

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Application of)
Ozark Energy Partners, LLC)
for a Certificate of Public Convenience and)
Necessity to Construct and Operate an)
Intrastate Natural Gas Pipeline and Gas Utility)
to Serve Portions of the Missouri Counties of)
Christian, Stone and Taney, and for)
Establishment of Utility Rates.)

Case No. GA-2006-0561

APPLICATION

COMES NOW Ozark Energy Partners, LLC (hereinafter, "Applicant" or "Ozark"), by and through counsel, pursuant to Section 393.170 RSMo, 4 CSR 240-2.060 and 4 CSR 240-3.205, and files this Application for a Certificate of Public Convenience and Necessity to construct and operate the intrastate natural gas pipeline system and natural gas distribution facilities hereinafter described and to establish the rates for sale or transportation of natural gas through said pipeline and distribution system. In support of its Application, Ozark respectfully states:

Applicant

1. Ozark is a limited liability corporation organized under the laws of the State of Missouri. Ozark's principal place of business is at 136 Kessler Drive, Walnut Shade, Missouri (MO) 65771. Its telephone number is 417-561-0415; fax number is 417-561-0415; and email address is riskingdreams@tri-lakes.net. Ozark is in the business of transporting and distributing natural gas to customers. A copy of the Articles of Organization of Ozark Energy Partners, LLC is attached

Ozark Exhibit No. 26
Case No(s). GA-2006-0561
Date 11-29-07 Rptr KS

hereto as **Exhibit A**. Pursuant to 4 CSR 240-2.060 (1) (B), a copy of Ozark's Certificate of Good Standing from the Missouri Secretary of State is attached hereto as **Exhibit B**.

Contact Information

2. All correspondence, communications and orders and decisions of the Commission relating to this Application should be sent to:

William D. Steinmeier
Mary Ann (Garr) Young
WILLIAM D. STEINMEIER, P.C.
P.O. Box 104595
Jefferson City, Missouri 65110-4595
Telephone: (573) 659-8672
Facsimile: (573) 636-2305
Email: wds@wdspsc.com
MYoung0654@aol.com

Daniel L. Epps, Managing Director
Ozark Energy Partners, LLC
136 Kessler Drive
Walnut Shade, Missouri 65771
Telephone: (417) 561-0415
Facsimile: (417)
Email: riskingdreams@tri-lakes.net

Randy Hole, CFS
7834 Garnett
Lenexa, Kansas 66214
Telephone: (913) 962-5706

Ralph B. Handlin, Chief Engineer
Ozark Energy Partners, LLC
12422 N. County Road
Oronogo, Missouri 64855
Telephone: (417) 525-6335
Facsimile: (417)
Email: rhandlin@archerengineers.com

Jurisdiction of the Commission

3. The Missouri Public Service Commission has jurisdiction over this matter under Sections 386.250 and 393.110 to 393.285 RSMo, as illuminated by definitions in Section 386.020 (18), (19) and (42) RSMo. Specifically, this Application is filed pursuant to the requirements of Section 393.170 RSMo.

Description of Ozark's Facilities

4. Ozark seeks a Certificate of Public Convenience and Necessity to permit it to construct, own and operate an intrastate natural gas pipeline initially comprised of approximately 30 miles of 20-inch, 10 miles of 16-inch, and 10 miles of 8-inch down to 4-inch steel pipelines, and more than 150 miles of plastic distribution mains, in the Missouri counties of Stone, Christian, and Taney.

5. Ozark also seeks a Certificate of Public Convenience and Necessity to permit it to provide retail natural gas service to customers in portions of Christian, Stone and Taney counties. Ozark is currently seeking franchises to serve the cities of Hollister, Reeds Spring, Branson, Branson West, Highlandville and Spokane.

6. The pipeline proposed by Ozark will originate at Southern Star Central Gas Pipeline (near Marionville, Missouri) or at Center Point Energy (near Springfield, Missouri).

7. Distribution systems will be built in public rights-of-way in the franchised towns and to densely-populated rural areas near the pipeline route.

8. Upon issuance of a certificate, Ozark anticipates that construction of the proposed facilities will commence in 2007, and that the first customers will be served approximately three months after construction begins. Ozark will comply with all applicable environmental and zoning laws relating to this project. In addition, Ozark will design, construct, test and operate all pipeline systems in accordance with all applicable safety standards prescribed by the United States Department of Transportation and the Missouri Public Service Commission.

9. The Ozark pipeline design is compatible with the current pipeline operating conditions of Southern Star Central Gas Pipeline and Center Point Energy, and with present and projected market requirements of the proposed service territory.

Public Convenience and Necessity

10. Pursuant to 4 CSR 240-3.205 (1) (E), Applicants state that the granting of this Application is required by the public convenience and necessity for the following reasons:

(a) No other gas utility is currently providing natural gas service in the area proposed by the Applicant herein. The area to be served is anchored by Hollister and the Table Rock Lake Area, an area that hosts more than 7,000,000 visitors per year and is one of the fastest-growing areas of the State of Missouri. The closest supply of natural gas is the Springfield, Missouri area, including the municipalities of Nixa and Ozark, but this area is more than thirty (30) miles from Hollister with limited supply of natural gas.

(b) The population of the proposed service area is estimated to be in excess of 70,000, and includes not only the cities of Hollister, Reeds Spring, Branson, Branson West, Highlandville and Spokane, but other significant load centers such as Silver Dollar City, School of the Ozarks, Hollister Industrial Park, the 7,000-acre Branson Creek development, the Branson Landing waterfront project, and others.

(c) The Branson area, with three lakes, over four dozen music and other live-entertainment theaters, and the Silver Dollar City theme park, has developed into a major regional and national tourist attraction, with activities that attract customers throughout the year. The year-around population of this area has increased because of the popularity of this region as a recreational area and the year-round employment offered by businesses that support the growing recreation and tourism industries. The College of the Ozarks, located two (2) miles south of Branson on U.S. Highway 65, is another well-known local institution. The school has over 1,200 students, who earn their tuition, working their way to a quality liberal arts education.

(d) The proposed service area is a high-growth area. The fast growth of the area is demonstrated by the fact that, according to U.S. Census data, the population of Branson, Missouri increased by 139.2% between 1980 and 2000. The population of Hollister, Missouri increased by 168.7% during the same time period, and the overall population of Taney County increased by 94.0%. This rate of growth is expected to continue in the proposed service area. In fact, United

States Census Bureau data projects growth in the proposed service area of more than 20% annually.

(e) The proposed service area is heavily commercialized and has been primarily served, to-date, by electricity, LPG (propane), fuel oil and solid fuels. Ozark Energy Partners, LLC believes there is a tremendous demand for natural gas service in the proposed service area, for purposes of both reliability and cost, for residential and commercial space heating, water heating and cooking, as well as for other commercial and industrial purposes. Ozark would be able to provide natural gas service to the area at rates which would provide cost savings for nearly all consumers compared to most competing forms of energy.

(f) Ozark has identified a population of 30,000 to 40,000 people, with more than 12,500 homes and 1,600 businesses, in the populated sections of the proposed service area as potential customers for its proposed retail natural gas service. These customers would be targeted by Ozark during for the first five years of operation. These potential customers are grouped in sufficient density to make natural gas service feasible.

(g) Ozark intends to build its customer base with residential and commercial consumers in the towns and along the settled rural roads of the counties in its proposed service area.

Gas Supply and Transportation

11. Ozark has arranged for firm transportation service on the Southern Star Gas Pipeline and Center Point Energy systems to meet residential and

commercial loads. Several natural gas marketing firms have expressed interest in supplying Ozark with gas supply and transportation capacity on Southern Star Central Gas Pipeline and Center Point Energy. Final commitment to firm gas supply cannot be completed until a certificate of public convenience and necessity is granted to Ozark.

Same or Similar Utility Service Available in Requested Service Area

12. Pursuant to 4 CSR 240-3.205 (1) (A) 1., Applicant states that the area sought to be served by Applicant is not presently served by a natural gas utility. A certificate of public convenience and necessity was granted to Ozark Natural Gas Co., Inc. in 1998, in Case No. GA-98-227. However, that certificate has not been exercised by Ozark Natural Gas Co., Inc., which serves no Missouri customers. Section 393.170.3, RSMo, states: "Unless exercised within a period of two years from the grant thereof, authority conferred by such certificate of convenience and necessity issued by the commission shall be null and void." Therefore, the certificate of convenience and necessity issued by this Commission to Ozark Natural Gas Co., Inc. is now null and void. Ozark Energy Partners, LLC, the Applicant herein, is not affiliated with Ozark Natural Gas Co., Inc.

13. Applicant does not intend to overlap the certificated service area of any other gas utility operating in Southwest Missouri, such as Missouri Gas Energy, Empire District or Southern Missouri Gas Company.

Persons and Businesses in Proposed Service Area

14. Pursuant to 4 CSR 240-3.205 (1) (A) 2., a list of ten (10) persons residing, or businesses operating, in the proposed service area is attached as **Exhibit C**.

Legal Description and Plat of the Proposed Certificated Area

15. Pursuant to 4 CSR 240-3.205 (1) (A) 3. and (1) (A) 4., a legal description and plat of the proposed certificated service area will be late-filed with the Commission as **Exhibits D and E**.

Feasibility Study

16. Pursuant to 4 CSR 240-3.205 (1) (A) 5., a feasibility study with: (1) plans and specifications for the utility system; (2) estimated cost of construction of the utility system during the first three years of construction; (3) financing plans; and (4) proposed rates, estimate of number of customers, revenues and expenses for the first three years of operation, will be late-filed with the Commission as **Exhibit F**.

Governmental Body Approvals

17. Pursuant to 4 CSR 240-3.205 (1) (D), Ozark is presently, actively seeking franchises from the cities of Hollister, Reeds Spring, Branson, Branson West, Highlandville and Spokane. Municipal and business leaders have

expressed enthusiastic support for Ozark's efforts to bring natural gas service to the area, to enhance the industrial and commercial potential of the area.

18. All city or county consents or franchises and will be filed with the Commission as obtained during the pendency of this Application, as will certified copies of any other governmental agencies that are required.

Gas Transmission Line Information

19. Pursuant to 4 CSR 240-3.205 (1) (B) 1., Ozark will provide to the Commission a description of the route of construction and a list of all electric and telephone lines of regulated and nonregulated utilities, railroad tracks or any underground facilities which the proposed construction will cross, as late-filed **Exhibit G**. Pursuant to 4 CSR 240-3.205 (1) (B) 2. and 3., Ozark will provide to the Commission the plans and specifications for the complete construction project and estimated cost of the construction project, and plans for financing, as late-filed **Exhibit H**.

Additional Information Required by Rules

20. Pursuant to the requirements of 4 CSR 240-2.060(K), Applicant states that it does not have any pending or unsatisfied final judgments or decisions against it in any state or federal agency or court which involve customer service or rates, which action, judgment or decision occurred within the last three (3) years.

21. Pursuant to the requirements of 4 CSR 240-2.060(L), Applicant states that it has no annual report or assessment fees that are overdue.

WHEREFORE, for the foregoing reasons, Ozark Energy Partners, LLC respectfully requests that the Public Service Commission of Missouri;

- (1) Issue a certificate of public convenience and necessity to Ozark Energy Partners, LLC, to build and operate an intrastate natural gas pipeline in Missouri;
- (2) Issue a certificate of public convenience and necessity to Ozark Energy Partners, LLC, to operate as a natural gas utility and provide natural gas service to customers in Missouri;
- (3) Designate certain parts of Christian County, Stone County and Taney County, Missouri, as the certificated service territory of Ozark Energy Partners, LLC; and
- (4) Approve the rates, rules and regulations to be filed as part of this Application.

Respectfully submitted,

/s/ William D. Steinmeier

William D. Steinmeier, MoBar #25689
Mary Ann (Garr) Young, MoBar #27951
WILLIAM D. STEINMEIER, P.C.
2031 Tower Drive
P.O. Box 104595
Jefferson City, MO 65110-4595
Phone: 573-659-8672
Fax: 573-636-2305
Email: wds@wdspc.com
Myoung0654@aol.com

COUNSEL FOR OZARK ENERGY
PARTNERS, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document has been served electronically on the General Counsel's Office and the Office of the Public Counsel this 30th day of June 2006.

/s/ William D. Steinmeier

William D. Steinmeier

APPLICATION OF OZARK ENERGY PARTNERS, LLC

EXHIBIT LIST

Exhibit A	Articles of Organization of Ozark Energy Partners, LLC
Exhibit B	Certificate of Good Standing, Missouri Secretary of State
Exhibit C	List of Persons and Businesses in Proposed Service Area
Exhibit D	Legal Description of Proposed Service Area (To be late-filed)
Exhibit E	Plat of Proposed Service Area (To be late-filed)
Exhibit F	Feasibility Study (To be late-filed)
Exhibit G	Gas Transmission Line Information Pursuant to 4 CSR 240-3.205 (1) (B) 1. (To be late-filed)
Exhibit H	Gas Transmission Line Information Pursuant to 4 CSR 240-3.205 (1) (B) 2. and 3. (To be late-filed)

APPLICATION OF OZARK ENERGY PARTNERS, LLC

GA-2006-0561

AMENDED EXHIBIT A

Articles of Organization of Ozark Energy Partners, LLC
(as Amended on October 10, 2006)

Filed February 28, 2007



State of Missouri
Robin Carnahan, Secretary of State

File Number: 200611490801
LC0733697
Date Filed: 04/24/2006
Robin Carnahan
Secretary of State

Articles of Organization

1. The name of the limited liability company is:

OZARK ENERGY PARTNERS, LLC

2. The purpose(s) for which the limited liability company is organized:

CONSTRUCTION, DISTRIBUTION, AND SELLING PIPELINE SYSTEM AND OTHER PUBLIC SERVICES TO MUNICIPALITIES, RESIDENTIAL AND COMMERCIAL CUSTOMERS

The transaction of any lawful business for which a limited liability company may be organized under the Missouri Limited Liability Company Act, Chapter 347 RSMo.

