

NATURAL GAS TRANSPORTATION SPECIAL SERVICE AGREEMENT

THIS AGREEMENT, is by and between *UNION ELECTRIC COMPANY d/b/a AMEREN MISSOURI*, a Missouri corporation, its successors or assigns, hereinafter referred to as "Company," and the Transportation Customer, City of Columbia, Missouri, a municipal corporation, its successors or assigns, hereinafter referred to as "Customer," and is entered into on the date of the last signatory below.

WITNESSETH:

WHEREAS, Company owns and operates facilities for the distribution and sale of natural gas to Customer's premises; and

WHEREAS, Customer is entering into contracts for the purchase of natural gas for its own use from producers, marketers or from other suppliers and is arranging for the delivery of said gas to Company at one of its city gate stations; and

WHEREAS, Customer desires to contract with Company for the transportation of said gas through the distribution mains and pipes of Company to Customer's premises; and

WHEREAS, Company has agreed to the said request for transportation and Customer has agreed to transportation service from Company, subject to the terms and conditions of Company's Missouri Public Service Commission (Commission) approved Natural Gas Transportation Service tariffs.

NOW, THEREFORE, in consideration of the mutual covenants and agreements as herein set forth, both Company and Customer agree as follows:

ARTICLE I - SERVICE AND RATES

Company agrees to receive and transport for Customer's account quantities of natural gas up to a maximum hourly rate of 22,000 CCF and a Maximum Daily Quantity (MDQ) of 240,000 CCF per day, plus a quantity of gas for Shrinkage or Line Losses as provided for in Article III, provided that Panhandle Eastern Pipe line Company (PEPL) delivers gas to Company at a pressure greater than 500 psig and Company is able to deliver Customer gas to Customer's Premises at a pressure greater than 400 psig. Customer agrees to pay Company for all services provided under this Agreement at the applicable rate and other charges specified in Company's Commission approved Natural Gas Transportation Service tariffs, as the same may be revised from time to time.

ARTICLE II - TERMS AND CONDITIONS

This Agreement in all respects shall be and remain subject to the terms and conditions of Company's Commission approved tariffs, including without limitation its applicable rates, service classifications, riders and general rules and regulations, all of which are by this reference made a part hereof. This Agreement, including Company's Commission approved tariffs, shall be subject at all times to review, control, modification and regulation by the Commission in accordance with law.

Customer agrees that Company shall have the unilateral right to file with the Commission or any other appropriate regulatory authority and make changes effective in Company's Commission approved tariffs applicable to the service rendered hereunder. Company agrees that Customer may protest or contest such filings, and Customer does not waive any rights it may have with respect to such filings.

ARTICLE III - LINE LOSSES

In addition to collection of the rates and charges provided for in Article I above, Company shall retain the applicable percentage provided pursuant to Company's

Commission approved tariffs of the quantities received from Customer hereunder, for reimbursement in kind from Customer for shrinkage or line losses.

ARTICLE IV - TERM

This Agreement shall be effective for one (1) year and shall be automatically renewed in increments of one (1) year. Termination of this agreement is subject to the Company's Commission approved tariffs.

Any portions of this Agreement necessary to correct or cash-out imbalances under this Agreement as required by Company's Commission approved tariffs shall survive the other parts of this Agreement until such time as such balancing has been accomplished.

ARTICLE V - DELIVERY POINTS

Customer will provide for delivery to Company of the volumes of natural gas to be transported at the city gate station on the distribution system of Company which serves Customer's premises, and Company shall deliver said volumes of gas to the outlet side of the Company meter at Customer's premises. In cases where Customer is served from a "Main Line Tap," the outlet of the city gate meter and Company delivery to Customer may be one and the same. Gas transported hereunder will be delivered to Company in the state of Missouri.

ARTICLE VI - BILLING

All matters relating to billing, including, but not limited to, late payment charges and termination of service for nonpayment, shall be governed by Company's Commission approved tariffs regarding transportation service and applicable sales service.

ARTICLE VII - VOLUME OF GAS AND MEASURING EQUIPMENT

The volume of gas delivered to Customer will be that measured by the Company's meter at Customer's premises. It is Customer's responsibility to purchase or otherwise have delivered to its upstream transporter(s) sufficient quantities of gas to provide for the delivery through Company's meter. For all transport gas passing through Company's meter, 1000 CF and 1 dekatherm shall be considered equal.

Company will not be a party to solving disputes which arise between Customer, its upstream transporter(s), producers, marketers, or others, or agents of any of the above parties. Customer will be responsible for providing Customer's upstream transporter(s), producers, marketers, or others, any notices which are required by their contract for gas and delivery service.

