u>1.2</u>
Canceling P.S.C MO.	No	(original)	Sheet No.
		(revised)	
			unities and Rural Areas
Ozark Energy Partners, LLC Name of Issuing Company			Natural Gas Service  7, Town, or City
			, , , , , , , , , , , , , , , , , , ,
	Large General S	Service (LGS)	
Availability- Service under this scl available to customers for a minim			
Rate- The monthly charge shall co	nsist of a customer charge	plus a charge for gas u	used as set forth below:
Customer Charge per mor	nth		****
Maximum Commodity Cl	harge per Ccf - for all Ccf	's used during the mon	th ****
Minimum Commodity Ch	narge per Ccf – for all Ccf	's used during the mon	***
Minimum Monthly Charge- The C	Sustomer Charge		
The Company may from time to the amount down to the minimum comequivalent Btu basis, can be shown reflected in the Purchased Gs Adju Company's sole discretion, they are service to a previous customer or to	nmodity charge for custon in to be less than the sum of astment "PGA" factor. Sure necessary to retain or ex	ners who have alternation of the Company's maxing the reductions will only	we energy sources, which on an num rate and the cost of gas be permitted if, in the
<u>Late Payment Charge</u> - Unless other balance of all bill not paid by the damounts being collected through a	lelinquent date stated on the	ne bill. The late payme	ent charge will not be applied to
Billing of License, Occupation, Fra	anchise or Other Similar C	Charges or Taxes-	
Purchased Gas Adjustment- The ra Purchased Gas Adjustment Clause		herein are subject to a	djustments pursuant to the
DATE OF ISSUE			
DATE OF ISSUE month day year		DATE EFFECTIVE	month day year
ISSUE BY Name of Officer	Title		ddress
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FORM NO. 13 P.S.C.	No	1		(original)		Sheet	No. <u>2</u>	
Canceling P.S.C MO.	No			(revised) (original)		Sheet	No	
				(revised)				
				All Commu	nities and	l Rural	Areas	
Ozark Energy Partners, LLC	<u> </u>		For	Receiving N			ce	
Name of Issuing Company				Community	, Town, o	or City		
	La	rge Volume Se	ervice (I	LVS)				
Availability- Service under this sc available to customers for a minin								
Rate- The monthly charge shall co	onsist of a	a customer charge,	and a cor	nmodity chai	rge as set	forth be	elow:	
Customer Charge per mo	nth					*	*	**
Maximum Commodity C	harge per	r Ccf - for all Ccf's	s used dur	ring the mont	:h	*	*	**
Minimum Commodity C	harge per	· Ccf – for all Ccf's	s used dur	ring the mont	h	*	*	**
Minimum Monthly Charge- The C	Customer	Charge						
The Company may from time to to amount down to the minimum cor equivalent Btu basis, can be show reflected in the Purchased Gs Adju Company's sole discretion, they a service to a previous customer or	nmodity on to be less ustment "! re necessare	charge for customers than the sum of PGA" factor. Such ary to retain or exp	ers who ha the Comp h reduction	ave alternativ bany's maxin ons will only	ve energy num rate be permi	sources and the tted if, i	s, which cost of g	on an gas
Late Payment Charge- Unless other balance of all bill not paid by the camounts being collected through a	delinquen	nt date stated on the	e bill. The	e late payme	nt charge	will no	t be appl	lied to
Billing of License, Occupation, Fr	anchise o	or Other Similar Cl	narges or	Taxes-				
Purchased Gas Adjustment- The r. Purchased Gas Adjustment Clause			herein are	subject to ac	djustment	ts pursu	ant to the	<del>j</del>
D. ATTE OF VOCAVE			D. 1885 I					
DATE OF ISSUE month_day_ye			DATE I	EFFECTIVE	month	day	year	
ISSUE BY						•	<b>y</b>	
Name of Officer	Ti	itle	-	Ac	ddress			



<b>Exhibit 9a:</b> **	** - THIS ENTIRE EXHIBIT IS CLASSIFIED AS HC.				
**					



Exhibit 9b: **	** THIS ENTIRE EXHIBIT IS CLASSIFIED AS HC.
**	



Exhibit 10a: **	** THIS ENTIRE EXHIBIT IS CLASSIFIED AS HC.
**	



Exhibit 10b: **	** - THIS ENTIRE EXHIBIT IS CLASSIFIED AS HC.
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