3. The name and address of the limited liability company's registered agent in Missouri is:

DANIEL L EPPS

136 KESSLER DRIVE, WALNUT SHADE MO 65771

Name

Address

4. The management of the limited liability company is: ☐ Manager ☒ Member

5. The duration (period of existence) for this limited liability company is:

12/31/2026

6. The name(s) and street address(es) of each organizer:

DANIEL L EPPS, 136 KESSLER DRIVE, WALNUT SHADE MO 65771

In Affirmation thereof, the facts stated above are true and correct:

(The undersigned understands that false statements made in this filing are subject to the penalties provided under Section 575.040, RSMo)

DANIEL EPPS

(Organizer Name)



State of Missouri
Robin Carnahan, Secretary of State

Corporations Division
P.O. Box 778 / 600 W. Main Street, Rm 322
Jefferson City, MO 65102

Amendment of Articles of Organization

(Submit with filing fee of \$25)

1. The current name of the limited liability company is:
Ozark Energy Partners, LLC
2. The effective date of this document is the date it is filed by the Secretary of State of Missouri, unless a future date is indicated, as follows:

(Date may not be more than 90 days after the filing date in this Office)

3. State date of occurrence that required this amendment: October 10, 2006
Month/Day/Year
4. The articles of organization are hereby amended as follows:
4. The management of the limited liability company is vested in one or more managers.

5. (Check if applicable) This amendment is required to be filed because:
- ☒ management of the limited liability company is vested in one or more managers where management had not been so previously vested.
- ☐ management of the limited liability company is no longer vested in one or more managers where management was previously so vested.
- ☐ a change in the name of the limited liability company.
- ☐ a change in the time set forth in the articles of organization for the limited liability company to dissolve.
6. This amendment is (check either or both):
- ☐ authorized under the operating agreement
- ☒ required to be filed under the provisions of RSMo Chapter 347

In affirmation thereof, the facts stated above are true:

(The undersigned understands that false statements made in this filing are subject to the penalties provided under Section 575.040, RSMo)

Daniel L. Epps

<i>Authorized Signature</i>	<i>Printed Name</i>	<i>Date</i>
<i>Authorized Signature</i>	<i>Printed Name</i>	<i>Date</i>
<i>Authorized Signature</i>	<i>Printed Name</i>	<i>Date</i>

Name and address to return filed document:

Name: Stinson Morrison Hecker LLP
Address: 1201 Walnut, Suite 2900
City, State, and Zip Code: Kansas City, MO 64106

LLC- 12 (01/05)

APPLICATION OF OZARK ENERGY PARTNERS, LLC

EXHIBIT B

Certificate of Good Standing, Missouri Secretary of State

STATE OF MISSOURI



Robin Carnahan
Secretary of State

CORPORATION DIVISION CERTIFICATE OF GOOD STANDING

I, ROBIN CARNAHAN, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

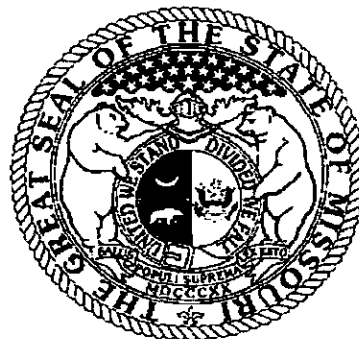
OZARK ENERGY PARTNERS, LLC
LC0733697

was created under the laws of this State on the 24th day of April, 2006, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 22nd day of June, 2006

Robin Carnahan

Secretary of State



Certification Number: 8817515-1 Reference:
Verify this certificate online at <http://www.sos.mo.gov/businessentity/verification>

APPLICATION OF OZARK ENERGY PARTNERS, LLC

EXHIBIT C

List of Persons and Businesses in Proposed Service Area

Ozark Energy Partners, LLC

**Exhibit C – List of Ten Persons Residing, or Businesses Operating,
in the Proposed Service Area**

Ken Barth
Owner
Hollister Industrial Park
145 Industrial Park drive
Hollister, Mo. 65672
Phone: 417- 335-1506

David Booth
Owner of Tri-Lakes Interior
135 South Towne Blvd
Hollister, Mo. 65672
Phone: 417- 335-8494

Dr. Rick Jeffery
1273 State Hwy V
Hollister, Mo. 65672
Phone: 417- 335-4630

Dr. Hal Ketter
Vice President
College of the Ozarks
100 Opportunity Ave.
Point Lookout, Mo. 65726
Phone: 417- 334-6411

Mark Mathes
50 Stonebridge Village
Branson West, Mo. 65737
Phone: 417- 332-1448

Jim Shiarto
Owner/ Developer
Indian Ridge Commercial
Development
10054 E State Hwy 76
Branson West, Mo. 65737
Phone: 417- 338-4002

Jose Nunez
Manager
South Towne Grill/Restaurant
165-A- South Towne Blvd.
Hollister, Mo. 65672
Phone: 417- 332-0033

Cindy Hogshooter
Assistant City Clerk
61 Ellingsworth Lane
Highlandville, Mo. 65669
Phone: 417- 443-6252

JoAnn Reynolds
City Clerk
P.O. Box 83
Highlandville, Mo. 65669
Phone: 417- 443-3391

Officer Matt Kirk
1045 Ellingsworth Lane
Highlandville, Mo. 65669
Phone: 417- 443-1234

APPLICATION OF OZARK ENERGY PARTNERS, LLC

EXHIBIT D

**Legal Description of Proposed Service Area
(To be late-filed)**

OZARK ENERGY PARTNERS, LLC
Case No. GA-2006-0561
EXHIBIT D to Application
Legal Description of Proposed Service Area
Amended September 4, 2007

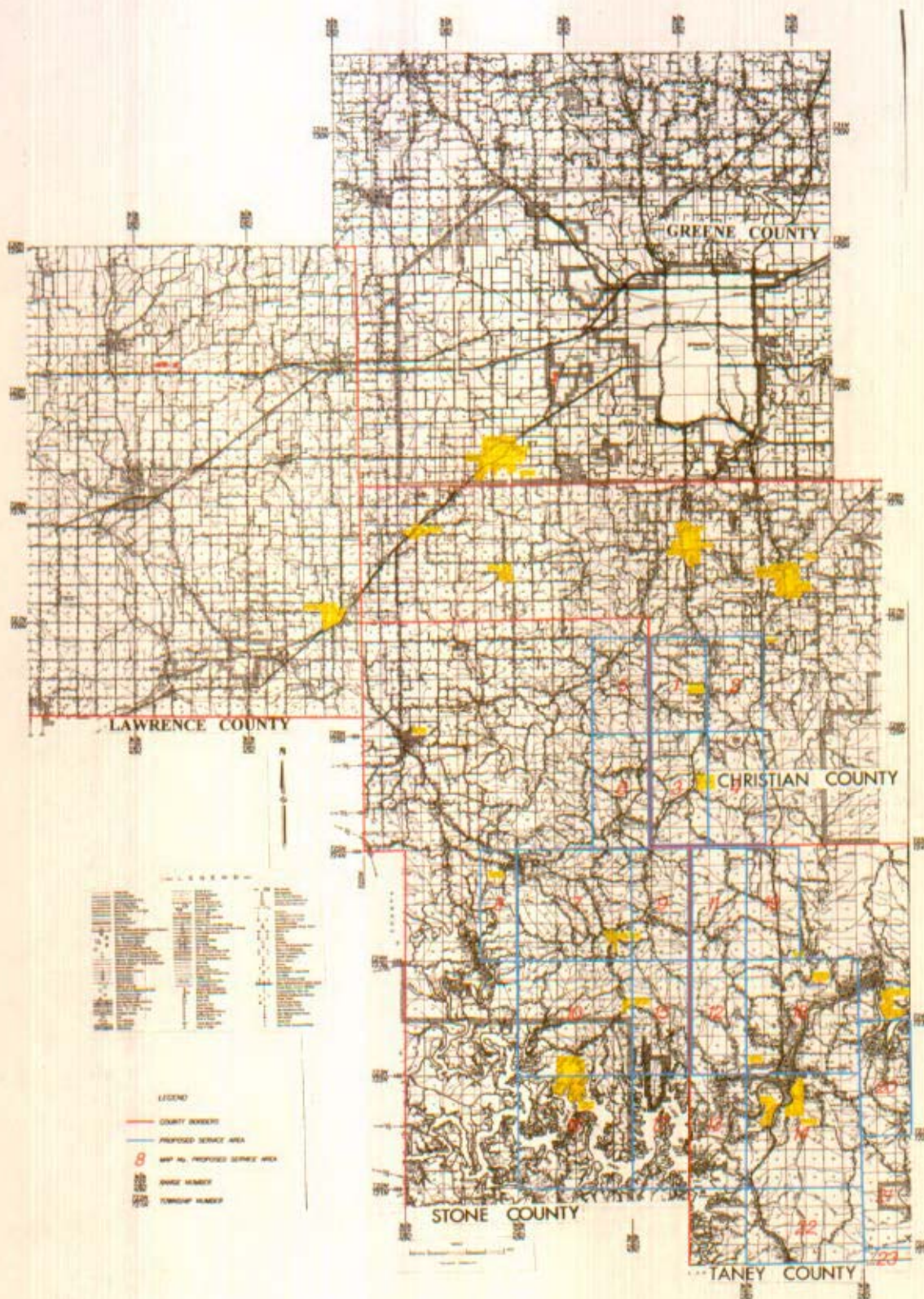
Plat Ref. No.	Township	Range	Proposed OEP Service Area	No. of Sections
			CHRISTIAN COUNTY	
1.	T26N	R22W	Sec 10,11,12,13,14,15; 22,23,24,25,26,27; 34,35,36 W. Highlandville	15
2.	T26N	R21W	Sec. 7,8,9; 16,17,18,19,20,21;28;,29,30,31,32,33, Highlandville	15
3.	T25N	R22W	East ½ of the Township (6 mile Square) Spokane	18
4.	T25N	R21W	West ½ of the Township (6 mile Square) Spokane	18
			STONE COUNTY	
5.	T26N	R22W	West ½ of the Township (6 mile Square)	18
6.	T25N	R22W	West ½ of the Township (6 mile Square)	18
7.	T24N	R23W	All of the Township (6 mile Square) Reeds Springs	36
8.	T24N	R24W	Sec. 1,2 Sec. 11,12,13,14 Sec. 23, 24, 25, 26 Sec. 35,36 Less West Galena	12
9.	T24N	R22W	West ½ of the Township (6 mile Square)	18
10.	T23N	R23W	All of the Township, Branson West	36
16.	T22N	R23W	All of the Township, Kimberling City	36

Plat Ref. No.	Township	Range	Proposed OEP Service Area	No. Section
15.	T23N	R22W	West ½ of the Township	18
17.	T22N	R22W	West ½ of Township	18
			TANEY COUNTY	
11.	T24N	R22W	East ½ of Township	18
12.	T23N	R22W	East ½ of Township	18
13.	T22N	R22W	East ½ of Township	18
14.	T22N	R21W	All of Township, Hollister	36
19.	T24N	R21W	West ½ of the Township	18
18.	T23N	R21W	All of the Township, Branson	36
20.	T23N	R20W	West ½ of the Township	18
21.	T22N	R20 W	All of the Township	36
22.	T21N	R21W	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21, 22, 23, 24,	24
23.	T21N	R20 W	1, 2, 3, 4, 5, 6	6

APPLICATION OF OZARK ENERGY PARTNERS, LLC

EXHIBIT E

**Plat of Proposed Service Area
(To be late-filed)**



OZARK ENERGY PARTNERS, LLC
 MoPSC Case No. GA-2006-0561
 EXHIBIT E
 (Original Plat is on file with PSC Data Center)

APPLICATION OF OZARK ENERGY PARTNERS, LLC

EXHIBIT F

**Feasibility Study
(To be late-filed)**

APPLICATION OF OZARK ENERGY PARTNERS, LLC

EXHIBIT G

**Gas Transmission Line Information
Pursuant to 4 CSR 240-3.205 (1) (B) 1.
(To be late-filed)**

APPLICATION OF OZARK ENERGY PARTNERS, LLC

EXHIBIT H

**Gas Transmission Line Information
Pursuant to 4 CSR 240-3.205 (1) (B) 2. and 3.
(To be late-filed)**

APPLICATION OF OZARK ENERGY PARTNERS, LLC

GA-2006-0561

EXHIBIT I

Municipal Franchises

Kimberling City
Highlandville
Hollister
Reeds Spring

FILED³

MAR 1 2007

**Missouri Public
Service Commission**

Kimberling City

Passed and Approved, August 15, 2006

Ratified by the voters, November 7, 2006

AN ORDINANCE PROVIDING FOR THE BOARD OF ALDERMEN OF THE CITY OF KIMBERLING CITY, GRANTING TO OZARK ENERGY PARTNERS, LLC, THE RIGHT AND PRIVILEGE AND FRANCHISE FOR THE LAYING OF GAS MAINS ALONG THE STREETS, AVENUES, ALLEYS, ROADS AND HIGHWAYS AND OTHER PUBLIC PLACES OF THE CITY, FOR THE PURPOSE OF DISTRIBUTING AND SELLING NATURAL GAS TO THE INHABITANTS OF SAID CITY AND TO OTHERS, AND ALSO THE NON-EXCLUSIVE RIGHT TO LAY PIPES IN THE STREETS, ALLEYS, AVENUES, HIGHWAYS, ROADS AND OTHER PUBLIC PLACES AND GROUNDS OF SAID CITY FOR THE PURPOSE OF CONVEYING NATURAL GAS TO THE INHABITANTS OF SAID CITY, AND TO OTHERS BEYOND THE LIMITS OF SAID CITY, FOR DOMESTIC, COMMERCIAL AND INDUSTRIAL PURPOSES AND PROVIDING THE REGULATION OF SAID GAS DISTRIBUTION SYSTEM, AND OTHER PURPOSES; AND CALLING FOR AN ELECTION TO RATIFY SAME, AND PROVIDING FOR NOTICE THEREOF.