Company reserves the right to provide a billing based on estimated quantities of gas delivered to Customer if a breakdown or other difficulty with metering equipment should occur.

Company is not in any way responsible for quality or quantity of gas delivered by a producer, marketer or other supplier to Customer's upstream transporter(s), and makes no warranties of any kind, express or implied, in such regard.

**ARTICLE VIII - QUALITY AND PRESSURE OF GAS
DELIVERED FOR TRANSPORTATION**

The gas delivered by a producer or supplier to Company for transportation to Customer shall at all times be merchantable gas continuously conforming to the specifications applicable to gas delivered to Company by Customer's upstream transporter(s). Company shall have the right to refuse delivery of any gas not conforming to those specifications.

The maintenance of 400 psig delivery pressure to Customer's Premises shall be subject to the pressure of gas delivered to Company at Company's City Gate by PEPL, system constraints, and demands of firm sales customers of Company being served at any particular time. Customer acknowledges Company may curtail deliveries to Customer's Premises of Customer owned gas arriving at the City Gate to preserve service to Company's firm customers or to facilitate the operations of its distribution system even to the extent of turning off the meter(s) at Customer's service.

Company recognizes that the gas delivered to Customer will be commingled with other gas owned by Company. Therefore, to the extent gas delivered to Customer is not the same gas received by Company for transportation hereunder, the Company warrants that such gas will meet the Company's quality standards for gas sold to Customer under the Company's applicable Commission approved rate tariffs.

ARTICLE IX - TITLE TO GAS

It is understood and agreed by the parties that in the performance of this Agreement, Company is engaged in a transportation service only and that ownership of the gas transported will at all times remain vested in Customer.

Customer hereby warrants its title to all gas delivered to Company hereunder and that such gas shall be free and clear from all liens, claims, and encumbrances whatsoever.

Company shall have no liability or responsibility for control of the gas to be transported until it is received by the Company from Customer's upstream transporter(s) at the point of interchange between the Company and Customer's upstream transporter(s). From such point, said gas shall be in the exclusive control of Company until redelivered to Customer's premises and Company shall be solely responsible for loss of (except as otherwise provided herein with respect to line losses or shrinkage), and damage caused by said gas.

ARTICLE X - LIABILITIES

Each party hereto assumes full responsibility and liability for its negligence in the operation of facilities owned by it or otherwise in connection with the purchase and/or transportation of gas. If gas service is discontinued by Customer's supplier for whatever reason, Customer agrees to waive with respect to Company any loss, claim, damage, or expense that Customer may incur by reason of such discontinuance.

ARTICLE XI - REPRESENTATIONS

Customer represents and warrants that if it uses natural gas primarily to heat a premise that provides temporary or permanent living quarters for individuals that: (i) it has contracted for primary firm capacity with the upstream supplying intrastate and/or interstate pipelines to meet Customer's peak needs or (ii) it has adequate and usable alternative fuel facilities to meet Customer's energy needs. In connection with representation (i) above, Customer agrees to provide Company copies of all of its contract(s) for primary firm upstream transportation capacity. Customer agrees to permit Company to inspect Customer's premises to verify its compliance with representation (ii) above. These representations and warranties shall survive the execution and delivery of this Agreement and shall continue in force throughout the term of this Agreement.

ARTICLE XII - NOTICES

Any notice or notices given by either party under the terms of this Agreement shall be sent by certified mail to the following addresses:

To Company: Union Electric Company
d/b/a Ameren Missouri
1901 Chouteau Avenue
P.O. Box 66149
St. Louis, MO 63166-6149
Attn: Steve Wills, MC1450
Director-Rates & Analysis

Customer: City of Columbia
Water & Light Department
PO Box 6015
Columbia, MO 65205-6015
Attn: Christian Johanningmeier, PE
Power Production Superintendent

or to such other addresses as either party may from time to time designate in writing.

The parties agree to notify the other of the name and address of the person or persons authorized to act for the party in respect to the routine operating matters under this Agreement and routine operating requests, reports, billings, and other matters of a routine nature shall, upon such notification, be directed to the persons so designated.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto, in consideration of the agreements contained herein, have caused this Agreement to be executed by their duly authorized officials as of the date of the last signatory to this Agreement.

CITY OF COLUMBIA, MISSOURI

By: _____
Mike Matthes, City Manager

Date: _____

ATTEST:

By: _____
Sheela Amin, City Clerk

APPROVED AS TO FORM:

By: _____
Nancy Thompson, City Attorney

UNION ELECTRIC COMPANY

By: _____

Title: _____

Date: _____