WHEREAS, the Board of Aldermen of the City of Kimberling City have ascertained and hereby declare that there is no natural gas for either domestic, commercial or industrial enterprises within said City; and

WHEREAS, there is a need for an adequate supply of natural gas for the health and welfare of the City; and

WHEREAS, it is necessary to begin the construction of pipe lines and a natural gas distribution system within said City, in order that natural gas may be made available for the citizens of Kimberling City, Missouri, and all users of natural gas as soon as practical;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF KIMBERLING CITY, MISSOURI AS FOLLOWS:

Section 1: The City of Kimberling City, subject to the terms, conditions and stipulations mentioned in this ordinance, consents and grants the non-exclusive right, permission and franchise as is hereby given to Ozark Energy Partners, LLC, the non-exclusive right to lay, construct, equip, operate, repair, and maintain a system of gas mains, pipes, conduits, and feeders for the purpose of supplying and distributing natural gas for light, fuel, power, and heat and for any other purpose, to the residents and inhabitants of said City; and further the non-exclusive right to lay, construct, operate and maintain a system of gas mains, pipe lines, pipe conduits and feeders and the necessary attachments, connections, fixtures and appurtenances for the purpose of conveying, conducting, or distributing natural gas from any point beyond said City limits in order to enable the said Grantee to distribute and sell natural gas to the said City and to the residents and inhabitants thereof, and to others.

Section 2: The Grantee herein is expressly given the non-exclusive permit subject to the approval of the City of plans showing specific locations, to use the streets, avenues, roads, highways, alleys,

sidewalks and other public places, as now laid out, or hereafter to be established for the purpose of laying gas mains, pipe lines, conduits and feeders, and the necessary attachments, fixtures, connections, and appurtenances for the purpose of conveying or conducting natural gas in and to any point within the said City and to operate and maintain a system of pipe lines, pipes, conduits, feeders and the necessary attachments, connections, fixtures and appurtenances for the distribution of natural gas within said City and to serve the said City, the residents and inhabitants thereof, and others; provided, however, that where alleys are accessible for laying mains and pipes, the City of Kimberling City shall have the right to require that the mains and pipes be laid in the alleys instead of the streets, and plans for the laying and construction of said mains and lines must be submitted to the Board of Aldermen or to a specifically appointed representative thereof, and no construction may begin until final written approval of said plans is obtained.

Section 3: Subject to the provision in Section 2 hereof, the main pipes of the Grantee may be laid in the highways, roads, streets, avenues, alleys and other public places as now laid out or as the same shall hereafter be established, and when laid in highways, roads, avenues, streets, alleys, and other public places, the same shall be laid in accordance with the lines and grades now established or hereafter to be established by the City, provided that such main pipes and service pipes be laid at the minimum depth of eighteen inches below the grade of streets, alleys or ditches. All construction shall meet the requirements of the State of Missouri, the Building and Construction Codes of the City of Kimberling City, now in existence or as amended, and the Natural Gas Pipeline Safety Act of the federal government, including the latest amendments.

Section 4: Semi-annually, and on the first day of July, and the first day of January, the Grantee shall provide to the City of Kimberling City, at least two (2) copies of completely revised and updated system maps showing the exact location of all lines currently installed within the City of Kimberling City. The City has established a mapping system for its sewer and water lines and the Grantee shall utilize the same computer system and mapping program for its gas line locations so that any changes and improvements can be quickly and readily reflected upon the overall City mapping system. The City shall provide to the Grantee its water and sewer line maps and locations at any reasonable time.

Section 5: It is provided that in the opening and filling of all openings by the Grantee, it shall re-lay the pavements and do all other work necessary to provide the complete restoration of the streets, sidewalks, or grounds to the condition equally as good prior to such disturbance, and shall restore said streets, sidewalks or grounds in accordance with the City of Kimberling City's Technical specifications, including any amendments, and when the Grantee shall open any ground in said City for the purpose of laying any gas pipe or for any other purpose whatsoever, the Grantee shall open no more space at any one time or at any one place, nor keep the same open any longer than is necessary to properly execute the work for which same shall have been opened, and it is especially required that in all cases where work requires the exercise of skill, as the laying or relaying of pavements or sidewalks, the Grantee shall employ skilled workmen familiar with the executing of such work. The re-laying or refilling of the sidewalks and pavements, all of the repair and replacement of pavement, sidewalks, and other grounds disturbed for the laying of the said pipes, shall be at the sole expense of the Grantee. Whenever any ditch or trench shall have been opened by the Grantee, it will proceed with all reasonable diligence and continuous work to complete said work and close said ditch or trench without delay. The City of Kimberling City must approve all work when completed and if restoration does not meet the City's standards, Grantee will immediately remove and replace all said work in accordance

with the requirements herein specified. Nothing in this ordinance shall grant to Grantee the right or permission to enter upon private property or perform work upon private property without the prior written consent of the owner thereof. Prior to cutting across any private property owner's driveway, on public property, Grantee must notify the owner and provide alternate routes for said owner during said cut.

Section 6: Nothing in this franchise shall be construed as to in any manner abridge the right of the City to pass and enforce the necessary police regulations for the purpose of protecting the citizens of the City and their property and the property of the Grantee. Grantee shall comply with all construction permitting processes of the City of Kimberling City, including any fees and charges for issuing such permits. Grantee shall be required to post bond for its construction work or other written assurance acceptable to Kimberling City's City Attorney.

Grantee shall at all times keep and display the necessary danger signals and proper guards around all excavations and obstructions including, but not limited to, all barricades, cones, and flagpersons in accordance with the latest Missouri Highway & Transportation Department Manual on work zone traffic safety and also comply with all City of Kimberling City requirements on work zone traffic safety, and shall keep sufficient space in good condition for the travel of vehicles on at least one side of all excavations and obstructions, and shall as soon as practicable restore all openings of the highway, road, street avenue, alley and other public places to a condition equally as good as before said openings or obstructions were made.

Section 7: The Grantee shall do no injury to any highway, road, street, avenue, alley, lane, bridge, stream or water course, park, or public place, or in any manner disturb or interfere unnecessarily with any electric lines or with any public or private sewer or drainage system, or water lines, now or hereafter laid or constructed by the City or by any authorized person or entity. Whenever because of public necessity or welfare, the City engages in any public improvement construction project on any property owned by the City or dedicated solely or in part for public use, and a portion of Grantee's system interferes with or obstructs such public improvement project, Grantee shall, as soon as reasonably possible after written request from the City, alter, reset, or relocate at its own expense such portions of Grantee's system located on such property for which the sole legal basis for occupancy is this franchise ordinance; provide however, that where the City acquires additional property or right-of-way over Grantee's existing system, such alteration, resetting, or relocation shall be at the expense of the City. The Grantee shall fully indemnify and save harmless the City from any and all claims for damages for which said City shall or might be made or become liable by reason of the granting of this franchise, or any negligence or carelessness on the part of said Grantee, or because of any act or omission of the Grantee in the construction and operation of its system of mains and pipes.

Section 8: The Grantee shall supply natural gas under the terms and conditions herein specified to all applicants for natural gas or service, when said applicants occupy premises on or abutting the streets, avenues, or other public places in which such gas mains or conduits are laid. The Grantee shall have the right to make and enforce a written agreement with all applicants for natural gas; and to establish the rates to be charged for natural gas, according to law, and fixing the terms and conditions upon which natural gas is to be served, all in accordance with the tariffs, rules and regulations approved and governed by the Missouri Public Service Commission. All such contractors are to conform with the state and federal laws and regulations governing same.

Section 9: A. Service Line Extensions

- (1) The Grantee will furnish meters, regulators and accessories at no cost to measure the consumption of gas by the customer. The Grantee also will furnish at no cost a portion of the service extending from the main distribution tap to the service customer.
- (2) For residential or commercial applicants, the Grantee will furnish, at its own expense, an average of 125 feet of service line per meter from right-of-way line to owner's access point. Applicants requiring the installation of pipe over 125 feet will be required to pay in advance non-refundable aid to construction charges equal to \$3.00 per foot.
- (3) Service lines placed for the industrial applicants (as defined by the tariff) will be installed and billed on an individual basis depending on the economic feasibility of the extension.
- (4) All parts and portion of service line and main distribution line extensions shall remain the property of the Grantee.

B. Main Distribution Line Extensions

- (1) When at the request of residential or commercial applicant(s), it is necessary to extend a main distribution line, the Grantee will furnish, at its own expense, an average of 200 feet per service meter.
- (2) For extensions in excess of the 200 feet per meter, the Grantee will require an advance deposit from the applicant(s) an amount equal to \$12.50 per foot. The Grantee will refund with interest a prorated share of the extension deposit to the participating customer(s) for each additional customer connected to the extension within a five (5) year period. After five (5) years, the Grantee will refund any unrefunded deposits above the actual cost of the extension.
- (3) Where an applicant along the extension refuses to participate in the extension, and within three (3) years after completion of the extension, the applicant will be considered in redetermining the cost of the original extension, the applicant then will be required to make a deposit on the prorated share of the extension as specified in (2) above.
- (4) Customers with aid-to-construction deposits held by the Grantee and discontinuing service within the five (5) year period will not be eligible for deposit refunds.
- (5) Distribution line extensions placed for industrial customers (as defined by the tariff) will be installed and billed on an individual case basis depending on the economic feasibility of the extension.

C. Main Distribution Line Extensions to Undeveloped Subdivisions, Mobile Home Parks and Industrial Parks

- (1) Before the Grantee will consider extending a main distribution line to undeveloped areas, the developer(s) must present to the Grantee a subdivided

plat specifying the size and number of building lots and all planned streets, roads, alleys and available easements. Furthermore, the Grantee will require the developer(s) to provide a copy of the property deed(s) and evidence that they meet all local and/or county zoning requirements. The Grantee reserves the right to develop a forecast and make a decision regarding construction of the main based on the feasibility of the project.

(2) The Grantee will install distribution main lines in planned streets, roads, alleys and rights-of-way along the shortest practical route provided that the applicable right-of-way agreement(s) and other conditions are satisfactory.

(3) For extensions of main distribution lines into undeveloped subdivisions and mobile home parks, the Grantee will require an advance deposit from the developer(s) an amount equal to the estimated cost of constructing such facilities.

Section 10: The Grantee shall Furnish promptly to the proper authorities any and all information which may be required by them in regard to the size, location, or depths of any pipes, mains conduits or service pipes, in any form whatsoever, and any other information in regard to its occupation of roads, highways, streets, avenues, or public grounds of said City. Whenever the word Grantee occurs on the ordinance, it shall mean and it shall be understood to be Ozark Energy Partners, LLC, and wherever the words "authorities" occur in the franchise they shall mean and shall be understood to mean the authorized officer or officers, committee or board representing the City of Kimberling City or Grantor, and/or such state or federal authority, having jurisdiction over the installation and operation of natural Gas Distribution Systems.

Section 11: The Franchise shall take effect and continue and remain in force for a period of twenty (20) years, from and after the date of the first service of natural gas to a user within the City limits of said City of Kimberling City.

Section 12: Be it further stipulated that the Grantee, shall have twenty-four (24) months from the final approval of the Public Service Commission, State of Missouri, granting a Certificate of Convenience and Necessity to Ozark Energy Partners, LLC, and not longer, in which to begin the actual laying of pipes lines and laterals for the distribution of natural gas in said City and shall furnish gas to those so promised, within two (2) years of the date beginning construction of the gas distribution system in the City of Kimberling City. A failure on the part of the Grantee, to comply the work foregoing provisions of the section as to the time in which to begin the work shall render null and void this ordinance; it is further provided, however, that upon showing by the Grantee, that the actual construction in said City has been delayed due to the Grantee's inability to secure necessary pipes or other materials, or due to acts of God, the period allowed above shall be automatically extended for an additional period as required by the delay.

Grantee shall apply for a Certificate of Convenience and Necessity to the Public Service Commission, State of Missouri, or such other governmental agency as required by granting such rights within one (1) year of the approval and reification by the voters of the City of

Kimberling City of this ordinance and failure to do so with in one year will render this ordinance null and void.

Notwithstanding such, Grantee shall have the duty to serve all applicants within the City limits as required by the Public Service Commission of Missouri.

Section 13: Be it further ordained, that the rates charged and the service tendered for domestic, commercial and industrial consumption of natural gas shall be reasonable and as approved by the Public Service Commission or the Commission or other Regulatory Body the having jurisdiction over rates of the public utilities having jurisdiction in the State of Missouri.

Section 14: This Ordinance shall take effect and shall be in full force and effect from and after its passage, approval and ratification by a majority of the voters of the City of Kimberling City, Missouri, at an election duly called and held.

Section 15: It is hereby agreed that Grantee shall pay an annual franchise fee to the City of Kimberling City, for the rights and privileges granted above, all based upon the gross receipts received for the sale or transportation of natural gas into or within the City limits of said City, exclusive of taxes, from the period and date that the first customer is served the natural gas, as follows:

1 st year	Zero
2 nd year	2% of sales
3 rd year (and thereafter)	5% of sales

It is agreed that the City may excuse from such fees any new enterprise or industry as the City so determines.

Grantee shall provide to the City of Kimberling City a quarter-annual written report of gross sales and transportation receipts and detail the number of customers served, and provide quarter-annual payments of the then due franchise fees.

Section 16: Upon commencement of construction, Grantee shall maintain all hazard and liability insurance required in an amount of net less than \$1,000,000; and the City will be named as co-insured under any and all of said policies. Grantee shall file all required proofs of insurance with the Kimberling City City Clerk and said proofs shall be files prior to commencement of construction. Grantee shall keep all insurance coverage in full force and effect until excused from doing so by City. A failure to maintain insurance by Grantee shall be a material breach of this Agreement and entitle City to terminate this contract and recover all incidental damages incurred due to this breach.

Section 17: This ordinance shall take effect and be in force from and after its passage and approval provided that written acceptance by Ozark Energy Partners, LLC, shall be filed with the Clerk of the City of Kimberling City, its acceptance by the Board of Aldermen.

Section 18: If any section, paragraph, subdivision, clause, phrase, or provision of this ordinance shall be adjudged invalid or unconstitutional, the same shall not affect the validity of the ordinance as a whole, or any remaining parts or provisions, other than the part so decided to be invalid or unconstitutional.

Section 19: That an election shall be held in said City on the 7th day of Nov. 2006, For the purpose of ratifying this ordinance. The City Clerk shall be and is hereby ordered and directed to send to the County Clerk of Stone County, Missouri such notices as are required by law.

The County Clerk is hereby requested to designate voting places in the respective wards or precincts. The County Clerk is hereby requested to give notice of this election by publication of the notice hereinafter set out, as required by law.

That the County Clerk is hereby requested to cause the notices of said election, including a sample ballot, to be printed and published as aforesaid, the notice to be insubstantially the following form, to-wit:

Pursuant to an Ordinance duly passed by the Board of Aldermen of the City of Kimberling City, Missouri, and approved by the Mayor thereof, being Ordinance No. 309, notice is hereby given that an election will be held in the various wards and voting precincts of said City on Tuesday, the 7th day of Nov. 2006 for the purpose of voting upon the following proposition, to-wit:

To ratify and approve said Ordinance No. 309 and to grant thereby to Ozark Energy Partners, LLC, its successors and assigns, the right to use the streets, avenues, lanes, alley, and other public grounds and ways in the City of Kimberling City, Missouri, as its limits now exist or may be altered, for the purpose of constructing and maintaining an underground natural gas system, with pipes, meters and other apparatus, equipment and appliances necessary therefore, subject to reasonable supervision of the Board of Aldermen as to the place of burying the pipes for said purposes; and for the purpose of procuring, distributing and selling natural gas to the City and the inhabitants thereof for power, heat and any other purpose under regulation of the Missouri Public Service Commission for a period of twenty (20) years, all as provided in said ordinance.

The polls will be open for said election on said day at each of the voting places prescribed herein from ____ o'clock in the forenoon until ____ o'clock in the afternoon.

Sample Ballot Language

Shall Ordinance No. 309 of the City of Kimberling City, Missouri, granting to Ozark Energy Partners, LLC, its successors and assigns the right and franchise for a period of twenty (20) years to use the streets, alleys, and other public grounds and ways in the City of Kimberling City for the construction, installation, and operation of a natural gas service to the

City, providing for a franchise fee on the company which will be passed through to natural gas customers be approved and ratified?

YES

NO

This election has been called by the City of Kimberling City upon the order and direction of the Mayor and Board of Aldermen and is being conducted by the County Clerk of Stone County. Done by the County Clerk of Stone County upon order of the Mayor and Board of Alderman of the City of Kimberling City, Missouri, by said Ordinance No. 309 passed and approved on the 15th day of August, 2006.

County Clerk

That the County Clerk is hereby requested to provide the necessary poll books, tally sheets tally books, and other election supplies required by law and further to prepare and have printed ballot card to be used at said election which may be tabulated by automatic tabulating equipment after being properly voted. Said ballot card shall be in the form set forth above.

Section 20: The City's proportional cost and expense of the election on the 7th day of Nov., 2006 shall be shared equally by the City of Kimberling City and Ozark Energy Partners, LLC.

Section 21: This ordinance shall be in full force and effect upon its passage and approval.

PASSED AND APPROVED BY THE BOARD OF ALDERMAN OF THE CITY OF KIMBERLING CITY, MISSOURI THIS 15th DAY OF Aug., 2006.

APPROVED:

George R. Quest, Jr.
George R. Quest, Jr., Mayor

ATTEST:

M. Elaine Kahler
M. Elaine Kahler, City Clerk

Highlandville

Passed and Approved, July 25, 2006

Ratified by the voters, November 7, 2006

AN ORDINANCE GRANTING A FRANCHISE BY THE CITY OF HIGHLANDVILLE, COUNTY OF CHRISTIAN COUNTY, MISSOURI, TO OZARK ENERGY PARTNERS, LLC, IT'S SUCCESSORS AND ASSIGNS, THE RIGHT TO FURNISH, SELL, AND DISTRIBUTE GAS TO THE CITY AND TO ALL PERSONS, BUSINESSES AND INDUSTRIES WITHIN THE CITY AND THE RIGHT TO ACQUIRE, CONSTRUCT, INSTALL, LOCATE, MAINTAIN, OPERATE AND EXTEND INTO, WITHIN AND THROUGH SAID CITY ALL FACILITIES RESONABLY NECESSARY TO FURNISH, SELL, AND DISTRIBUTE GAS TO THE CITY AND TO ALL PERSONS, BUSINESSES AND INDUSTRIES WITHIN THE CITY AND IN THE TERRITORY ADJACENT THERETO AND THE RIGHT TO MAKE RESONABLE USE OF ALL STREETS AND OTHER PUBLIC PLACES AS MAY BE NECESSARY, AND FIXING THE TERMS AND CONDITIONS THEREOF.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF HIGHLANDVILLE, OF CHRISTIAN COUNTY, MISSOURI.

ARTICLE I

Definitions

For the purpose of this franchise, the following words and phrases shall have the meaning given in this article. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the single number include the plural number. The word "shall" is mandatory and "may" is permissive. Words not defined in this article shall be given common and ordinary meaning.

1.1 "Board of Aldermen" refers to and is the legislative body of the City of Highlandville.

1.2 "Company" refers to and is Ozark Energy Partners, LLC., a Missouri corporation formed

to provide natural gas service in Missouri, and it's successors and assigns.

1.3 "Distribution Facilities" refer to and are only those facilities reasonably necessary to provide gas within the City.

1.4 "Facilities" refer to and are all facilities reasonably necessary to provide gas into, within and through the City and include pipelines and mains, service lines, meters, regulator stations, plants and equipment.

1.5 "Gas" or "Natural Gas" refers to and includes such gaseous fuels as natural, artificial, synthetic, liquefied natural, liquefied petroleum, manufactured, or any mixture thereof.

1.6 "Public Service Commission" refers to and is the Public Service Commission of the State of Missouri.

1.7 "Revenues" refer to and are those amounts of money which the Company receives from its residential and commercial customers within the City for the sale and transport of gas under rates, temporary or permanent, authorized by The Public Service Commission of the State of Missouri and represents amounts billed under such rates as adjusted for refunds, the net write-off of uncollectible accounts, corrections or other regulatory adjustments.

1.8 "Streets and Other Public Places" refer to and are streets, alleys, viaducts, bridges, roads, lanes, easements, public ways and other public places in said City.

1.9 "City" refers to and is the City of Highlandville Christian County, Missouri, and includes the territory as currently is or may in the future be included within the boundaries of the City of Highlandville.

ARTICLE II

GRANT OF FRANCHISE

2.1 Grant of Franchise. The City hereby grants to the Company, for the period specified and subject to the conditions, terms and provisions contained in this Ordinance, the right to transport, sell and distribute gas to the City and to all persons, businesses and industries within the City; the right to acquire, construct, install, locate, maintain, operate and extend into, within and through the City all

Facilities reasonably necessary to provide gas to the City and to all persons, businesses and industries within the City and in the territory thereto; and the right to make reasonable use of all streets and other places as may be necessary to carry out the terms of the ordinance.

2.2 Terms of Franchise. This franchise ordinance shall not be effective unless and until the Grant of Rights, permission and authority herein contained be approved by a majority of the electors voting thereon at an election, pursuant to another ordinance and the franchise herein contained shall be and continue in force and effect for a period of twenty (20) years from the date of such election. Any franchise granted hereunder shall be non-exclusive.

ARTICLE III

FRANCHISE FEE

3.1 Franchise Fee. In consideration for the grant of this franchise, the Company shall collect and remit to the City a sum not to exceed zero % 1st year, 2nd year 2%, 3rd year and thereafter 5% of the sales revenues derived annually from the sale of gas within the City, excluding the amount received from the City itself for gas service furnished it. Quarterly franchise fee payments shall be made within thirty (30) days after the end of each calendar quarter. Payments at the beginning and end of the franchise shall be prorated. Franchise fee shall be waived for gas sales during the first 12 calendar months in which Company provides gas service to customers within the City.

3.2 Franchise Fee Payment in Lieu of Other Fees. Payment of the franchise fee by the Company is accepted by the City in lieu of any occupancy tax, license tax, permit charge, inspection fee or similar tax, assessment or excise upon the pipes, mains, meters, or other personal property of the Company or on the privilege of doing business or in connection

but does not exempt the Company from any lawful taxation upon its real property or any other tax not related to the franchise or the physical operation thereof

ARTICLE IV

CONDUCT OF BUSINESS

4.1 Conduct of Business. The Company may establish, from time to time, such rules, regulations, terms and conditions governing the conduct of its business as shall be reasonably necessary to enable the Company to exercise its rights and perform its obligations under this franchise; provided, however, that such rules, regulations, terms and conditions shall not be in conflict with the laws of the State of Missouri.

4.2 Tariffs on File. The Company shall keep on file in its nearest office copies of all its tariffs currently in effect and on file with the Public Service Commission of Missouri. Said tariffs shall be available for inspection by the Public.

4.3 Compliance with PSC Regulations. The company shall comply with all rules and regulations adopted by the Public Service Commission of Missouri.

4.4 Compliance with Company Tariffs. The Company shall furnish gas within the City to the City and to all persons, businesses and industries within the City at the rates and under the terms and conditions set forth in its tariffs on file with the Public Service Commission of Missouri.

4.5 Applicability of Company Tariffs. The City and the Company recognize that the lawful provisions of the Company's tariffs on file and in effect with the Public Service Commission of Missouri are controlling over any inconsistent provision in this franchise dealing with the same subject matter.

ARTICLE V

CONSTRUCTION, INSTALLATION & OPERATION OF COMPANY FACILITIES

5.1 Location of Facilities. Company facilities shall not interfere with the City's water mains, sewer mains or other municipal use of streets and other public places. Company facilities shall be located so as to cause minimum interference with public use of streets and other public places and shall be maintained in good repair and condition.

5.2 Excavation and Construction. All construction, excavation, maintenance and repair work done by the Company shall be done in a timely and expeditious manner which minimizes the inconvenience to the public and individuals. All such construction, excavation, maintenance and repair work done by the Company shall comply with all federal, state and local codes. All public and private property whose use conforms to restrictions in easements disturbed by Company construction or excavation activities shall be restored as soon as practical by the Company at its expense to substantially its former condition. The Company shall comply with the City's requests for reasonable and prompt action to remedy all damage to private property adjacent to streets or dedicated easements where the Company is performing construction, excavation, maintenance or repair work. The town reserves the right to restore property and remedy damages caused by Company activities at the expense of the Company in the event the Company fails to perform such work within a reasonable time after Notice from the City.

5.3 Relocation of Company Facilities. If at any time the City requests the Company to relocate any distribution gas main or service connection installed or maintained in streets or other public places in order to permit the City to change street grades, pavements, sewers, water mains or other City works, such relocation shall be made by the Company at its expense. The Company is not obligated hereunder to relocate any facilities at its expense which were installed in private easements

obtained by the Company, the underlying fee of which was, at some point subsequent to installation, transferred to the City. Following relocation, all property shall be restored to substantially its former condition by the Company at its expense.

5.4 Service to New Areas. If during the term of this franchise the boundaries of the City are expanded, the Company shall extend service to the newly incorporated areas. Service to annexed areas shall be in accordance with the terms of this franchise agreement and the Company's tariffs, rules and regulations then in effect. Company shall not be required to extend service if Company is unable to obtain an adequate gas supply to serve additional customers, nor where such extension is not economically feasible for the Company.

5.5 Restoration of Service. In the event the Company's gas system, or any part thereof, is partially or wholly destroyed or incapacitated, the Company shall use due diligence to restore its system to satisfactory service within the shortest practicable time.

5.6 Supply and Quality of Service. The Company shall make available an adequate supply of gas to provide service in the City. The Company's facilities shall be of sufficient quality, durability, and redundancy to provide adequate and efficient gas service to the City.

5.7 Safety Regulations by the City. The City reserves the right to adopt, from time to time, reasonable regulations in the exercise of its police power which are necessary to ensure the health, safety and welfare of the public, provided that such regulations are not destructive of the rights granted herein. The Company agrees to comply with all such regulations, in the construction, maintenance and operation of its facilities and in the provision of gas within the City.

5.8 Inspection, Audit and Quality Control. The City shall have the right to inspect, at all reasonable times, any portion of the Company's system used to serve the City and its residents. The City also shall have the right to inspect and conduct an audit of Company records relevant to

compliance with any terms of this ordinance at all reasonable times. The Company agrees to cooperate with the City in conducting the inspection and/or audit to correct any discrepancies affecting the City's interest in a prompt and efficient manner.

5.9 Liability. The Company shall hold said City harmless from all liability imposed upon it on account of injury or damage to person or property caused by Company, its contractors, agents or employees in the course of or in connection with the installation, removal, operation or maintenance of pipelines and mains, service lines, meters and other utility equipment in public places in the City in the exercise of any of the rights and privileges conferred by this franchise.

ARTICLE VI

ASSIGNMENT; SAVINGS CLAUSE, AMENDMENT

6.1 Assignment. Nothing in this Ordinance shall prevent the Company from assigning its rights under this franchise. Any successors or assigns shall notify the City by a simultaneous informational filing with the City Clerk all documents required by the Missouri Public Service Commission to authorize change of control of Company. All successors and assignees are bound by the terms of this franchise agreement.

6.2 Savings Clause. If any portion of this franchise Ordinance is declared illegal or void by a court of competent jurisdiction, the remainder of the Ordinance shall survive and not be affected thereby.

with the physical operation thereof,

ARTICLE VII

EXPIRATION OF FRANCHISE OR CONDEMNATION; RIGHT OF FIRST PURCHASE

7.1 Expiration of Franchises; Purchase or Condemnation. If at any time of expiration of the franchise granted under this Ordinance no extension or renewal had been negotiated between the City and the Company, the Company shall have the right to remove it's distribution facilities from the streets and other public places, but only after the City has had sufficient time to purchase or condemn said facilities. In removing it's facilities, the Company shall remove in a workmanlike manner, at the Company's expense, from the streets and other public places all distribution facilities belonging to the Company which are not purchased be the City at the expiration of the franchise. All public property shall be restored by the Company to it's former condition to the extent practicable, after said removal.

Read this first time and second time unanimously and passed by the Board of Aldermen
This 25th day of July, 2006.

ATTEST: Joan Reynolds
Joan Reynolds, City Clerk

Paul Weeks
Paul Weeks, Mayor

Approved this 25th day of July, 2006.

ATTEST: Joan Reynolds
Joan Reynolds, City Clerk

Paul Weeks
Paul Weeks, Mayor

Hollister

Passed and Approved, January 18, 2007

To be ratified by the voters, April 3, 2007

BILL NO. 2007-03 AMENDED

ORDINANCE NO. 07-03

AN ORDINANCE GRANTING A NATURAL GAS FRANCHISE TO EITHER
ALLIANCE GAS ENERGY OR OZARK ENERGY PARTNERS, LLC.

AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE CITY OF HOLLISTER, GRANTING TO EITHER ALLIANCE GAS ENERGY OR OZARK ENERGY PARTNERS, LLC, THE RIGHT AND PRIVILEGE AND FRANCHISE FOR THE LAYING OF GAS MAINS ALONG THE STREETS, AVENUES, ALLEYS, ROADS AND HIGHWAYS AND OTHER PUBLIC PLACES OF THE CITY, FOR THE PURPOSE OF DISTRIBUTING AND SELLING NATURAL GAS TO THE INHABITANTS OF SAID CITY AND TO OTHERS, AND ALSO THE NON-EXCLUSIVE RIGHT TO LAY PIPE LINES IN THE STREETS, ALLEYS, AVENUES, HIGHWAYS, ROADS AND OTHER PUBLIC PLACES AND GROUNDS OF SAID CITY FOR THE PURPOSE OF CONVEYING NATURAL GAS THROUGH AND IN SAID CITY FOR THE DISTRIBUTION OF NATURAL GAS TO THE INHABITANTS OF SAID CITY, AND TO OTHERS BEYOND THE LIMITS OF SAID CITY, FOR DOMESTIC, COMMERCIAL AND INDUSTRIAL PURPOSES, AND PROVIDING THE REGULATION OF SAID GAS DISTRIBUTION SYSTEM, AND OTHER PURPOSES; AND CALLING FOR AN ELECTION TO RATIFY SAME, AND PROVIDING FOR NOTICE THEREOF.

WHEREAS, the City of Hollister has ascertained and hereby declares that there is no natural gas for either domestic, commercial or industrial enterprises within said City; and

WHEREAS, there is a need for an adequate supply of natural gas for the health and welfare of the City; and

WHEREAS, it is necessary to begin the construction of pipe lines and a natural gas distribution system within said City, in order that natural gas may be made available for the citizens of Hollister, Missouri, and all users of natural gas as soon as practical.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF HOLLISTER, MISSOURI, THAT:

Section 1: The City of Hollister, subject to the terms, conditions and stipulations mentioned in this ordinance, consents and grants the non-exclusive right, permission and franchise as is hereby given to either Alliance Gas Energy or Ozark Energy Partners, LLC, the non-exclusive right to lay, construct, equip, operate, repair and maintain a system of gas mains, pipes, conduits, and feeders for the purpose of supplying and distributing natural gas for light, fuel, power, and heat and for any other purpose, to the residents or inhabitants of the said City; and further the non-exclusive right to lay, construct, operate and maintain a system of gas mains, pipe lines, pipe conduits and feeders and the necessary attachments, connections, fixtures and appurtenances for the purpose of conveying, conducting, or distributing natural gas from any point beyond said City limits in order to enable the said Grantee to distribute

and sell natural gas to the said City and to the residents or inhabitants thereof, and to others.

Section 2: The Grantee herein is expressly given the non-exclusive permit subject to the approval of the City of plans showing specific locations, to use the streets, avenues, roads, highways, alleys, sidewalks and other public places, as now laid out, or hereafter to be established for the purpose of laying gas mains, pipe lines, conduits and feeders, and the necessary attachments, fixtures, connections, and appurtenances for the purpose of conveying or conducting natural gas in and to any point within the said City and to operate and maintain a system of pipe lines, pipes, conduits, feeders and the necessary attachments, connections, fixtures and appurtenances for the distribution of natural gas within said City and to serve the said City, the residents and inhabitants thereof, and others; provided, however, that where alleys are accessible for laying mains and pipes, the City shall have the right to require that the mains and pipes be laid in the alleys instead of the streets, and plans for the laying and construction of said mains and lines must be submitted to the Board of Aldermen or to a specifically appointed representative thereof, and no construction may begin until final written approval of said plans is obtained.

Section 3: Subject to the provision in Section 2 hereof, the main pipes of the Grantee may be laid in the highways, roads, streets, avenues, alleys and other public places as now laid out or as the same shall hereafter be established, and when laid in highways, roads, avenues, streets, alleys, and other public places the same shall be laid in accordance with the lines and grades now established or hereafter to be established by the City, provided that such main pipes and service pipes be laid at the minimum depth of eighteen inches below the grade of streets, alleys or ditches. All construction shall meet the requirements of the State of Missouri, the Building and Construction Codes of the City of Hollister, now in existence or as amended, and the Natural Gas Pipeline Safety Act of the Federal Government, including the latest amendments.

Section 4: Semi-annually, and on the 1st day of July, and the 1st day of January, the Grantee shall provide to the City of Hollister, at least two (2) copies of completely revised and updated system maps showing the exact location of all lines currently installed within the City of Hollister. The City of Hollister has established a mapping system for its sewer and water lines and the Grantee shall utilize the same computer system and mapping program for their gas line locations so that any changes and improvements can be quickly and readily reflected upon the overall city mapping system. The City shall provide to the Grantee its water and sewer line maps and locations at any reasonable time.

Section 5: It is provided that in the opening and filling of all openings by the Grantee, it shall re-lay the pavements and do all other work necessary to provide the complete restoration of the streets, sidewalks or grounds to the condition equally as good prior to such disturbance, and shall restore said streets, sidewalks or grounds in accordance with the "CITY OF HOLLISTER'S TECHNICAL SPECIFICATIONS, INCLUDING ANY AMENDMENTS", and when the Grantee shall open any ground in said City for the purpose of laying any gas pipe or for any other purpose whatsoever, the Grantee shall open no more space at any one time or at any one place, nor keep the same open any longer than is necessary to properly execute the work for which same shall have been opened, and it is especially required that in all cases where work requires the exercise of skill, as the laying or re-laying of pavements or sidewalks, the Grantee shall employ skilled workmen familiar with the execution of such work. The

re-laying or refilling of the sidewalks and pavements, all of the repair and replacement of pavement, sidewalks, and other grounds disturbed for the laying of the said pipes, shall be at the sole expense of the Grantee. Whenever any ditch or trench shall have been opened by Grantee, it will proceed with all reasonable diligence and continuous work to complete said work and close said ditch or trench without delay. The City of Hollister must approve all work when completed and if restoration does not meet the City's standards, Grantee will immediately remove and replace all said work in accordance with the requirements herein specified. Nothing in this ordinance shall grant to Grantee the right or permission to enter upon private property or perform work upon private property without the prior written consent of the owner thereof. Prior to cutting across any property owner's driveway, on public property, Grantee must notify the owner and provide alternate routes for said owner during said cut.

Section 6: Nothing in this franchise shall be construed as to in any manner abridge the right of the City to pass and enforce the necessary police regulations for the purpose of protecting the citizens of said City and their property and the property of the Grantee. Grantee shall comply with all construction permitting processes of the City of Hollister, including any fees and charges for issuing such permits. Grantee shall be required to post bond for its construction work or other written assurance acceptable to Hollister's City Attorney.

Grantee shall at all times keep and display the necessary danger signals and proper guards around all excavations and obstructions including, but not limited to, all barricades, cones and flagmen in accordance with the latest Missouri Highway & Transportation Department Manual on work zone traffic safety and also comply with all City of Hollister requirements on work zone traffic safety, and shall keep sufficient space in good condition for the travel of vehicles on at least one side of all excavations and obstructions, and shall as soon as practicable restore all openings of the highway, road, street, avenue, alley and other public places to a condition equally as good as before said openings or obstructions were made.

Section 7: The Grantee shall do no injury to any highway, road, street, avenue, alley, lane, bridge, stream or water course, park or public place, or in any manner disturb or interfere unnecessarily with any electric lines or with any public or private sewer or drainage system, or water lines, now or hereinafter laid or constructed by the City or by any authorized person or corporation. Whenever because of public necessity or welfare, the City engages in any public improvement construction project on any property owned by the City or dedicated wholly or in part for public use, and a portion of Grantee's plant system interferes with or obstructs such public improvement project, Grantee shall, as soon as reasonably possible after written request from the City, alter, reset, or relocate at its own expense such portions of Grantee's plant system located on such property for which the sole legal basis for occupancy is this franchise ordinance; provided, however, that where the City acquires additional property or right-of-way over Grantee's existing plant system, such alteration, resetting or relocation shall be at the expense of the City. The Grantee shall fully indemnify and save harmless the City from any and all claims for damages for which said City shall or might be made or become liable by reason of the granting of this franchise, or any negligence or carelessness on the part of said Grantee, or because of any act or omission of the Grantee in the construction and operation of its system of mains and pipes.

All easements, right-of-ways or other forms of corridors secured by the Grantee, for the purpose of providing service within the city shall be dedicated as utility easements

or public right-of-ways and as such be made available, without cost for city owned and operated utility use. The Grantee would be reimbursed for any and all costs associated with relocation, modification, and/or adjustment required by City activities within Grantee secured easements. The City of Hollister would meet all codes and state requirements related to joint trenching and co-existence within the easement.

Section 8: The Grantee shall supply natural gas under the terms and conditions herein specified to all applicants for natural gas or service, when said applicants own an occupied premises on or abutting the streets, avenues, or other public places in which such gas mains or conduits are laid.

The Grantee shall have the right to make and enforce a written agreement with all applicants for natural gas; and to establish the rates to be charged for natural gas, according to Section 12 hereof and fixing the terms and conditions upon which natural gas is to be served, all in accordance with tariffs, rules and regulations approved and governed by the Missouri Public Service Commission. All such contractors are to conform with the state and federal laws and regulations governing same.

Section 9: (a) Service Line Extensions

- (i.) The Grantee will furnish meters, regulators and accessories at no cost to measure the consumption of gas by the customer. The Grantee also will furnish at no cost the portion of the service extending from the main distribution tap to the service meter.
- (ii.) For residential or commercial applicants, the Grantee will furnish, at its own expense, an average of 125 feet of service line per meter from right-of-way line to owner's access point. Applicants requiring the installation of pipe over 125 feet will be required to pay in advance non-refundable aid-to-construction charges equal to \$3.00 per foot.
- (iii.) Service lines placed for the industrial applicants (as defined by the tariff) will be installed and billed on an individual case basis depending on the economic feasibility of the extension.
- (iv.) All parts and portions of service line and main distribution line extensions shall remain the property of the Grantee.

(b) Main Distribution Line Extensions

- (i.) When at the request of residential or commercial applicant(s), it is necessary to extend a main distribution line; the Grantee will furnish, at its own expense, an average of 200 feet of main distribution pipe per service meter.
- (ii.) For extensions in excess of the 200 feet per meter, the Grantee will require an advance deposit from the applicant(s) an amount equal to \$12.50 per foot. The Grantee will refund with interest a prorated share of the extension deposit to the participating customer(s) for each additional customer connected to the extension within a five (5) year period. After five (5) years, the Grantee will refund any unrefunded deposits above the actual cost of the extension installation.

- (iii.) Where an applicant along the extension refuses to participate in the extension, and within three (3) years after completion of the extension, the applicant will be considered in redetermining the cost of the original extension, the applicant then will be required to make a deposit on the prorated share of the extension as specified in (ii) above.
- (iv.) Customers with aid-to-construction deposits held by the Grantee and discontinuing service within the five (5) year period will not be eligible for deposit refunds.
- (v.) Distribution line extensions placed for industrial customers (as defined by the tariff) will be installed and billed on an individual case basis depending on the economic feasibility of the extension.

(c) Main Distribution Line Extensions to Undeveloped Subdivisions and Industrial Parks

- (i.) Before the Grantee will consider extending a main distribution line to undeveloped areas, i.e., subdivisions, trailer parks, industrial parks, the developer(s) must present to the Grantee a subdivided plat specifying the size and number of building lots and all planned streets, roads, alleys and available easements. Furthermore, the Grantee will require the developer(s) to provide a copy of the property deed(s) and evidence that they meet all local and/or county zoning requirements. The Grantee reserves the right to develop a forecast and make a decision regarding construction of the main based on the feasibility of the project.
- (ii.) The Grantee will install distribution main lines in planned streets, roads, alleys and rights-of-way along the shortest practical route provided that the requirements of this agreement are met.
- (iii.) For extensions of main distribution lines into undeveloped subdivisions, the Grantee will require an advance deposit from the developer(s) an amount equal to the estimated cost of constructing such facilities:

Section 10: The Grantee shall furnish promptly to the proper authorities any and all information which may be required by them in regard to the size, location, or depths of any of the pipes, mains, conduits or service pipes, in any form whatsoever, and any other information in regard to its occupation of roads, highways, streets, avenues or public grounds of said City. Whenever the word Grantee occurs in this ordinance, it shall mean and it shall be understood to be either Alliance Gas Energy or Ozark Energy Partners, LLC, and wherever the words "authorities" or "property authorities" occur in this franchise they shall mean and shall be understood to mean the authorized officer or officers, committee or board representing the City of Hollister as Grantor, and/or such state or federal authority, having jurisdiction over the installation and operation of Natural Gas Distribution Systems.

Section 11: This franchise shall take effect and continue and remain in force for a period of twenty (20) years, from the date established by ratification by the vote of the City of Hollister, of this ordinance.

Section 12: Be it further stipulated that the Grantee, shall have twenty-four (24) months from the final approval of the Public Service Commission, State of Missouri, granting a Certificate of Convenience and Necessity to either Alliance Gas Energy or Ozark Energy Partners, LLC, and not longer, in which to begin the actual laying of pipe lines and laterals for the distribution of natural gas in said City and shall furnish gas to those so promised, within two (2) years of the date beginning construction of the gas distribution system in Hollister. A failure on the part of the Grantee, to comply with the foregoing provisions of this section as to the time in which to begin the work shall render null and void this ordinance; it is further provided, however, that upon a showing by the Grantee, that the actual construction in said City has been delayed due to the Grantee's inability to secure necessary pipe or other materials, or due to acts of God, the period allowed above shall be automatically extended for an additional period as required by the delay.

Once construction has started it will continue, without pause until a predetermined phase is complete.

Grantee shall apply for a Certificate of Convenience and Necessity to the Public Service Commission, State of Missouri, or such other governmental agency as required by law granting such rights within one (1) year of the approval and ratification by the voters of the City of Hollister of this ordinance and failure to do so within one year will render this ordinance null and void.

Notwithstanding such, Grantee shall have the duty to serve all applicants within the City limits as required by the Public Service Commission of Missouri.

Section 13: Be it further ordained, that the rates charged and the service rendered for domestic, commercial and industrial consumption of natural gas shall be reasonable and as approved by the Public Service Commission or the Commission or other regulatory body then having jurisdiction over rates of public utilities having jurisdiction in the State of Missouri.

Section 14: This Ordinance shall take effect and shall be in full force and effect from and after its passage, approval and ratification by a majority of the voters of Hollister, Missouri, at an election duly called and held as set out herein.

Section 15: It is hereby agreed that Grantee shall pay an annual franchise fee to the City of Hollister, for the rights and privileges granted above, all based upon the gross receipts received for the sale or transport or transportation of natural gas into or within the City limits of said City, exclusive of taxes, from the period and date that the first customer is served natural gas at an initial rate of 5% of sales, to be established, from time to time, by the Board of Aldermen.

It is agreed that the City may excuse from such fees any new enterprise or industry as the City so determines.

Grantee shall provide to the City of Hollister a quarter-annual written report of gross sales and transportation receipts and detail the number of customers served, and provide quarter-annual payments of the then due franchise fees.

Grantee shall also provide an annual audit at Grantee's expense.

Section 16: Upon commencement of construction, Grantee shall maintain all hazard and liability insurance required in an amount of not less than \$2,000,000; and the City will be named as co-insured under any and all of said policies. Grantee shall file all required proofs of insurance with the Hollister City Clerk and said proofs shall be filed prior to commencement of construction. Grantee shall keep all insurance coverages in full force and effect until excused from doing so by City. A failure to maintain insurance by Grantee shall be a material breach of this Agreement and entitle City to terminate this contract and recover all incidental damages incurred due to this breach.

Section 17: This ordinance shall take effect and be in force from and after its passage and approval provided that written acceptance by either Alliance Gas Energy or Ozark Energy Partners, LLC, shall be filed with the Clerk of the City of Hollister, its acceptance as provided in Section 13 thereof and recorded with the County of Taney.

Section 18: If any section, paragraph, subdivision, clause, phrase, or provision of this ordinance shall be adjudged invalid or unconstitutional, the same shall not affect the validity of this ordinance as a whole, or any remaining parts or provisions, other than the part so decided to be invalid or unconstitutional.

Section 19: That an election shall be held in said City on the 3rd day of April, 2007, for the purpose of ratifying this ordinance. The City Clerk shall be and is hereby ordered and directed to send to the County Clerk of Taney County, Missouri, such notices as are required by law.

The County Clerk is hereby requested to designate voting places in the respective wards or precincts, as follows:

VOTING PLACES

WARD I

HOLLISTER TOWN HALL

WARD II

HOLLISTER MIDDLE SCHOOL

The County Clerk is hereby requested to appoint four (4) judges for each voting place and to designate two (2) of the judges for each voting place as supervisory judges, all such appointments and designations to be done in accordance with the applicable statutes.

The County Clerk is hereby requested to give notice of this election by publication of the notice hereinafter set out, as follows:

TWICE IN THE BRANSON DAILY NEWS, A
NEWSPAPER PUBLISHED IN HOLLISTER, MISSOURI

The first publication of such notice shall occur in the second week prior to the election date, and the second publication thereof shall occur within one week prior to said election date.

That the County Clerk is hereby requested to cause the notices of said election, including a sample ballot, to be printed and published as aforesaid, the notice to be insubstantially the following form, to-wit:

NOTICE OF ELECTION

Pursuant to an Ordinance duly passed by the Board of Aldermen of the City of Hollister, Missouri, and approved by the Mayor thereof, being Ordinance No. 07-03, notice is hereby given that an election will be held in the various wards and voting precincts of said City on Tuesday, the 3rd day of April, 2007, for the purpose of voting upon the following proposition, to-wit:

To ratify and approve said Ordinance No. 07-03 and to grant thereby to either Alliance Gas Energy or Ozark Energy Partners, LLC, its successors and assigns, the right to use the streets, avenues, lanes, alleys, and other public grounds and ways in the City of Hollister, Missouri, as its limits now exist or may be altered, for the purpose of constructing and maintaining an underground natural gas system, with pipes, meters and other apparatus, equipment and appliances necessary therefore, subject to reasonable supervision of the Board of Aldermen as to the place of burying the pipes for said purposes; and for the purpose of procuring, distributing and selling natural gas to the City and the inhabitants thereof for power, heat and any other purpose under regulation of the Missouri Public Service Commission for a period of twenty (20) years, all as provided in said ordinance.

The polls will be open for said election on said day at each of the voting places prescribed herein from 6:00 o'clock in the forenoon until 7:00 o'clock in the afternoon.

SAMPLE BALLOT CARD

(For use with Automatic Tabulating Equipment)

Shall Ordinance No. 07-03 of the City of Hollister, Missouri, granting to either Alliance Gas Energy or Ozark Energy Partners, LLC, its successors and assigns, the right and franchise for a period of twenty (20) years to use the streets, alleys, and other public grounds and ways in the City of Hollister for the construction, installation, and operation of a natural gas transmission and distribution system to provide natural gas service to the City, and providing for a franchise fee on the company which will be passed through to natural gas customers, be approved and ratified?

YES

NO

INSTRUCTIONS TO VOTERS:

If you are in favor of the question, punch a hole opposite "YES".

If you are opposed to the question, punch a hole opposite "NO".

This election has been called by the City of Hollister upon the order and direction of the Mayor and Board of Aldermen and is being conducted by the County Clerk of Taney County.

Done by the County Clerk of Taney County upon order of the Mayor and Board of Aldermen of the City of Hollister, Missouri, by said Ordinance No. 07-03 duly passed and approved on the 18th day of January, 2007.

County Clerk

That the County Clerk is hereby requested to provide the necessary poll books, tally sheets, tally books, and other election supplies required by law and further to prepare and have printed ballot cards to be used at said election which may be tabulated by automatic tabulating equipment after being properly voted. Said ballot cards shall be in the form set forth above.

Section 20: The City's proportional cost and expense of the election on April 3, 2007 shall be shared equally by the City of Hollister and by either Alliance Gas Energy or Ozark Energy Partners, LLC.

Section 21: This ordinance shall be in full force and effect upon its passage and approval.

Read this first time and second time unanimously and passed by the Board of Aldermen this 18th day of January, 2007.




David G. Tate, Mayor

ATTEST:

APPROVED AS TO FORM:



Sheryl Brashear, C.M.C.
City Clerk



Henry V. Griffin
City Attorney

Reeds Spring

Passed and Approved, January 9, 2007

To be ratified by the voters, April 3, 2007

Ordinance

Bill No. 2007-03

No. 2007-13

AN ORDINANCE OF THE BOARD OF ALDERMEN OF THE CITY OF REEDS SPRING, GRANTING TO OZARK ENERGY PARTNERS, LLC, THE RIGHTS AND PRIVILEGE AND FRANCHISE FOR THE LAYING OF GAS MAINS ALONG THE STREETS, AVENUE ALLEYS, ROADS AND HIGHWAYS AND OTHER PUBLIC PLACES OF THE CITY, FOR THE PURPOSE OF DISTRIBUTING AND SELLING NATURAL GAS TO THE INHABITANTS OF SAID CITY AND TO OTHERS, AND ALSO THE NON-EXCLUSIVE RIGHT TO LAY PIPE LINES IN THE STREETS, ALLEYS, AVENUES, HIGHWAYS, ROADS AND OTHER PUBLIC PLACES AND GROUNDS OF SAID CITY FOR THE PURPOSE OF CONVEYING NATURAL GAS THROUGH AND IN SAID CITY, FOR THE DISTRIBUTION OF NATURAL GAS TO THE INHABITANTS OF SAID CITY, AND TO OTHERS BEYOND THE LIMITS OF SAID CITY, FOR DOMESTIC, COMMERCIAL AND INDUSTRIAL PURPOSES, AND PROVIDING THE REGULATION OF SAID GAS DISTRIBUTION SYSTEM, AND OTHER PURPOSES; AND CALLING FOR AN ELECTION TO RATIFY SAME, AND PROVIDING FOR NOTICE THEREOF.

WHEREAS, the city of Reeds Spring has ascertained and hereby declares that there is no natural gas for either domestic, commercial or industrial enterprises within said City; and

WHEREAS, there is a need for an adequate supply of natural gas for the health and welfare of the City; and

WHEREAS, it is necessary to begin the construction of pipe lines and a natural gas distribution system within said City, in order that natural gas may be made available for the citizens of Reeds Spring, Missouri, and all users of natural gas as soon as practical.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF REEDS SPRING, MISSOURI, THAT:

Section 1: The City of Reeds Spring, subject to the terms, conditions and stipulations mentioned in this ordinance, consents and grants the non-exclusive right, permission and franchise as is hereby given to Ozark Energy Partners, LLC, the non-exclusive right to lay, construct, equip, operate, repair and maintain a system of gas mains, pipes, conduits, and feeders for the purpose of supplying and distributing natural gas for light, fuel, power and for any other purpose, to the residents or inhabitants of the said City; and further the non-exclusive right to lay, construct, operate and maintain a system of gas mains, pipe lines, pipe conduits and feeders and the necessary attachments, connections, fixtures and appurtenances for the purpose of conveying, conducting, or distributing natural gas from any point beyond said City limits in order to enable the said Grantee to distribute and sell natural gas to the said City and to the residents or inhabitants thereof, and to others.

Section 2: The Grantee herein is expressly given the non-exclusive permit subject to the approval of the City of plans showing specific locations, to use the streets, avenues, roads, highways, alleys, sidewalks and other public places, as now laid out, or hereafter to be established for the purpose of laying gas mains, pipe lines, conduits and feeders, and the necessary attachments, fixtures, connections, and appurtenances for the purpose of conveying or conducting natural gas in and to any point within the said City and to operate and maintain a system of pipe lines, pipes, conduits, feeders and the necessary attachments, connections, fixtures and appurtenances for the distribution of natural gas within said City and to serve the said City, the

residents and inhabitants thereof, and others; provided, however, that where alleys are accessible for laying mains and pipes, the City shall have the right to require that the mains and pipes be laid in the alleys instead of the streets, and plans for the laying and construction of said mains and lines must be submitted to the Board of Aldermen or to a specifically appointed representative thereof, and no construction may begin until final written approval of said plans is obtained.

Section 3: Subject to the provision in Section 2 hereof, the main pipes of the Grantee may be laid in the highways, roads, streets, avenues, alleys and other public places as now laid out or as the same shall hereafter be established, and when laid in highways, roads, avenues, streets, alleys, and other public places the same shall be laid in accordance with the lines and grades now established or hereafter to be established by the City, provided that such main pipes and service pipes be laid at the minimum depth of eighteen inches below the grade of the streets, alleys or ditches. All construction shall meet the requirements of the State of Missouri, the Building and Construction Codes of the City of Reeds Spring, now in existence or as amended, and the Natural Gas Pipeline-Safety Act of the Federal Government, including the latest amendments.

Section 4: Semi-annually, and on the 1st day of July, and the 1st day of January, the Grantee shall provide to the City of Reeds Spring, at least two (2) copies of completely revised and updated system maps showing the exact location of all lines currently installed within the City of Reeds Spring. The City of Reeds Spring has established a mapping system for its sewer and water lines and the Grantee shall utilize the same computer system and mapping program for their gas line locations so that any changes and improvements can be quickly and readily reflected upon the overall City mapping system. The City shall provide to the Grantee its water and sewer line maps and locations at any reasonable time. (See Amendment #1)

Section 5: It is provided that in the opening and filling of all openings by the Grantee, it shall re-lay the pavements and do all other work necessary to provide the complete restoration of the streets, sidewalks or grounds to the condition equally as good prior to such disturbance, and shall restore said streets, sidewalks or grounds in accordance with the "CITY OF REEDS SPRING'S TECHNICAL SPECIFICATIONS, INCLUDING ANY AMENDMENTS", and when Grantee shall open any ground in said City for the purpose of laying any gas pipe or for any other purpose whatsoever, the Grantee shall open no more space at any one time or at any one place, nor keep the same open any longer than is necessary to properly execute the work for which same shall have been opened, and it is especially required that in all cases where work requires the exercise of skill, as the laying or re-laying of pavements or sidewalks, the Grantee shall employ skilled workmen familiar with the execution of such work. The re-laying or refilling of the sidewalks and pavements, all of the repair and replacement of pavement, sidewalks and other grounds disturbed for the laying of the said pipes, shall be at the sole expense of the Grantee. Whenever any ditch or trench shall have been opened by Grantee, it will proceed with all reasonable diligence and continuous work to complete said work and close said ditch or trench without delay. The City of Reeds Spring must approve all work when completed and if restoration does not meet the City's standards, Grantee will immediately remove and replace all said work in accordance with the requirements herein specified. Nothing in this ordinance shall grant to Grantee the right or permission to enter upon private property or perform work upon private property without the prior written consent

of the owner thereof. Prior to cutting across any property owner's driveway, on public property, Grantee must notify the owner and provide alternate routes for said owner during said cut.

Section 6: Nothing in this franchise shall be construed as to in any manner abridge the right of the City to pass and enforce the necessary police regulations for the purpose of protecting the citizens of said City and their property and property of the Grantee. Grantee shall comply with all construction permitting processes of the City of Reeds Spring, including any fees and charges for issuing such permits. Grantee shall be required to post bond for its construction work or other written assurance acceptable to Reeds Spring's City Attorney.

Grantee shall at all times keep and display the necessary danger signals and proper guards around all excavations and obstructions including, but not limited to, all barricades, cones and flagmen in accordance with the latest Missouri Highway & Transportation Department Manual on work zone traffic safety and also comply with all City of Reeds Spring requirements on work zone traffic safety, and shall keep sufficient space in good condition for the travel of vehicles on at least one side of all excavations and obstructions, and shall as soon as practicable restore all openings of the highway, road, street, avenue, alley and other public places to a condition equally as good as before said openings or obstructions were made.

Section 7: The Grantee shall do no injury to any highway, road, street, avenue, alley, lane, bridge, stream or water course, park or public place, or in any manner disturb or interfere unnecessarily with any electric lines or with any public or private sewer drainage system, or water lines, now or hereinafter laid or constructed by the City or by any authorized person or corporation. Whenever because of public necessity or welfare, the City engages in any public improvement construction project on any property owned by the City or dedicated wholly or in part for public use, and a portion of Grantee's plant system interferes with or obstructs such public improvement project, Grantee shall, as soon as reasonably possible after written request from the City, alter, reset, or relocate at its own expense such portions of Grantee's plant system located on such property for which the sole legal basis for occupancy is this franchise ordinance; provided, however that where the City acquires additional property or right-of-way over Grantee's existing plant system, such alteration, resetting or relocating shall be at the expense of the City. The Grantee shall fully indemnify and save harmless the City from any and all claims for damages for which said City shall or might be made or become liable by reason of the granting of this franchise, or any negligence or carelessness on the part of said Grantee, or because of any act or omission of the Grantee in the construction and operation of its system of mains and pipes.

All easements, right-of-ways or other forms of corridors secured by the Grantee, for the purpose of providing service within the City shall be dedicated as utility easements or public right-of-ways and as such be made available, without cost for all utility use.

Section 8: The Grantee shall supply natural gas under the terms and conditions herein specified to all applicants for natural gas or service, when said applicants occupy premises on or abutting the streets, avenues, or other public places in which such gas mains or conduits are laid.

The Grantee shall have the right to make and enforce a written agreement with all applicants for natural gas; and to establish the rates to be charged for natural gas, according to Section 12 hereof and fixing the terms and conditions upon which natural gas is to be served, all in accordance with tariffs, rules and regulations approved and governed by the Missouri Public Service Commission. All such contractors are to conform to the state and federal laws and regulations governing same.

Section 9: (a) Service Line Extensions

- (1) The Grantee will furnish meters, regulators and accessories at no cost to measure the consumption of gas by the customer. The Grantee will furnish at no cost the portion of

- the service extending from the main distribution tap to the service meter.
- (II) For residential or commercial applicants, the Grantee will furnish, at its own expense an average of 125 feet of service line per meter from right-of-way line to owner's access point. Applicants requiring the installation of pipe over 125 feet will be required to pay in advance non-refundable aid-to construction charges equal to \$3.00 per foot.
 - (III) Service lines placed for industrial applicants (as defined by the tariff) will be installed and billed on an individual case basis depending on the economic feasibility of the extension.
 - (IV) All parts and portions of service line and main distribution line extensions shall remain the property of the Grantee.

(b) Main Distribution Line Extensions

- (I) When at the request of residential or commercial applicant(s), it is necessary to extend main distribution line, the Grantee will furnish at its own expense, an average of 200 feet of main distribution pipe per service meter.
- (II) For extensions in excess of the 200 feet per meter the Grantee will require an advance deposit from applicant(s) an amount equal to \$12.50 per foot. The Grantee will refund with interest a prorated share of the extension deposit to the participating customer(s) connected to the extension within a five (5) year period. After five (5) years, the Grantee will refund any unrefunded deposits above the actual cost of the extension installation.
- (III) Where an applicant along the extension refuses to participate in the extension, and within three (3) years after completion of the extension, the applicant will be considered in re-determining the cost of the original extension. The applicant then will be required to make a deposit on the prorated share of the extension as specified in (II) above.
- (IV) Customers with aid-to-construction deposits held by the Grantee as disconnecting service within the five (5) year period will not be eligible for deposit refunds.
- (v) Distribution line extensions placed for industrial customers (as defined by the tariff) will be installed and billed on an individual case basis depending on the economic feasibility of the extension.

(c) Main Distribution Line Extension to Undeveloped Subdivisions and Industrial Parks

- (I) Before the Grantee will consider extending a main distribution line to undeveloped areas, i.e., subdivisions, trailer parks, industrial parks the developer (s) must present to the Grantee a subdivided plat specifying the size and number of building lots and all planned streets, roads alleys, and available easements. Furthermore the Grantee will require the developer(s) to provide a copy of the property deed (s) and evidence that they meet all local and/or County zoning requirements. The Grantee reserves the right to develop a forecast and make a decision regarding construction of the main based on the feasibility of

- the project.
- (II) The Grantee will install distribution main lines in planned streets, roads, alleys and right-of-way along the shortest practical route provided that the requirements of this agreement are met.
 - (III) For extensions of main distribution lines into undeveloped subdivisions the Grantee will require an advance deposit from the developer an amount equal to the estimated cost of constructing such facilities.

Section 10: The Grantee shall furnish promptly to the proper authorities any and all information which may be required by them in regard to the size, location, or depths of any of the pipes, mains, conduits or service pipes, in any form whatsoever, and any other information in regard to its occupation of roads, highways, streets, avenues or public grounds of said City. Whenever the word Grantee occurs in this ordinance, it shall mean and shall be understood to be Ozark Energy Partners, LLC, and wherever the words "authorities" or "property authorities" occur in this franchise they shall mean and it shall be understood to mean the authorized officer or officers, committee or board representing the City of Reeds Spring as Grantor, and/or such state or federal authority, having jurisdiction over the installation and operation of natural gas Distribution Systems

Section 11: This franchise shall take effect and continue and remain in force to a period of twenty (20) years, from the date established by ratification by the vote of the City of Reeds Spring, of this ordinance.

Section 12: Be it further stipulated that the Grantee, shall have twenty-four (24) months from the final approval of the Public Service Commission, State of Missouri, granting a Certificate of Convenience and Necessity to Ozark Energy Partners, LLC, and not longer, in which to begin the actual laying of pipe lines and laterals for the distribution of natural gas in said City and shall furnish gas to those so promised, within two (2) years of the date beginning construction of the gas distribution system in Reeds Spring. A failure on the part of the Grantee, to comply with the foregoing provisions of this section as to the time in which to begin in the work shall render null and void this ordinance; it is further provided, however, that upon a showing by the Grantee, that the actual construction in said City has been delayed due to the Grantee's inability to secure necessary pipe or other materials, or due to acts of God, the period allowed above shall be automatically extended for an additional period as required by the delay.

Once construction has started it will continue, without pause until a predetermined phase is complete.

Grantee shall apply for a Certificate of Convenience and Necessity to the Public Service Commission, State of Missouri, or such other governmental agency as required by law granting such rights within one (1) year of the approval and ratification by the voters of the City of Reeds Spring of this ordinance and failure to do so within one year will render this ordinance null and void.

Notwithstanding such, Grantee shall have the duty to serve all applicants within the City limits as required by the Public Service Commission of Missouri.

Section 13: Be it further ordained, that the rates charged and the service

rendered for domestic, commercial and industrial consumption of natural gas shall be reasonable and as approved by the Public Service Commission or the Commission or other regulatory body then having jurisdiction over rates of public utilities having jurisdiction in the State of Missouri.

Section 14: This Ordinance shall take effect and shall be in full force and effect from and after its passage, approval and ratification by a majority of the voters of Reeds Spring, Missouri, at an election duly called and held as set out herein.

Section 15: It is hereby agreed that Grantee shall pay in annual franchise fee to the City of Reeds Spring, for the rights and privileges granted above, all based upon the gross receipts received for the sale transport or transportation of natural gas into or within the City limits of said City, exclusive of taxes, from the period and date that the first customer is served natural gas, as follows:

1st year	Zero
2nd year	2% of sales
3rd year (and thereafter)	5% of sales

It is agreed that the City may excuse from such fees any new enterprise or industry as the City so determines.

Grantee shall provide to the City of Reeds Spring a quarter-annual written report of gross sales and transportation receipts and detail the number of customers served, and provide quarter-annual payments of the then due franchise fees.

Grantee shall also provide an annual audit at Grantee's expense.

Section 16: Upon commencement of construction, Grantee shall maintain all hazard and liability insurance required in an amount of not less than \$2,000,000; and the City will be named as co-insured any and all of said policies. Grantee shall file all required proofs of insurance with the Reeds Spring city clerk and said proofs shall be filed prior to commencement of construction. Grantee shall keep all insurance coverage's in full force and effect until excused from doing so by City. A failure to maintain insurance by Grantee shall be a material breach of this Agreement and entitle City to terminate this contract and recover all incidental damages incurred due to this breach.

Section 17: This ordinance shall take effect and be in force from and after its passage and approval provided that written acceptance by Ozark Energy Partners, LLC, shall be filed with the Clerk of the City of Reeds Spring, its acceptance as provided in Section 13 thereof and recorded with the County of Stone.

Section 18: If any section, paragraph, subdivision, clause, phrase or provision of this ordinance shall be adjudged invalid or unconstitutional, the same shall not affect the validity of this ordinance as a whole, or any remaining parts of provisions, other than the part so decided to be invalid or unconstitutional.

Section 19: That an election shall be held in said City on third day of April, 2007, for the purpose of ratifying this ordinance. The City Clerk shall be and

is hereby ordered and directed to send to the County Clerk of Stone County, Missouri, such notices as are required by law.

The County Clerk is hereby requested to designate voting places in the respective wards or precincts, as follows

Voting Places

WARD 1
WARD 2

The County Clerk is hereby requested to appoint four (4) judges for each voting place and to designate two (2) of the judges for each voting place and supervisory judges, all such appointments and designations to be done in accordance with the applicable statutes.

The County Clerk is hereby requested to give notice of this election by publication of the notice hereinafter set out, as follows:

TWICE IN THE STONE COUNTY GAZETTE A LOCAL
NEWSPAPER PUBLISHED IN STONE COUNTY

The first publication of such shall occur in the second week prior to the election date, and the second publication thereof shall occur within one week prior to said election date.

That the County Clerk is hereby requested to cause the notices of said election, including a sample ballot, to be printed and published as aforesaid, the notice to be insubstantially the following form, to-wit:

NOTICE OF ELECTION

Pursuant to an Ordinance duly passed by the Board of Aldermen of the City of Reeds Spring, Missouri, and approved by the Mayor thereof, being Ordinance No. 2007-03, notice is hereby given that an election will be held in the various wards and voting precincts of said City on Tuesday, the third day of April, 2007, for the purpose of voting upon the following proposition, to-wit:

To ratify and approve said Ordinance No. 2007-03 and to grant thereby to Ozark Energy Partners, LLC, its successors and assigns, the right to use the streets, avenues, lanes, alleys, and other public grounds and ways in the City of Reeds Spring, Missouri, as its limits now to exist or may be altered, for the purpose of constructing and maintaining an underground natural gas system, with pipes, meters and other apparatus, equipment and appliances necessary therefore, subject to reasonable supervision of the Board of Aldermen as to the place of burying the pipes for said purposes; and for the purpose of procuring, distributing and selling natural gas to the City and the inhabitants thereof for power, heat and any other purpose under the regulation of the Missouri Public Service Commission for a period of twenty (20) years, all as provided in said Ordinance.

The polls will be open for said election on said day at each of the voting places prescribed herein from 6:00 o'clock in the forenoon until 7:00 o'clock in the afternoon.

SAMPLE BALLOT CARD

Shall Ordinance No. 2007-03 of the City of Reeds Spring, Missouri granting to Ozark Energy Partners, LLC, its successors and assigns, the right and franchise for a period of twenty (20) years to use the streets, alleys, and other public grounds and ways in the City of Reeds Spring, for the construction, installation, and operation of a natural gas transmission and distribution system to provide natural gas service to the City, and providing for a franchise fee on the company which will be passed through to natural gas customers, be approved and ratified?

YES
NO

INSTRUCTIONS TO VOTERS:

If you are in favor of the question, mark your ballot "YES".

If you are opposed to the question, mark your ballot "NO".

This election has been called by the City of Reeds Spring upon the order and direction of the Mayor and Board of Aldermen and is being conducted by the County Clerk of Stone County, Missouri.

Done by the County Clerk of Stone County upon order of the Mayor and Board of Aldermen of the City of Reeds Spring, Missouri, by said Ordinance No. 2007-03 duly passed and approved on the ninth day of January, 2007.

That the County Clerk is hereby requested to provide the necessary poll books, tally sheets, tally books, and other election supplies required by law and further to prepare and have printed ballot cards to be used at said election which may be tabulated by automatic tabulating equipment after being properly voted. Said ballot cards shall be in the form set forth above.

_____, County Clerk

That the county Clerk is hereby requested to provide the necessary poll books, tally sheets, tally books, and other election supplies required by law and further to prepare and have printed ballot cards to be used at said election which may be tabulated by automatic tabulating equipment after being properly voted. Said ballot cards shall be in the form set forth above.


Section 20: The City's proportional cost and expense of the election on the third day of April, 2007 shall be paid by Ozark Energy Partners, LLC.

Section 21: This Ordinance shall be in full force and effect upon its passage and approval.

Read this first time and second time and passed unanimously by the Board of Aldermen this ninth day of January 2007.


Paul Lear, Mayor

Attest:


Cynthia Kirkpatrick, City Clerk



VERIFICATION

I, Dan Epps, being duly sworn according to law, depose and say that I am Managing Director of Ozark Energy Partners, LLC; that I am authorized to and do make this verification for it; and that the facts set forth in the above Application are true and correct to the best of my knowledge, information and belief.

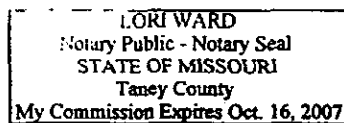
Signed: Dan Epps

TITLE: Managing Partner

SUBSCRIBED AND SWORN to me this 22 day of June, 2006.

Notary Public

Lori Ward



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

In the Matter of the Application of)	
Ozark Energy Partners, LLC)	
for a Certificate of Public Convenience and)	
Necessity to Construct and Operate an)	Case No. GA-2006-0561
Intrastate Natural Gas Pipeline and Gas Utility)	
to Serve Portions of the Missouri Counties of)	
Christian, Stone and Taney, and for)	
Establishment of Utility Rates.)	

SUPPLEMENT TO APPLICATION

COMES NOW Ozark Energy Partners, LLC (hereinafter, "Applicant" or "Ozark"), by and through counsel, and pursuant to 4 CSR 240-2.060 and 4 CSR 240-3.205 hereby files this Supplement to its Application for a certificate of convenience and necessity filed in this case on June 30, 2006, by adding the following information to the Application.

On Page 3, Paragraph 5, Kimberling City is added to the list of cities where Ozark is seeking franchises.

On Page 3, Paragraph 7, private rights-of-way is added to public rights-of-way as locations where distribution systems will be built.

On Page 8, Paragraph 17, Kimberling City is added to the list of cities where Ozark is seeking franchises.

Respectfully submitted,

/s/ William D. Steinmeier

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Myoung0654@aol.com

COUNSEL FOR OZARK ENERGY
PARTNERS, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document has been served electronically on the General Counsel's Office, the Office of the Public Counsel, and counsel for each Intervenor, on this 6th day of November 2006.

/s/ William D. Steinmeier

William D. Steinmeier

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

In the Matter of the Application of)	
Ozark Energy Partners, LLC)	
for a Certificate of Public Convenience and)	
Necessity to Construct and Operate an)	Case No. GA-2006-0561
Intrastate Natural Gas Pipeline and Gas Utility)	
to Serve Portions of the Missouri Counties of)	
Christian, Stone and Taney, and for)	
Establishment of Utility Rates.)	

SUPPLEMENT TO APPLICATION

COMES NOW Ozark Energy Partners, LLC (hereinafter, "Applicant" or "Ozark"), by and through counsel, and pursuant to 4 CSR 240-2.060 and 4 CSR 240-3.205 hereby files this Supplement to its Application for a Certificate of Convenience and Necessity filed in this case on June 30, 2006, by adding one additional city to the list of cities where Ozark is seeking franchises, and by submitting four late-filed exhibits, and one amended (updated) exhibit, to the Application as further described below.

1. Ozark is now seeking a franchise from the city of Galena to provide natural gas service there. Galena should be considered among the cities listed on Page 3, Paragraph 5, and on Page 8, Paragraph 17. (Kimberling City was previously added to the original list by Supplement to Application filed on November 6, 2006.) The addition of Galena, Missouri to the cities where Ozark is seeking franchises brings that list to: Hollister, Reeds Spring, Branson, Branson West, Highlandville, Spokane, Kimberling City and Galena.

2. Ozark further supplements its application by submitting the following late-filed Exhibits to its Application herein:

Exhibit D	Legal Description of Proposed Service Area
Exhibit E	Plat of Proposed Service Area
Exhibit F	Feasibility Study (in HC and NP versions)
Exhibit I	Municipal Franchises

3. **Exhibit D** is being filed electronically in EFIS, as a separate document in pdf format, and contains the legal description for the service area in which Ozark seeks certification. **Exhibit E** is the map or plat of the proposed service area, which coincides with the area outlined in the legal description in Exhibit D. It is being filed in two formats: electronically, in EFIS, as a separate file in pdf format, and as an original, paper copy (oversized map) physically filed with the Data Center of the Public Service Commission. **Exhibit F** is Ozark's feasibility study; it is being filed electronically in EFIS in **HC** ("Highly Confidential") and **NP** (Non-Proprietary, or public) versions, with the HC version subject to the terms of the Protective Order issued in this case on August 15, 2006, as well as the Commission's new Confidential Information rule, 4 CSR 240-2.135, which took effect on January 30, 2007.

4. In addition, **Exhibit I** is being filed electronically in EFIS, as a separate document in pdf format. It contains the franchise ordinances passed and approved, and ratified by the voters, in Kimberling City and Highlandville, and the franchise ordinances passed and approved in Hollister and Reeds

Spring. The latter two ordinances are subject to ratification by the voters in those cities in elections which are to be held on April 3, 2007.

5. Ozark also submits herewith an **Amended Exhibit A** to its Application, which includes an October 10, 2006 Amendment to its Articles of Organization. It is being filed electronically in EFIS, as a separate document in pdf format.

WHEREFORE, Ozark Energy Partners, LLC, hereby submits this Supplement to Application for consideration by the Commission.

Respectfully submitted,

/s/ William D. Steinmeier

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Myoung0654@aol.com

COUNSEL FOR OZARK ENERGY
PARTNERS, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document has been served electronically on the General Counsel's Office, the Office of the Public Counsel, and counsel for each Intervenor, on this 28th day of February 2007.

/s/ William D. Steinmeier

William D. Steinmeier

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

In the Matter of the Application of)	
Ozark Energy Partners, LLC)	
for a Certificate of Public Convenience and)	
Necessity to Construct and Operate an)	Case No. GA-2006-0561
Intrastate Natural Gas Pipeline and Gas Utility)	
to Serve Portions of the Missouri Counties of)	
Christian, Stone and Taney, and for)	
Establishment of Utility Rates.)	

SUPPLEMENT TO APPLICATION

COMES NOW Ozark Energy Partners, LLC (hereinafter, "Applicant" or "Ozark"), by and through counsel, and pursuant to 4 CSR 240-2.060 and 4 CSR 240-3.205 hereby files this Supplement to its Application for a Certificate of Convenience and Necessity filed in this case on June 30, 2006, by updating the status of municipal franchises mentioned in the Application, as further described below.

1. Exhibit I to the Application, filed on March 1, 2007, contains a copy of each of four (4) municipal franchise ordinances pertaining to Ozark Energy Partners, passed by the respective Board of Aldermen in each of the cities of Highlandville, Hollister, Kimberling City, and Reeds Spring, Missouri.

2. The Highlandville and Kimberling City franchises for Ozark Energy Partners were ratified by voters in those communities on November 7, 2006.

3. On April 3, 2007, the voters of Hollister ratified the franchise ordinance that is included in the aforementioned Exhibit I. At the suggestion of Ozark Energy Partners, the Board of Aldermen of Hollister framed that ordinance as a "dual franchise" which grants a natural gas franchise to either Alliance Gas

Energy or Ozark Energy Partners, once a certificate of public convenience and necessity is granted by the Public Service Commission.

4. Also on April 3, 2007, the voters of Reeds Spring ratified the franchise ordinance that is included in Exhibit I. Although Ozark Energy Partners had made the same suggestion to the Reeds Spring Board of Aldermen that it did to the Board in Hollister concerning the possibility of a dual franchise, the Reeds Spring franchise ordinance, as passed, approved and ratified, applies only to Ozark Energy Partners.

WHEREFORE, Ozark Energy Partners, LLC, hereby submits this Supplement to Application for consideration by the Commission.

Respectfully submitted,

/s/ William D. Steinmeier

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Myoung0654@aol.com

COUNSEL FOR OZARK ENERGY
PARTNERS, LLC

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document has been served electronically on the General Counsel's Office, the Office of the Public Counsel, and counsel for each Intervenor, on this 6th day of April 2007.

/s/ William D. Steinmeier

William D. Steinmeier

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OF COUNSEL
(573) 634-8109
FAX (573) 634-8224

April 6, 2007

VIA EFIS

Ms. Colleen M. Dale
Secretary
Missouri Public Service Commission
200 Madison Street, Suite 100
P. O. Box 360
Jefferson City, MO 65102-0360

RE: **Case No. GA-2006-0561**

In the Matter of the Application of Ozark Energy Partners, LLC for a Certificate of Convenience and Necessity to Construct and Operate an Intrastate Natural Gas Pipeline and Gas Utility to Serve Portions of the Missouri Counties of Christian, Stone and Taney, and for Establishment of Utility Rates.

Dear Ms. Dale:

Being filed contemporaneously with this cover letter, via EFIS, is a Revised Feasibility Study (HC – HIGHLY CONFIDENTIAL) of Ozark Energy Partners, LLC in the above-styled case. This is designated as "Exhibit F" to Ozark's Application of June 30, 2006.

The only changes to the Feasibility Study from the original, filed on February 28, 2007, are to the final four exhibits attached to the Study (9a, 9b, 10a and 10b). Those entire exhibits are classified as Highly Confidential, and are therefore redacted from the Non-Proprietary (NP) version of the Study also filed on February 28. Thus, the only change to the NP version is the cover sheet.

Thank you for your assistance in processing this filing.

Sincerely,

/s/ William D. Steinmeier

cc: General Counsel
Office of Public Counsel
Dan Epps

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

In the Matter of the Application of)	
Ozark Energy Partners, LLC)	
for a Certificate of Public Convenience and)	
Necessity to Construct and Operate an)	Case No. GA-2006-0561
Intrastate Natural Gas Pipeline and Gas Utility)	
to Serve Portions of the Missouri Counties of)	
Christian, Stone and Taney, and for)	
Establishment of Utility Rates.)	

SUPPLEMENT TO APPLICATION

COMES NOW Ozark Energy Partners, LLC (hereinafter, "Applicant" or "Ozark"), by and through counsel, and pursuant to 4 CSR 240-2.060 and 4 CSR 240-3.205 hereby files this Supplement to its Application for a Certificate of Convenience and Necessity filed in this case on June 30, 2006, by submitting the following documents, as further described below.

1. An **Amended Exhibit D** to the Application in this case, correcting the Legal Descriptions included in the original Exhibit D (which was filed on February 28, 2007).

2. The affidavits of Steven W. Cattron and Greg Pollard, the authors of Ozark's Feasibility Study, as amended, in this case, each as a separate pdf file.

WHEREFORE, Ozark Energy Partners, LLC, hereby submits this
Supplement to Application for consideration by the Commission.

Respectfully submitted,

/s/ William D. Steinmeier

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Myoung0654@aol.com

COUNSEL FOR OZARK ENERGY
PARTNERS, LLC

Dated: September 4, 2007

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document has been served electronically on the General Counsel's Office, the Office of the Public Counsel, and counsel for each Intervenor, on this 4th day of September 2007.

/s/ William D. Steinmeier

William D. Steinmeier